

## 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.

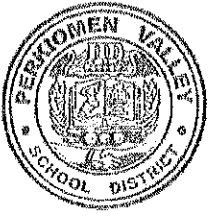
Within **120 business days** of the publication of the audit listed below, the school district must submit a response to the Department detailing the adoption of the Department's recommendations, or the reason why recommendations have not been adopted.

<b>AUN:</b>	123466103	<b>School:</b>	Perkiomen Valley School District	<b>CAN:</b>	116681
<b>Audit Period:</b>	July 1, 2014 to June 30, 2018	<b>Findings:</b>	Two	<b>Recommendations:</b>	Eight

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

The District agrees with the findings and recommendations and has implemented sufficient processes and protocols in place to address these concerns. (See attachments.)

**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.



# Perkiomen Valley School District

*What Will You Learn Today?*

June 15, 2020

Pennsylvania Department of Education  
Bureau of Budget and Fiscal Management  
Division of Budget  
333 Market Street- 4th Floor  
Harrisburg, Pennsylvania 17126-0333

To Whom it May Concern,

This letter is prepared in response to the Perkiomen Valley School District Auditor General's Local Education Agency Performance Audit report dated May 28, 2020. The audit review period extended from July 1, 2014 through June 30, 2018.

The documentation herein includes the District's response to the findings and its Corrective Action Plan (CAP):

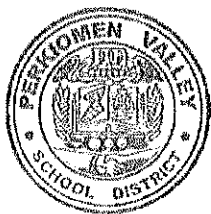
**Finding A- "Inaccurately reported transportation data to the PDE resulting in an underpayment to the district of \$332,155"**

**District Response-** District Management agrees with the Finding. The District has developed a *Procedures Manual* to track, evaluate, review and verify all numerical data sent to the State for transportation reimbursement purposes. Protocols established include verification by several individuals in the organization to confirm accuracy of information. District administration developed this updated process while State auditors were onsite for the review. The auditors expressed agreement with the updated protocol and the likelihood it will assist in eliminating future issues.

**Finding B- "Inaccurately reported the number of Nonpublic school and charter school students transported resulting in an overpayment of \$50,820"**

**District Response-** District Management agrees with the Finding. In addition to the transportation company's recordkeeping, the District is tracking all students transported to nonpublic and charter schools in a newly organized and separate file. Updated procedures are in place for the District registrar and the contracted transportation company to provide careful oversight to any changes that occur over the course of the school year. The State auditors have reviewed the recordkeeping system and agree with the likelihood it will yield increased accuracy.

The District has included the updated *Procedures Manual* as part of this response which State auditors were helpful in developing. The information has been presented to the Perkiomen Valley Board of School Directors and referenced in preparation of the 2018-2019 transportation information being provided to PDE. Additionally, District administration will meet quarterly with the contracted transportation company to review that best practices for transportation are consistently employed. Necessary revisions will be made to



# Perkiomen Valley School District

---

*What Will You Learn Today?*

Pennsylvania Department of Education  
Performance Audit - July 1, 2014 to June 30, 2018  
Page 2 of 2

established procedures when relevant information is communicated from organizations such as PSBA or PASBO.

The Perkiomen Valley School District Board of School Directors reviewed and approved the Corrective Action Plan on April 13, 2020. Minutes from this public meeting are included with this response. The information contained herein is also being sent to Mr. Clayton P. Carroll via email as directed by the agency in the official letter received on May 28, 2020.

Do not hesitate to contact me with questions.

Sincerely,

A handwritten signature in cursive script that reads "Barbara A. Russell".

Barbara A. Russell, Ed.D.  
Superintendent

Department of the Auditor General  
Bureau of School Audits

Management Reply

LEA: Perkiomen Valley School District

Date: 3/18/20

Audit Period: July 1, 2014 – June 30, 2018

Date Due: 4/1/20

Title: The District Inaccurately Reported the Number of Nonpublic School and Charter School Students Transported Resulting in an Overpayment of \$50,820

- Management agrees with the Finding
- Management disagrees with the Finding
- 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.)

The District has actively begun to enforce tracking all students that are transported for nonpublic and charter schools via integrated technology (Google Docs) that forces the District registrar and contracted transportation company to track the multiple placements and changes throughout the school years. The State auditors have seen the recent changes with the documents and agree that this will facilitate better tracking procedures immediately.

Additional pages attached: Yes  No

Signatures and Date:

Barbara A. Russell 4/24/2020  
Superintendent, Ex. Director, Director

[Signature] 4/24/2020  
Business Manager  
Asst to Superintendent - Business Admin.



Commonwealth of Pennsylvania  
Department of the Auditor General  
Harrisburg, PA 17120-0018  
Facebook: Pennsylvania Auditor General  
Twitter: @PAAuditorGen  
www.PaAuditor.gov

EUGENE A. DEPASQUALE  
AUDITOR GENERAL

Perkiomen Valley School District  
July 1, 2014 through June 30, 2018

DRAFT Finding

**IMPORTANT DISCLAIMER:** The Pennsylvania Department of the Auditor General's preliminary audit information and draft audit reports are subject to further analysis and revision and are not to be considered final. Therefore, this document is a preliminary draft, is made available for discussion purposes only, and is not to be considered a final public document. It is your responsibility to safeguard this document against unauthorized use and strictly limit and control the sharing of the audit information and the distribution of the draft audit findings. Limiting the circulation of this information and the draft findings is critical in maintaining the integrity of the Department's audit process. In addition, due to the preliminary nature of the audit information and the draft findings and recommendations, early disclosure could result in the dissemination of erroneous and incomplete audit information and recommendations. The RighttoKnow Law's exceptions entirely protect any of DAG's work papers and investigative materials, notes, correspondence and reports from unauthorized use and/or disclosure. Unauthorized use and/or disclosure of preliminary audit information and draft audit findings will be pursued by the Department through civil litigation to the fullest extent allowed by law. Please see Section 1602 of Article XVI of The Fiscal Code, which is part of the Department's inquisitorial powers, 72 P.S. § 1602.

