

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)

Corrective Action Plan 7-09-2020

Finding – Inaccurately reported transportation data resulting in an underpayment of \$115,465.

The school district acknowledges that there was a problem with the transportation reporting for the non-reimbursable transportation students. The employee submitting this data was inaccurately reporting this information due to a lack of training in PDE's transportation reporting requirements. The number of students that were

	<p>reported as non-reimbursable was assumed to be correct based on the bus/van that the student was riding.</p>
<p>Recommendation #1 – Ensure that District personnel responsible for identifying, calculating and reporting non-reimbursable students are trained with regard to PDE’s reporting requirements.</p>	<p>The employee that is currently reporting the transportation data will receive periodic trainings to stay current with PDE’s reporting requirements by the State or an outside agency.</p>
<p>Recommendation #2 – Develop internal control procedures by implementing a secondary review of all transportation data prior to submission to PDE. This secondary review should be performed by an employee other than the District staff member compiling the data to help identify transportation data reporting errors.</p>	<p>Implement procedure to ensure this data is reported accurately in the future by implementing a secondary review of all transportation data prior to the submittal.</p> <ol style="list-style-type: none"> 1. Prior to submitting the report to PDE the Business Manager should review and initial any and all reporting data to verify accuracy. 2. PDE Reports are be signed by the Superintendent after the Business Manager reviews and initials transportation data for PDE report.
<p>Recommendation #3 – Develop detailed written transportation reporting procedures specifically addressing the accurate identification and reporting of non-reimbursable students and students who are reimbursable due to residing on a PennDOT approved hazardous walking route.</p>	<p>Implement written procedures on how to identify non-reimbursable students and each student who are reimbursable by identifying their home address and walking route to the School District.</p> <ol style="list-style-type: none"> 1. Reporting/Identifying Non-Reimbursable Students: <ul style="list-style-type: none"> • Pull list of all students that are transported at the District. • Pull off all students that are on country run buses. • Review each student's address to see if their walking route to school is considered a

	<p>hazardous route.</p> <ul style="list-style-type: none"> • If the student does not walk through a hazardous route he/she is considered non-reimbursable. <p>2. Reporting/Identifying Reimbursable Students:</p> <ul style="list-style-type: none"> • Students that are outside of 1.5 miles away from the ELEM that are in K4 - 6 grade need to be transported and are not considered NR. • Students that are outside of 2.0 miles away from the MSHS that are in 7-12 grade need to be transported and are not considered NR. • All country bus runs are outside of the 1.5 and 2.0 mileage and are considered reimbursable. 	
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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.

Corrective Action Plan

This form is designed to serve both as a planning tool and verification of completion of corrective action:

School District: Union City Area School District

Superintendent: Matthew Bennett

Business Manager: Tara Lineman

Date of Report: June 29, 2020

Date of Board Approval: July 9, 2020

Finding/Observation/Recommendation	Corrective Action Plan/Response	Timeline	Date Implemented
<p>Finding – Inaccurately reported transportation data resulting in an underpayment of \$115,465.</p>	<p>The school district acknowledges that there was a problem with the transportation reporting for the non-reimbursable transportation students. The employee submitting this data was inaccurately reporting this information due to a lack of training in PDE’s transportation reporting requirements. The number of students that were reported as non-reimbursable was assumed to be correct based on the bus/van that the student was riding.</p>	<p>2019-2020 Reporting year; 9/2020 – date report will be submitted</p>	<p>07-09-2020</p>
<p>Recommendation #1 – Ensure that District personnel responsible for identifying, calculating and reporting non-reimbursable students are trained with regard to PDE’s reporting requirements.</p>	<p>The employee that is currently reporting the transportation data will receive periodic trainings to stay current with PDE’s reporting requirements by the State or an outside agency.</p>	<p>2019-2020 Reporting year; 9/2020 – date report will be submitted</p>	<p>07-09-2020</p>

