



PLEASANT VALLEY SCHOOL DISTRICT

District Administration Office
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Brodheadsville, Pennsylvania 18322
Telephone: (570) 402-1000 / Fax: (570) 992-7275
www.pvbears.org



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:	120455203	School:	Pleasant Valley School District	CAN:	118643
Audit Period:	July 1, 2014 to June 30, 2018	Findings:	One	Recommendations:	Four

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

Pleasant Valley School District Corrective Action Plan

Department of the Auditor General Performance Audit

September, 2020

Finding: The District Failed to Obtain and Retain Documentation to Support the \$186,725 Received in Supplemental Transportation Reimbursements

Description of the Finding:

The Pleasant Valley School District (District) did not comply with the record retention provisions of the Public School Code (PSC) and instructions from the Pennsylvania Department of Education (PDE) when it failed to obtain and retain adequate source documents to verify the accuracy of the \$186,725 in supplemental transportation reimbursements received from PDE for the 2014-15 through 2017-18 school years.

The table below shows the number of nonpublic school students reported to PDE as transported during the four-year audit period and the supplemental transportation reimbursement received.

Pleasant Valley School District Transportation Data Reported to PDE		
School Year	Nonpublic School Students Transported Reported to PDE	Supplemental Transportation Reimbursement Received⁷
2014-15	179	\$ 68,915
2015-16	108	\$ 41,580
2016-17	112	\$ 43,120
2017-18	86	\$ 33,110
Totals	485	\$ 186,725

The District intended to annually place all nonpublic students transported on a roster to easily determine how many students to report to PDE. However, the District did not obtain documentation needed to verify that specific nonpublic school students had requested transportation services. Without proper documentation, namely requests for transportation submitted by the educating nonpublic schools or by individual students, we were unable to determine if the District's nonpublic student rosters contained the correct listing of nonpublic school students actually transported for these years. As a result, the auditors unable to determine if the reimbursement the District received is accurate. Additionally, the District intended to report the number of nonpublic school students on its rosters to PDE as the number of nonpublic students transported, and that occurred during the 2016-17 and 2017-18 school years. In the 2014-15 and 2015-16 school years, the District's reported number of nonpublic school students did not equal the number of nonpublic school students placed on its rosters. Current District officials were unable to explain the discrepancies in the District intended and reported nonpublic school students in the first two years of our audit period due to turnover in the position responsible for reporting transportation data.

According to District officials, the District does not annually receive requests for transportation from all of the nonpublic schools it transports students to and does not solicit requests for transportation from individual students. Furthermore, the District stated that it failed to retain any requests for transportation that were received.

The District lacked internal controls over reporting transportation data. Specifically, the District did not have written administrative procedures for how to report transportation data, and specifically did not have procedures for the reporting of nonpublic school students transported. Additionally, the District did not have a process in place to reconcile nonpublic school students transported to requests for transportation to ensure that only nonpublic school students transported were reported to PDE for reimbursement. A reconciliation process of this nature or other internal controls over the categorization and reporting of nonpublic school students could have helped the District ensure accurate reporting.

Recommendations

The Pleasant Valley School District should:

1. Obtain and retain all documentation supporting the number of nonpublic school students transported and reported to PDE, including requests for transportation, in accordance with PDE instructions and the PSC's record retention requirements.
2. Ensure that personnel in charge of reporting transportation data are trained with regard to PDE's reporting guidelines for nonpublic students and the PSC's record retention policies.
3. Develop and implement a written procedure to have a knowledgeable District official other than the employee who prepares the transportation data review the transportation data prior to submission to PDE and ensure that this procedure includes reconciling requests for transportation to individual nonpublic school student rosters.
4. Review the nonpublic school students submitted for the 2018-19 school year, and if errors are found, submit revised reports to PDE.

Corrective Action Plan

1. Effective July 1, 2020, a position has been created that is dedicated to overseeing the transportation function of the school district: Supervisor of Transportation and Administrative Services. This position will oversee the gathering and retention of all pertinent transportation information and the preparation of the annual transportation report.
2. The Supervisor of Transportation and Administrative Services will become a member of the Pennsylvania Association of School Business Officials (PASBO) and attend training related to the function, beginning with the Facilities Transportation, Safety Conference on October 29 & 30, 2020.

3. Written procedures are being developed for the preparation of the annual transportation report. These procedures include the information to be gathered for its preparation, including the required documentation for the count of non-public students, record retention, District Official review and reconciliation of transportation report. The written procedures will be developed by October 31, 2020.
4. Staff involved in the preparation of the report will be trained in the procedures developed. Training with district staff will be completed by November 15, 2020. The procedures will be updated by the Supervisor of Transportation and Administrative Services as required by changes in the law relating to the reporting of transportation services.
5. The school district is in the process of obtaining the appropriate documentation for nonpublic students transported for the 2018-2019 school year. The 2018-2019 Transportation report will be revised, if necessary, based on documentation as recommended by PDE. This task is expected to be accomplished by December 31, 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.



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October 23, 2020

Clayton P, Carroll, II
Audit Coordinator
Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
333 Market Street
Harrisburg, PA 17120-0018

Re: Auditor General's Performance Audit Report
Fiscal Years Ending July 1, 2014 – June 30, 2018

Dear Mr. Carroll,

At the October 22, 2020 Pleasant Valley School District Board of Education General Meeting, we accepted the Auditor General's Performance Audit Report for the fiscal years July 1, 2014 – June 30, 2018.

We have enclosed the board approved Corrective Action Plan with a description of the findings, and the necessary corrective policy and procedure to be implemented. This was approved with a vote of 9 Aye and 0 Nays.

Thank you,

A handwritten signature in blue ink, appearing to read 'Lee J. Lesisko', written over a white background.

Dr. Lee J. Lesisko
Superintendent of Schools
Pleasant Valley School District