January 30, 2020

## Finding

### Finding

### The District Inaccurately Reported the Number of Nonpublic School and Charter School Students Transported Resulting in an Overpayment of \$50,820

*Criteria relevant to the finding:*

**Supplemental Transportation Subsidy for Public Charter School and Nonpublic School Students**

The Charter School Law (CSL), through its reference to Section 2509.3 of the Public School Code, provides for an additional, per student subsidy for the transportation of charter school students. See 24 P.S. § 17-1726-A(a); 24 P.S. § 25-2509.3.

Section 1726-A(a) of the CSL (as cited above) addresses the transportation of charter school students in that: “[s]tudents who attend a charter school located in their school district of residence, a regional charter school of which the school district is a part or a charter school located outside district boundaries at a distance not exceeding ten (10) miles by the nearest public highway shall be provided free transportation to the charter school by their school district of residence on such dates and periods that the charter school is in regular session whether or not transportation is provided on such dates and periods to students attending schools of the district...”

*Criteria relevant to the finding (continued):*

The Perkiomen Valley School District (District) was overpaid a total of \$50,820 in net transportation reimbursements from the Pennsylvania Department of Education (PDE). This overpayment was due to the District inaccurately reporting the number of nonpublic school and charter school students transported by the District during the 2014-15, 2015-16, 2016-17, and 2017-18 school years.

School districts receive two separate transportation reimbursement payments from PDE. One reimbursement is broadly based on the number of students transported, the number of days each vehicle was used for transporting students, and the number of miles that vehicles are in service, both with and without students (regular transportation reimbursement). The other reimbursement is based on the number of nonpublic school and charter school students transported (supplemental transportation reimbursement). The issues discussed in this finding pertain to the District’s supplemental transportation reimbursements.

According to the Public School Code (PSC), a nonpublic school is defined, in pertinent part, as a nonprofit school other than a public school within the Commonwealth of Pennsylvania, wherein a resident of the Commonwealth may legally fulfill the compulsory school attendance requirements.<sup>1</sup> The PSC requires school districts to provide transportation services to students who reside in its district and who attend a charter school or nonpublic school, and it provides for a reimbursement from the Commonwealth of \$385 for each nonpublic school student transported by the district. This reimbursement was made applicable to the transportation of charter school students pursuant to an equivalent provision in the Charter School Law, which refers to Section 2509.3 of the PSC.<sup>2</sup>

It is also important to note that the PSC requires that all school districts must annually file a sworn statement of student transportation data for the prior and current school year with PDE in order to be eligible for the transportation subsidies. The District completed this sworn statement for all four school years discussed in this finding. An official signing a sworn statement must be aware that by submitting the transportation data to PDE,

<sup>1</sup> See Section 922.1-A(b) (relating to “Definitions”) of the PSC, 24 P.S. § 9-922.1-A(b).

<sup>2</sup> See 24 P.S. § 17-1726-A(a) which refers to 24 P.S. § 25-2509.3. A charter school is an independent public school and educates public school students within the applicable school district. See 24 P.S. § 17-1703-A (relating to “Definitions”).

Section 1726-A(a) of the CSL further provides for districts to receive a state subsidy for transporting charter school students both within and outside district boundaries in that: “[d]istricts providing transportation to a charter school outside the district and, for the 2007-2008 school year and each school year thereafter, districts providing transportation to a charter school within the district shall be eligible for payments under section 2509.3 for each public school student transported.”

Section 2509.3 of the PSC provides that each school district shall receive a supplemental transportation payment of \$385 for each nonpublic school student transported. This payment provision is also applicable to charter school students through Section 1726-A(a) of the CSL. See 24 P.S. § 17-1726-A(a); 24 P.S. § 25-2509.3.

**Sworn Statement and Annual Filing Requirements:**

Section 2543 of the PSC sets forth the requirement for school districts to annually file a **sworn statement** of student transportation data for the prior and current school year with the PDE in order to be eligible for the transportation subsidies. See 24 P.S. § 25-2543.

he/she is asserting that the information is true and that they have verified evidence of accuracy.<sup>3</sup>

The following table summarizes the District’s nonpublic school and charter school student reporting errors by school year and the resulting net cumulative overpayment:

<b>Perkiomen Valley School District Nonpublic School Reporting Errors</b>			
<b>School Year</b>	<b>Nonpublic Students Over Reported</b>	<b>Charter School Students Over/(Under) Reported</b>	<b>Overpayment</b>
<b>2014-15</b>	64	1	\$ 25,025
<b>2015-16</b>	26	1	\$ 10,395
<b>2016-17</b>	27	(4)	\$ 8,855
<b>2017-18</b>	16	1	\$ 6,545
<b>Total</b>	<b>133</b>	<b>(1)</b>	<b>\$ 50,820</b>

For each year of the audit period the District was unable to provide a listing of nonpublic and charter school students that agreed to the totals reported to PDE. During the 2014-15 through 2016-17 school years, the District relied on its transportation contractor to report to the District the number of nonpublic school and charter school students transported. The District annually reported the numbers to PDE provided by its transportation contractor without requiring supporting documentation for the number of students transported.

We obtained the supporting documentation for the number of nonpublic school and charter school students reported to PDE and found that the District inaccurately reported students for reimbursement who attended nonpublic/charter school students, but were not transported by the District. During the 2016-17 school year, the District under reported the number of charter schools students due to failing to report charter school students transported who were not transported for the entire school year. It is important to note that if a district transports one nonpublic school or charter school student for at least one day then the District is eligible for reimbursement for that student.

During the 2017-18 school year, the District took a more active role in identifying the number of nonpublic school and charter school students transported by its transportation contractor. The District started a new

<sup>3</sup> Please note that while a sworn statement is different from an affidavit, in that a sworn statement is not typically signed or certified by a notary public but are, nonetheless, taken under oath. See <https://legaldictionary.net/sworn-statement/> (accessed October 28, 2019).