<p>Recommendation #2 – Develop internal control procedures by implementing a secondary review of all transportation data prior to submission to PDE. This secondary review should be performed by an employee other than the District staff member compiling the data to help identify transportation data reporting errors.</p>	<p>Implement procedure to ensure this data is reported accurately in the future by implementing a secondary review of all transportation data prior to the submittal.</p> <ol style="list-style-type: none"> 1. Prior to submitting the report to PDE the Business Manager should review and initial any and all reporting data to verify accuracy. 2. PDE Reports are to be signed by the Superintendent after the Business Manager reviews and initials transportation data for PDE report. 	<p>2019-2020 Reporting year; 9/2020 – date report will be submitted</p>	<p>07-09-2020</p>
<p>Recommendation #3 – Develop detailed written transportation reporting procedures specifically addressing the accurate identification and reporting of non-reimbursable students and students who are reimbursable due to residing on a PennDOT approved hazardous walking route.</p>	<p>Implement written procedures on how to identify non-reimbursable students and each student who are reimbursable by identifying their home address and walking route to the School District.</p> <ol style="list-style-type: none"> 1. Reporting/Identifying Non-Reimbursable Students: <ul style="list-style-type: none"> • Pull list of all students that are transported at the District. • Pull off all students that are on country run buses. • Review each student's address to see if their walking route to school is considered a 	<p>2019-2020 Reporting year; 9/2020 – date report will be submitted</p>	<p>07-09-2020</p>

	<p>hazardous route.</p> <ul style="list-style-type: none">• If the student does not walk through a hazardous route he/she is considered non-reimbursable. <p>2. Reporting/Identifying Reimbursable Students:</p> <ul style="list-style-type: none">• Students that are outside of 1.5 miles away from the ELEM that are in K4 - 6 grade need to be transported and are not considered NR.• Students that are outside of 2.0 miles away from the MSHS that are in 7-12 grade need to be transported and are not considered NR.• All country bus runs are outside of the 1.5 and 2.0 mileage and are considered reimbursable.		
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RESOLUTION

WHEREAS, the Pennsylvania Department of Auditor General issued a Performance Audit Report for the District for years ended July 1, 2014 – June 30, 2018 which contained a finding that the District had inaccurately reported transportation data resulting in an underpayment of \$115,465; and

WHEREAS, the Pennsylvania Department of Education issued a letter to the District dated June 23, 2020, requesting a review, evaluation, and response, including a Corrective Action Plan, to address the finding contained in the Performance Audit Report.

BE IT RESOLVED that the Board of School Directors of the Union City Area School District hereby adopts and approves the District's Response and Corrective Action Plan to the finding contained in the Performance Audit Report.

This Resolution was adopted by the Board of School Directors of the Union City Area School District at a special meeting of the Board held on July 9, 2020, by a vote of 9 to 0.

UNION CITY AREA SCHOOL DISTRICT

By 
Ann Sill, Secretary of the Board of
School Directors



www.ucasd.org

Union City Area School District

107 Concord Street
Union City, Pennsylvania 16438

(814) 438-3804
Fax: (814) 438-2030

Amy L. Coleman
Director of Curriculum and Special Programs
acoleman@ucasd.org

Matthew W. Bennett
Superintendent
mbennett@ucasd.org

Tara L. Lineman
Business Manager
tlineman@ucasd.org

July 15, 2020

Pennsylvania Department of Education
Bureau of Budget and Fiscal Management
Division of Budget
Attn: Clayton P. Carroll, II, Audit Coordinator
333 Market Street – 4th Floor
Harrisburg, PA 17126-0333

To Whom It May Concern:

Please be advised that at a Special School Board meeting held on July 9, 2020, the Union City Area School District Board of Directors adopted and approved District's Response and Corrective Action Plan to the finding of inaccurate reporting of transportation data as contained in the Performance Audit Report issued by the Commonwealth of Pennsylvania, Department of the Auditor General, dated June 29, 2020 which was for fiscal years ending July 1, 2014 through June 30, 2018.

The District's Response, Corrective Action Plan, and signed resolution are attached to the email forwarding this correspondence.

Sincerely,

Matthew W. Bennett
Superintendent

Attachments