

# 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>	120455403	<b>School:</b>	Pocono Mountain School District	<b>CAN:</b>	124861
<b>Audit Period:</b>	July 1, 2016 to June 30, 2020	<b>Findings:</b>	One	<b>Recommendations:</b>	Three

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

#### **Recommendation**

The *Pocono Mountain School District* should:

1. Develop and implement an internal control system over its regular transportation operations. The internal control system should include, but not be limited to, the following:
  - All personnel involved in inputting, calculating, and reporting transportation data are trained on PDE's reporting requirements.

**Cause:** The Pocono Mountain School District Transportation Department relied upon the transportation software training package provided by a third-party vendor (Transfinder) in their set-up and reporting packet.

**Corrective Action:** Pocono Mountain School District will provide additional training to the Pocono Mountain School District Transportation Department personnel. In addition, the District's Transportation Department personnel will be engaging in professional development and continuing education events including attending additional webinars, seminars and conferences conducted by Pennsylvania Department of Education (PDE), Pennsylvania Association of School Business Officials (PASBO) and the Pennsylvania Department of Transportation (PENNDOT).

### **Recommendation**

The *Pocono Mountain School District* should:

1. Develop and implement an internal control system over its regular transportation operations. The internal control system should include, but not be limited to, the following:
  - Clear and concise written procedures are developed to document the regular transportation data collection, calculation, and reporting process. The procedures should include the record retention requirements.

**Cause:** Formal written documentation is necessary for the interfacing and coordination between the following departments: Transportation, Technology and Central Registration. Written documentation of procedures is necessary to clearly identify the duties and responsibilities of District personnel which outlines employees responsible for inputting, reviewing, correcting and reporting data. The coordination and interaction between the Transportation, Central Registration and Technology departments needs to be well documented to identify each department's role and responsibility.

**Corrective Action:** A formal written outline of the procedures for reporting and responsibilities of each employee and department has been established. In addition, formal written record retention procedures are to be documented.

### **Recommendation**

The *Pocono Mountain School District* should:

2. Ensure that complete supporting documentation for all regular transportation data is obtained, reviewed, and retained in accordance with PSC requirements.

**Cause:** The District relied upon a Pennsylvania Department of Education (PDE) approved third-party software vendor (Transfinder) to record changes to routes, students, and loaded and unloaded miles on a daily basis. The District believed it would not need to record a Monthly Driver Mileage report and the reporting would be correct and accurate when filing with the Pennsylvania Department of Education since the District was utilizing a PDE approved transportation software provider.

**Corrective Action:** The District has instituted a Monthly Driver Mileage Report which will be retained as part of the District's transportation department records. These reports are completed on the 15th day of each month or the closest school day to the fifteenth (15<sup>th</sup>) of the month.

## **Recommendation**

The *Pocono Mountain School District* should:

3. Develop procedures to ensure electronic data is adequately backed up before implementing new software programs.

**Cause:** Loss of data, incorrectly loaded data and corrupted computer files. In the spring of 2020 the District Transportation Department switched over from an in-house server to a hosted server. The third-party software vendor (Transfinder) worked with our Technology Department. Transfinder had the primary responsibility transferring over the transportation data as well as updating the transportation databases. During the process, Transfinder inadvertently downloaded transportation data for the 2020 - 2021 school year into the 2019 - 2020 school year database. Unfortunately, the archived files were not able to retrieve the missing data since the archived data files did not contain the transportation records to track daily activity.

**Corrective Action:** The District will maintain a monthly archive which contains the daily data and route reports generated on the fifteenth (15<sup>th</sup>) of the month to correlate with the Monthly Driver Mileage Report. In the event of another loss of data, the District will maintain the ability to have access to the information in order to submit to the Pennsylvania Department of Education (PDE) in a manual format.

## **District Summary**

Every organization, whether it is a for-profit or non-profit entity, has room for improving its operations and conducting business more efficiency while making sure rules and regulations are adhered to. The District values each audit performed and utilizes its results as a tool to enhance and strengthen internal controls. The findings that accompany this report have been evaluated and reviewed by the Administrative team and changes in procedures have occurred to ensure compliance with the audit report's recommendations.

**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.