<sup>4</sup> The District reported 750 nonpublic and 29 charter students transported to the PDE during the 2014-15 school year, 724 nonpublic and 37 charter students during the 2015-16 school year, 665 nonpublic and 27 charter student for the 2016-17 school year, and 630 nonpublic and 24 charter students for the 2017-18 school year.

<sup>5</sup> The overpayment is computed by multiplying the net amount of Nonpublic and Charter School students reported by \$385.

3. Ensure personnel in charge of calculating and reporting the number of nonpublic school students transported by the District are trained with regard to PDE's reporting requirements.

The *Pennsylvania Department of Education* should:

4. Adjust the District's future transportation subsidy to resolve the \$50,820 overpayment to the District.



Department of the Auditor General  
Bureau of School Audits

Management Reply

LEA: Perkiomen Valley School District

Date: 3/18/20

Audit Period: July 1, 2014 – June 30, 2018

Date Due: 4/1/20

Title: The District Inaccurately Reported Transportation Data to the PDE Resulting in an Underpayment to the District of \$332,155

- Management agrees with the Finding
- Management disagrees with the Finding
- 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.)

The District had developed a Procedures Manual to effectively eliminate this issue moving forward. The upgraded Manual includes procedures to track, evaluate, review and finalize all figures that are sent to the State for transportation reimbursement purposes. Additionally, the documentation now includes specific signatures that are required to ensure proper care and attention to detail by all. The State auditors have reviewed this document and agree this will eliminate any issues in the future.

Additional pages attached: Yes  No

Signatures and Date:

Barbara A. Russell 4/20/2020  
Superintendent, Ex. Director, Director

[Signature] 4/24/2020  
Business Manager  
Asst to Superintendent - Business Admin



Commonwealth of Pennsylvania  
Department of the Auditor General  
Harrisburg, PA 17120-0018  
Facebook: Pennsylvania Auditor General  
Twitter: @PAAuditorGen  
www.PaAuditor.gov

EUGENE A. DEPASQUALE  
AUDITOR GENERAL

Perkiomen Valley School District  
July 1, 2014 through June 30, 2018

### DRAFT Finding

**IMPORTANT DISCLAIMER:** The Pennsylvania Department of the Auditor General's preliminary audit information and draft audit reports are subject to further analysis and revision and are not to be considered final. Therefore, this document is a preliminary draft, is made available for discussion purposes only, and is not to be considered a final public document. It is your responsibility to safeguard this document against unauthorized use and strictly limit and control the sharing of the audit information and the distribution of the draft audit findings. Limiting the circulation of this information and the draft findings is critical in maintaining the integrity of the Department's audit process. In addition, due to the preliminary nature of the audit information and the draft findings and recommendations, early disclosure could result in the dissemination of erroneous and incomplete audit information and recommendations. The RighttoKnow Law's exceptions entirely protect any of DAG's work papers and investigative materials, notes, correspondence and reports from unauthorized use and/or disclosure. Unauthorized use and/or disclosure of preliminary audit information and draft audit findings will be pursued by the Department through civil litigation to the fullest extent allowed by law. Please see Section 1602 of Article XVI of The Fiscal Code, which is part of the Department's inquisitorial powers, 72 P.S. § 1602.

March 13, 2020

## Finding

### Finding No. 1

### The District Inaccurately Reported Transportation Data to the PDE Resulting in an Underpayment to the District of \$332,155

#### *Criteria relevant to the finding:*

##### **Student Transportation Subsidy**

The Public School Code (PSC) provides that school districts receive a transportation subsidy for most students who are provided transportation. Section 2541 (relating to Payments on account of pupil transportation) of the PSC specifies the transportation formula and criteria. See 24 P.S. § 25-2541.

##### **Total Students Transported**

Section 2541(a) of the PSC states, in part: "School districts shall be paid by the commonwealth for every school year on account of pupil transportation which, and the means and contracts providing for which, have been approved by the Department of Education, in the cases hereinafter enumerated, an amount to be determined by multiplying the cost of approved reimbursable pupils transportation incurred by the district by the district's aid ratio. In determining the formula for the cost of approved reimbursable transportation, the Secretary of Education may prescribe the methods of determining approved mileages and the utilized passenger capacity of vehicles for reimbursement purposes." See 24 P.S. § 25-2541(a).

##### **Sworn Statement and Annual Filing Requirements**

Section 2543 of the PSC sets forth the requirement for school districts to annually file a sworn statement of student transportation data for the prior and current school year with PDE in order to be eligible for the transportation subsidies. See 24 P.S. § 25-2543.

#### *Criteria relevant to the finding (continued):*

The District was underpaid \$332,155 in transportation reimbursements from the Pennsylvania Department of Education (PDE). This underpayment was due to the District's failure to report all vehicles used to transport District students during the 2014-15, 2016-17, and the 2017-18 school years.<sup>1</sup> As a result of underreporting the number of vehicles used to transport students, the District underreported the number of students transported and the number of miles students were transported to PDE.

Districts receive two separate transportation reimbursement payments from PDE. One reimbursement is based on the number of students transported, the number of days each vehicle was used to transport students, and the number of miles vehicles were in service both with and without students (i.e., regular transportation reimbursement). The other reimbursement is based on the number of charter school and nonpublic school students transported (i.e., supplemental transportation reimbursement). The issues and errors we identified in this finding impact the District's regular transportation reimbursement. See Finding No. 2 of this report for more discussion of the District's supplemental transportation reimbursement.

Regular transportation reimbursement is based on several components that are reported by the District to PDE for use in calculating the District's annual reimbursement amount. These components include, but are not limited to, the following:

- Total number of days each vehicle was used to transport students to and from school.
- Miles traveled with and without students for each vehicle.
- Number of students assigned to each vehicle.

Since the above listed components are integral to the calculation of the District's regular transportation reimbursement, it is essential for the District to properly calculate, record, and report this information to PDE. The foundational element of this process is identifying all the vehicles that were used to transport students so the District has the complete components prior to reporting data to PDE.

<sup>1</sup> The District accurately reported the number of vehicles used to transport students during the 2015-16 school year.

Section 2543 of the PSC, which is entitled, “Sworn statement of amount expended for reimbursable transportation; payment; withholding” of the PSC states, in part: “Annually, each school district entitled to reimbursement on account of pupil transportation shall provide in a format prescribed by the Secretary of Education, data pertaining to pupil transportation for the prior and current school year. . . . The Department of Education may, for cause specified by it, withhold such reimbursement, in any given case, permanently, or until the school district has complied with the law or regulations of the State Board of Education.” (Emphasis added.) Ibid.

**PDE instructions for Local Education Agencies (LEA) on how to complete the PDE-1049. The PDE-1049 is the electronic form used by LEAs to submit transportation data annually to PDE.**

<http://www.education.pa.gov/Documents/Teachers-Administrators/Pupil%20Transportation/eTran%20Application%20Instructions/PupilTransp%20Instructions%20PDE%201049.pdf> (accessed 1/16/20)

Pupils Assigned – Report the greatest number of pupils assigned to ride this vehicle at any one time during the day. Report the number of pupils assigned to the nearest tenth. The number cannot exceed the seating capacity. If the number of pupils assigned changed during the year, calculate a weighted average or a sample average.

It is also important to note that the Public School Code (PSC) requires that all school districts annually file a sworn statement of student transportation data for the prior and current school years with PDE in order to be eligible for transportation reimbursements. The Perkiomen Valley School District completed this sworn statement for all four school years discussed in this finding. It is essential that the District accurately report transportation data to PDE and retain the support for this transportation data. Further, the sworn statement of student transportation data should not be filed with the state Secretary of Education unless the data has been double-checked for accuracy by personnel trained on PDE’s reporting requirements. An official signing a sworn statement must be aware that by submitting the transportation data to PDE, he/she is asserting that the information is true and that they have verified evidence of accuracy.<sup>2</sup>

The table below illustrates the number of vehicles not reported to PDE for reimbursement, the mileage and number of students under-reported, and the resulting underpayment to the District.

Perkiomen Valley School District				
Student Transportation Data				
School Year	Number of Vehicles Not Reported to PDE <sup>3</sup>	Mileage Underreported to PDE	Number of Students Not Reported to PDE	Underpayment
2014-15	8	50,705	18	\$ 46,094
2016-17	12	147,566	88	\$140,200
2017-18	5	35,567	253	\$145,861
<b>Total:</b>	<b>388</b>	<b>233,838</b>	<b>359</b>	<b>\$332,155</b>

The District contracted with a vendor to provide transportation services to District students during the audit period. The District was reliant on its transportation contractor to provide it with all of the components necessary to report transportation data to PDE for reimbursements. The District’s transportation contractor annually compiled the miles traveled with and without students, number of students transported, and number of days in service for each vehicle. The District was provided with this information in one document and was responsible for reporting this information to PDE for reimbursement, but the District did not include all of the information received from the contractor in its submission to PDE.

The District lacked internal controls over the reporting of transportation data. The District was entirely reliant on its contractor to compile the information and did not have a documented process for the review of the

<sup>2</sup> Please note that while a sworn statement is different from an affidavit, in that a sworn statement is not typically signed or certified by a notary public but are, nonetheless, taken under oath. See <https://legaldictionary.net/sworn-statement/> (accessed September 4, 2019).

<sup>3</sup> The District reported 136 vehicles during the 2014-15 school year, 122 during the 2016-17 school year, and 130 during the 2017-18 school year.

*Criteria relevant to the finding  
(continued):*

Daily Miles With

Report the number of miles per day, to the nearest tenth, that the vehicle traveled with pupils. If this figure changed during the year, calculate a weighted average or sample average.

Daily Miles Without

Report the number of miles per day, to the nearest tenth, that the vehicle traveled without pupils. If this figure changed during the year, calculate a weighted average or sample average.

**PDE INSTRUCTIONS FOR  
WORKSHEET COMPLETION  
WORKSHEET FOR  
COMPUTING SAMPLE  
AVERAGES**

Record the vehicle odometer readings on or about July 1 prior to the beginning of the school year and on or about July 1 at the end of the school year. The two readings should be about one year apart. After the second reading, subtract the beginning of the year odometer reading from the end of the year odometer reading to determine the annual odometer mileage.

Once during each month, from October through May, for to-and-from school transportation, measure and record:

1. The number of miles the vehicle traveled with students,
2. The number of miles the vehicle traveled without students,
3. The greatest number of students assigned to ride the vehicle at any one time during the day.

At the end of the school year, calculate the average of the eight measurements for each of the three variables calculated to the nearest tenth. These averages are called sample averages.

data prior to submission. The District official responsible for reporting this data had multiple other job duties and the District did not have anyone else reviewing the data prior to reporting the data to PDE. A reconciliation of the transportation data provided by the contractor to the information submitted to PDE would have revealed the District's failure to report all vehicles for the 2014-15, 2016-17, and 2017-18 school years.

District officials attributed the failure to report to PDE complete transportation data partially to formatting errors that led to vehicles not appearing on the report when the District officials printed out the summary information provided by its transportation contractor. Additionally, the District stated that the errors made for the 2017-18 school year were the result of a miscommunication between the District and its contractor concerning the number of "new buses" during that school year. However, when we reviewed the summary documentation provided by the District's contractor, the vehicles not reported to PDE did not conform to the pattern suggested by the District. Further, when we reviewed the number of vehicles reported for the 2016-17 and 2017-18 school years, the reported numbers did not support the District statements.

It was evident during our review that the District was dependent on its transportation contractor to calculate and compile the transportation data required to be reported to PDE. Also, the District did not review this data for accuracy or take steps to ensure that the data was accurately reported to PDE. The District's failure to institute internal controls over the reporting of its transportation directly led to the District receiving \$332,155 less in reimbursement than it was eligible to receive during the audit period.

We provided PDE with reports detailing the transportation reporting errors for the 2014-15, 2016-17, and 2017-18 school years. PDE requires these reports to verify the underpayment to the District. The District's future transportation subsidies should be adjusted by the amount of the underpayment.

**Recommendations**

The *Perkiomen Valley School District* should:

1. Ensure personnel in charge of calculating and reporting transportation data are trained with regard to PDE's reporting requirements.
2. Develop written procedures for transportation reporting. These procedures should include a review of transportation data by an individual other than the person who prepared the data to provide additional assurance of the accuracy of the information before it is submitted to PDE.

*Criteria relevant to the finding*

(continued):

The annual odometer mileage and the sample averages determined by the above methods should be used to complete the PDE-1049, end-of-year pupil transportation report in the eTran system.

Use of this specific form is not a PDE requirement; it has been designed and provided as a service to local education agencies that wish to use it for recording and calculating data that is reported to PDE on the PDE-1049 report in eTran. If used, this form, along with the source documentation that supports the data, should be retained for auditor review.

<https://www.education.pa.gov/Documents/Teachers-Administrators/Pupil%20Transportation/eTran%20Application%20Instructions/PupilTransp%20Instructions%20SampleAverageWorksheet.pdf>

3. Review transportation reports completed for the 2018-19 school years and, if necessary, submit revised reports to PDE.
4. Perform a reconciliation of bus contractor invoices to vehicles reported to PDE to ensure that all permissible vehicles have been reported to PDE for reimbursement.

The *Pennsylvania Department of Education* should:

5. Adjust the District's future transportation subsidy to resolve the \$332,155 underpayment.

**Agenda Item Details**

Meeting	Apr 13, 2020 - Business Meeting
Category	5. BUSINESS- Mr. Dorr
Subject	5.06 [CONSENT] Approval of State Audit Findings and Corrective Action Plans
Access	Public
Type	Action (Consent)
Recommended Action	MOTION: to accept and approve the findings from the State auditors as presented by the Assistant to the Superintendent for Business Administration and to agree on the Corrective Action Plans specifically designed by Administration to address these issues.

**Public Content**

Board action is requested to accept and approve the findings from the State auditors as presented by the Assistant to the Superintendent for Business Administration and to agree on the Corrective Action Plans specifically designed by Administration to address these issues.

**Administrative Content**[PerkiomenValleySD.TransportationNonPublicCharter.pdf \(147 KB\)](#)[PerkiomenValleySD.TransportationBusData.pdf \(243 KB\)](#)[CAN\\_Axxx\\_MgtReplyNP-Charter1.pdf \(10 KB\)](#)[CAN\\_Axxx\\_MgtReplyBusData1.pdf \(10 KB\)](#)[PVSD BUS TRANSPORTATION & Subsidy guidelines V2 \(1\).pdf \(330 KB\)](#)**Executive Content****Motion & Voting**

MOTION: to approve the consent agenda developed on April 6, 2020.

Motion by Wayde Weston, second by Gene Halus.

Final Resolution: Motion Carries

Yea: Matthew Dorr, Sarah Evans-Brockett, Gene Halus, Reena Kolar, Judy Lofton, Kim Mares, Beth Roberts, Wayde Weston, Laura R White



### Agenda Item Details

Meeting	Apr 13, 2020 - Business Meeting
Category	5. BUSINESS- Mr. Dorr
Subject	5.06 [CONSENT] Approval of State Audit Findings and Corrective Action Plans
Access	Public
Type	Action (Consent)
Recommended Action	MOTION: to accept and approve the findings from the State auditors as presented by the Assistant to the Superintendent for Business Administration and to agree on the Corrective Action Plans specifically designed by Administration to address these issues.

### Public Content

Board action is requested to accept and approve the findings from the State auditors as presented by the Assistant to the Superintendent for Business Administration and to agree on the Corrective Action Plans specifically designed by Administration to address these issues.

### Administrative Content

[PerkiomenValleySD.TransportationNonPublicCharter.pdf \(147 KB\)](#)

[PerkiomenValleySD.TransportationBusData.pdf \(243 KB\)](#)

[CAN\\_Axxx\\_MgtReplyNP-Charter1.pdf \(10 KB\)](#)

[CAN\\_Axxx\\_MgtReplyBusData1.pdf \(10 KB\)](#)

[PVSD BUS TRANSPORTATION & Subsidy guidelines V2 \(1\).pdf \(330 KB\)](#)

### Executive Content

### Motion & Voting

MOTION: to approve the consent agenda developed on April 6, 2020.

Motion by Wayde Weston, second by Gene Halus.

Final Resolution: Motion Carries

Yea: Matthew Dorr, Sarah Evans-Brockett, Gene Halus, Reena Kolar, Judy Lofton, Kim Mares, Beth Roberts, Wayde Weston, Laura R White



PERKIOMEN VALLEY SCHOOL DISTRICT  
SCHOOL TRANSPORTATION ACCOUNTING AND REPORTING GUIDELINES

These guidelines are being provided to properly account and report critical information in the transportation of students for the Perkiomen Valley School District. The information is intended for the use by our transportation contractor and the district in order to maximize potential transportation subsidy reimbursement for the betterment of the overall financial structure of the district.

Table of Contents/Index

- Transportation Contractor Responsibilities
  - ◆ Transportation software- Versatrans and Data
  - ◆ Transportation documents specific to subsidy
  - ◆ State reporting requirements
  - ◆ Additional requirements for Non-Public Transportation
- School District Responsibilities
  - ◆ Student information
  - ◆ Notification system to adjust for student changes
  - ◆ State reporting requirements
  - ◆ Additional requirements for Non-Public Transportation
- Audit Responsibilities and guidelines
  - ◆ End of year information to be shared and jointly reviewed
  - ◆ Timelines for reports to be shared and reviewed
  - ◆ Reconciliation documents needed
- Signature pages required
- Availability of STA employees for state audit
- Overview of documents required
- Other

## **1. Transportation Contractor Responsibilities**

### **a. Transportation Contractor Responsibilities- Software- VersaTrans and Data**

The Perkiomen Valley School District has entered into a contract with STA (local branch in Collegeville- National HQ in South Carolina) for the purposes of providing transportation to students of the district. The transportation is expected to be as safe, reliable, competent and efficient as possible. The contract between the two entities clearly establishes expectations to meet this overall demand as agreed. This expectation level is marked in Section 6 Routes and Schedules where it states "The Contractor acquired and continues to operate a computerized routing system (VersaTrans) that will provide the District with maximized state reimbursement of student transportation."

**The specific requirement for STA to provide state reimbursement information is provided within the current contract; Section 22 Record Keeping and Repairs where it provides "The Contractor agrees to keep and file in a timely manner any records or reports as may be required by the District and/or the Pennsylvania Department of Education and Department of Transportation including, but not limited to, a passenger count, mileage, vehicle identification, dispatching information maintenance and fuel records, complaint logs and disciplinary reports. The Contractor will provide the required information for completing the PDE State Transportation Report each year."**

The data is compiled throughout the school year and kept entirely on STA servers as the sole area for access and storage to this information. It is thereby imperative that STA have the most accurate information available at all times.

#### **Types of data to be stored**

The following information shall be stored within the VersaTrans software:

- Bus numbers
- Bus routes
- Total number of students transported by bus and in total
- Bus miles with students on board
- Bus miles without students on board
- Hazardous roads maps and backup data
- Video backup from vehicle cameras as warranted

It is recognized that STA utilizes VersaTrans as their transportation software for the collection and storage of this data. Other backup copies of this information should be stored utilizing "Best practices for storage data in technology" at all times. Paper copies may also be needed for daily mileage sheets, special van/bus requests for athletics or other purposes and individual school to transportation for communication purposes specific to school disciplinary issues (if action occurs on a school vehicle).

**b. Transportation Contractor Responsibilities- Documents specific to subsidy**

The specific requirement for STA to provide state reimbursement information is provided within the current contract; Section 22 Record Keeping and Repairs where it provides "The Contractor agrees to keep and file in a timely manner any records or reports as may be required by the District and/or the Pennsylvania Department of Education and Department of Transportation including, but not limited to, a passenger count, mileage, vehicle identification, dispatching information maintenance and fuel records, complaint logs and disciplinary reports. The Contractor will provide the required information for completing the PDE State Transportation Report each year."

STA must prepare, review, analyze and upload information directly into the eTran portal provided by the Commonwealth of Pennsylvania. STA shall prepare, review and furnish to the district the following information:

- A list of all vehicles that are "new" to the PVSD Fleet of buses for the year. This list is separate and shall be furnished directly to the Director of Operations and the Director of Finance for the district
- A complete Mileage Recap which lists vehicle, totals of miles with and without students, number of students on a monthly and summary aggregate total
- The Mileage Recap shall also include beginning and ending odometer reading along with an actual total miles and days for purposes specific to uploading information into the Pennsylvania eTran template
- The Mileage Recap report represents the data that supports the information entered into eTran system and shall be the final agreed to figures subject to State and Local audits
- This information shall be provided on or before August 15 of the following fiscal year (for the previous fiscal year)

Once this initial review data is provided, it is the expectation that STA continue to provide updated analysis and backup to verify all data in the eTran system.

**STA shall sign off on all final data backup reports. This signoff will include the STA Routing Specialist for Public and Non-Public Transportation, the Terminal Manager and the General Manager of Eastern Pennsylvania and will be an affirmative of the data being presented by STA to the district. All final data backup reports shall be signed off on by STA representatives, the Director of Operations, the Director of Finance and the Assistant to the Superintendent-Business Administration for final presentation and signature by the Superintendent of Schools (who signs the final document).**

The expectation is that STA produces and maintains finalized backup data for each variable in the eTran system for at least 7 years.

**c. State Reporting requirements**

STA is responsible for entering all public and private student transportation information into the eTran system. The following reports are to be utilized specifically to meet this criteria:

- PDE-1049 EOY Transportation Report
- PDE-2089 Summary of Pupils Transported
- PDE 2576 Summary of Pupil Transportation Subsidy

Instructions and definitions for the various components of these required report data is specifically listed on PDE's website at the following link:

<https://www.education.pa.gov/Teachers%20-%20Administrators/Pupil%20Transportation/Pages/default.aspx>

The following is a snapshot picture of the eTran system where the critical information and bus data is to be entered. Instructions and definitions for the data is appropriately provided at the website above.

Select 'Forms' on the menu at the top of the screen.

**Sign Out**

**pennsylvania**  
DEPARTMENT OF EDUCATION

**eTran** Pupil Transportation

Home Search **Forms** Master Upload LEA Details Reports Help

**Form List** **SY: 2012-2013**

LEA Name: Penn Hills SD **AUN: 1-03-02-735-2**

**PDE-1049 EOY Transportation Report**

- >> LEA-owned service [Not Started]  Mark Not Applicable
- >> Contracted service with a contractor [Not Started]  Mark Not Applicable
- >> Contracted service with parent or other individual [Not Started]  Mark Not Applicable
- >> Contracted service with another LEA [Not Started]  Mark Not Applicable
- >> Fare-based service [Not Started]  Mark Not Applicable

>> **PDE-2089 Summary of Pupils Transported** [Not Started]

## PDE-2576, Summary of Pupil Transportation Subsidy

2005 Market Value	2,573,491,600.00
Half Mill Of Market Value	1,286,745.80
2006-2007 Market Value Aid Ratio	.4271
Days In Session	180
Total Pupils Transported	6,333
Public Non Hazardous	4,834
Public Hazardous	1,737
Nonpublic	1,702
Nonreimbursable Pupils	
By Contracted Service	188
By LEA-Owned Service	0
Charter School Pupils Transported	
Outside District	19
Within District	36

CALCULATIONS FOR APPROVED COSTS			
<b>LEA-Owned Service - Nonreimbursable Deduction</b>			
Maximum Allowable Cost		24,840.05	
Nonreimbursable Factor			
(8 X 0 X 180)/110,125.66 Adj UPCM =		.000000	
Nonreimbursable Deduction			
24,840.05 X .000000 =		0.00	
Approved Cost LEA-Owned Service			
24,840.05 - 0.00 =			24,840.05
<b>Contracted Service - Nonreimbursable Deduction</b>			
Maximum Allowable Cost		2,438,979.67	
Nonreimbursable Factor			
(8 X 188 X 180)/51,761,086.70 UPCM =		.005230	
Nonreimbursable Deduction			
2,438,979.67 X .005230 =		12,755.86	
Approved Cost Contracted Service			
2,438,979.67 - 12,755.86 =			2,426,223.81
<b>Fare-Based Service</b>			
Maximum Allowable Cost		529.76	
AFR 2700-515		529.76	
Approved Cost Fare-Based Service			529.76
<b>Total Approved Cost</b>			<b>2,451,593.62</b>

Sample of PDE 2576 calculation process from PDE Transportation Subsidy presentation

**d. Additional reporting requirements for “Non-Public” (Charter, Parochial and Private School) Transportation**

The district is required to provide transportation to those students who attend Charter, Parochial and Private Schools who live in the district (those students that meet the maximum 10 mile from border limit per state law). The following transportation document is imperative to maintain proper tracking of these students:

- PVSD Act 372 form is required to be filed with the district in order for transportation to be provided as they are entitled. The bus contractor needs to understand the importance they play for this to be successful. The bus contractor will be the lead communicator with the Non-Public Schools to ensure this information is gathered on the Act 372 form. Their direct contact with the Non-Public Schools is imperative. The bus contractor shall be the main enforcer of the completion of the form. A portion of this form is shown below:





# Perkiomen Valley School District

*What Will You Learn Today?*

## ANNUAL REQUEST FOR TRANSPORTATION TO A PRIVATE, CHARTER, OR NON-PUBLIC SCHOOL UNDER ACT 372

Please complete this form to ensure the proper transportation for the upcoming school year. The Perkiomen Valley School District requires to show two proofs of residence along with this document (examples are Real Estate Tax Bill, Current PA Driver's License; or Utility Bill), all showing the address of residency.

The form is to be submitted each year before the end of JULY or transportation cannot be guaranteed for the start of school. Submit this form to the attending school or to the Perkiomen Valley School District Office, located at 3 Iron Bridge Drive, Collegeville. If submitted during the school year, the attending school will contact the parent with the start date and bus information once the request has been approved and the transportation is in order. This request **EXPIRES** at the end of each school year.

**District Administration Approval is required when transportation is needed in a Joint/Shared Custody situation.** That is, both parents living in separate households and living within the district. Transportation is **NOT** provided to the parent living outside of Perkiomen Valley School District.

FOR SCHOOL YEAR: \_\_\_\_\_

PLEASE PROVIDE TRANSPORTATION FOR THE FOLLOWING STUDENT(S) TO

Name of Child: \_\_\_\_\_ Grade: \_\_\_\_\_ Date of Birth: \_\_\_\_\_ School: \_\_\_\_\_

Name of Child: \_\_\_\_\_ Grade: \_\_\_\_\_ Date of Birth: \_\_\_\_\_ School: \_\_\_\_\_

Name of Child: \_\_\_\_\_ Grade: \_\_\_\_\_ Date of Birth: \_\_\_\_\_ School: \_\_\_\_\_

**PLEASE CHECK HERE IF NO TRANSPORTATION NEEDED**

An official Act 372 form must be filled out on a yearly basis if transportation through the district is requested. These forms shall be shared with PVSD District Registrar as received and needed. The district will track these items in the current Student Information System (SIS) in a separate building code in order to verify the backup data to be reported to the state on a yearly basis. The form can be found at this link:

<https://docs.google.com/viewer?a=v&pid=sites&srcid=cHZzZC5vcmd8ZGlzdHJpY3R8Z3g6NTk3NjhhkZDIwYjNIOGNmNA>

STA shall not arrange for transportation of the "Non-Public students" unless the Act 372 form has been completed and returned.

STA shall continue to monitor the Act 372 Non-Public student listing via a Google Docs spreadsheet with the PVSD Registrar. This document will then become the base document as preparation for reporting of state transportation data is required.

STA is required as a critical component within the current contract to maintain a level of data integrity at all times. Information needs to be consistently shared and appropriate backup is to be maintained for all variables entered into the state reporting system for total students (Public and Non-Public) transported, vehicles information, miles with or without students on board and any other critical piece of data that is required by the state to be entered into the PDE 1049 and PDE 2089

## **2. School District Responsibilities**

The Perkiomen Valley School District (PVSD) is responsible for providing critical student information to the transportation contractor on a daily basis. This information is gathered through the normal student registration process. This information is gathered in person at the district administration building.

### **a. Student Information**

The following basic demographic information is gathered during this initial process:

- Student Information including legal name, address and special education needs
- Parent/Guardian Information
- Emergency Contact information
- Health Emergency Information
- English Language Learner (ELL) and School Health Services surveys
- Physical and dental exam information (if required)
- Vaccination information

\*Additional steps and procedures are applied in the official student registration procedure guidelines packet. Please see that packet for more detailed information\*

Once the basic information is provided and verified, the PVSD Registrar sends an email notification immediately to transportation contractor (STA), destination school



secretary and building counselor. This email includes student name, grade, parent/guardian name, address within the district and contact information (Inquiry sheet) and special education needs among other key information.

The transportation contractor then provides the bus number, bus stop location and pickup and drop off time back to the school and to the Registrar. The Registrar will share the bus information with the parent/guardian at the official registration meeting held by appointment.

**b. Notification System to adjust for student changes**

The bus contractor uses VersaTrans software to track all information for transportation for students. STA is responsible for tracking and documenting all adjustments provided by the school district. STA is also responsible to share critical information back to the district administration as needed.

In addition to the school district actions, the bus contractor will provide to the district an upload of bus and student data on a weekly basis (typically every Friday afternoon). The process will automatically update the student transportation information and is meant to ensure all relevant transportation data changes and revisions at least on a weekly basis.

**c. State Reporting Requirements**

PVSD is providing direct oversight to the uploaded information into the state system as required under “**1. Transportation Contractor Responsibilities**

**d. Transportation Contractor Responsibilities- Software- VersaTrans and Data”** section on page 1 of this document.

The district will specifically review all information uploaded into the PDE 2576 system and ensure the data is reasonably accurate. A thorough review of backup to be provided by the bus contractor will ensure that all data is understood and has been reviewed and approved by the Business Office. The following steps will be enforced:

District Step #1-Director of Operations reviews the backup data and reviews the VersaTrans information to verify reports to be attached in this process. Signature is proof that the information has been reviewed and is reliable as presented. A listing of all new buses to the PVSD fleet (new and used vehicles) is also provided and agreed to by both STA and the Director of Operations

District Step #2- Director of Finance reviews with the STA staff to ensure the backup supports the figures on the PDE 2576. This includes appropriate and reliable information via data spreadsheets from VersaTrans software that supports the Total

Student transported counts, Hazardous and Non-Hazardous students transported and total Non-Public students transported as requirements of responsibilities. Additionally, all bus vehicles information (including VIN #s and miles with and without students) will also be matched directly to the STA provided "Mileage Recap" report.

All questions about the information shall be listed via official email notification and a meeting to review all issues will be required for district and bus contractor representatives as soon as possible.

District Step #3- There will be a requirement for both district administration and bus contractor management to meet and sign off on all documentation and backup data that has been presented on the PDE 2576. This signature page shall include the Assistant to the Superintendent for Business Administration, Director of Finance and Director of Operations from PVSD and an appropriate representatives from the bus contractor as listed in section **"1. b. Transportation Contractor Responsibilities- Documents specific to subsidy"** on page 3 of this document.

#### **d. Additional Requirements for Non-Public Transportation**

The school district also tracks Non-Public transportation of students as required by the law. These students must meet the legal requirements of having transportation within the district boundaries as well as those students who require transportation within the 10 mile boundary; also, as required by law.

The Perkiomen Valley School District Registrar is responsible for tracking Non-Public transportation in accordance with the law. A completed Act 372 form is required (this is a state law) by the district and the bus contractor so that transportation can be arranged. The Act 372 form information is previously discussed in this document on pages 4-6.

Once the form has been filled out and return to the district Registrar; the shared Google spreadsheet is updated for ease of tracking. The Registrar will also update the information into the eSchool software platform which will ultimately get synched via the regular Friday "synch" between eSchool and VersTrans.

This process is to be moderated on a consistent basis with any issues to be immediately addressed with the proper communication and agreement. This document will also fall within the signing requirements of this document as well.

### **3. Audit Responsibilities and guidelines**

The Pennsylvania State Auditor General's Office will perform periodic audit reviews of the entire transportation subsidy process. These audits will be at intervals of every 2 or 4 years in conjunction with current standards and practices from the Commonwealth.

#### **◆ End of year information to be shared and jointly reviewed**

The school district and bus contractor are both responsible for the information to be provided via the audit process. Each piece of information is integral to the accuracy and reliability of the information being subject to audit. It is imperative that all reporting backup and documentation be as follows:

- Each document has been maintained for accuracy and checked at different times of the year so the information is validated and as correct as possible
- Evenly shared with the correct technology format for ease of understanding and review

#### **◆ Timelines for reports to be shared and reviewed**

- STA will provide backup data as follows via technology formatting in Excel or Google Sheets:
  - Fiscal Year Mileage Recap (with VIN# for all buses used)
  - Total Public Student Listing Transported
  - Total Charter School Students Transported
  - Total Non-Public Students Transported
  - Total Special Education Student Transported
  - Total Hazardous Students Transported
- All reports are the responsibility of STA per contractual terms and are subject to investigation and review at any time by the district

Suggested timelines are as follows:

- ◆ Reconciliation documents
  - All documents listed above are to be completed and filed with the district by September 15, of the following fiscal year in accordance with current state guidelines for report such documentation
- ◆ District shall review the reports and finish all follow up questions within 10 days of the receipt of the reports or sooner
- ◆ All groups will be requested to review the data one final time to ensure backup data agrees to information submitted to the state FAI system for compliance purposes

PERKIOMEN VALLEY SCHOOL DISTRICT  
TRANSPORTATION SUBSIDY SIGN OFF SHEET

The Perkiomen Valley School District (herein known as District) and Student Transportation of America, Inc (herein known as STA) agree that due diligence and proper accuracy have been applied for all transportation reports submitted for state subsidy purposes as required.

All parties have signed off below that this information is accurate and the backup data to support such figures have also been reviewed and will be available in technology format for future audit years. All backup data will be kept for a minimum of 7 fiscal years per district administration regulations pertaining to financial documentation.

---

STA Bus Terminal Manager

---

STA Assistant Bus Terminal Manager

---

PVSD Director of Operations

---

PVSD Director of Finance

---

PVSD Assistant to the Superintendent- Business Administration

**END OF DOCUMENT JDW 12.31.2019**