



PENNSYLVANIA DEPARTMENT OF THE AUDITOR GENERAL

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News for Immediate Release

August 31, 2023

Auditor General DeFoor Releases Wyoming Valley West School District Audit; Makes 17 Recommendations to Improve Operations

Kingston, PA – Auditor General Timothy L. DeFoor today released an audit of the Wyoming Valley West School District that highlighted the need to improve internal controls and procedures to make sure taxpayer dollars are being spent properly.

“Our audit lays out a roadmap on how to improve the financial future of the Wyoming Valley West School District,” Auditor General DeFoor said. “We recommended ways to get started, but it is up to local leadership to make it happen. The good news is the district is generally in agreement with our findings and is working to implement our recommendations.”

The audit reviewed the period from July 1, 2018, through June 30, 2021, and included three objectives:

- Determine the district’s financial position and whether it complied with all statutes prohibiting deficit fund balances and spending more than its budget;
- Determine district compliance with applicable laws, regulations and reporting requirements governing transportation operations, and that it received the correct transportation reimbursement from the Commonwealth; and
- Determine whether the district’s service contracts were approved by the school board, in the best financial interest of the district and monitored to ensure contracted services were properly delivered.

In the first finding, auditors determined the district had negative fund balances, due in part to increased costs for charter school tuition, special education and debt service expenditures. This means the district was not in compliance with the Public School Code regarding spending more money than what was budgeted. Auditors recommended the district develop a multi-year budget to assist in decision making, display the budget prominently on the district website, and perform a cost/benefit analysis to determine if it is more cost effective to outsource special education funding to entities like the Intermediate Unit.

In the second finding, auditors determined the school district failed to maintain all documents necessary to support its transportation reimbursement information submitted to the Pennsylvania Department of Education (PDE). This included documentation of how many students were transported, how far they traveled and how many days they were transported. Auditors were not able to determine if the data the district submitted to PDE for the 2020-21 school year was accurate.

“We were able to determine this happened because of a lack of written policies and procedures, as well as internal controls, to ensure the transportation system was following applicable laws, regulations and guidelines,” Auditor General DeFoor said. “We recommend the district take action to implement an

internal control system for its transportation system to make sure the data being sent to PDE is accurate, documented and that those records are maintained.”

In the third finding, auditors determined the district did not maintain and retain documentation to support its procurement process and approval for contracted services. As a result of this lack of information, the audit team could not meet the objective to determine if some of the contracts selected for review were approved by the school board, in the best financial interest of the district and monitored to ensure the services were being properly delivered.

“The district needs to develop and implement a written procurement process that documents how contracts are issued, awarded and approved,” Auditor General DeFoor said. “And once the contracts are issued, the Business office needs to maintain records on who did the work, how long it took and how much they were paid. The district and the school board must make sure there is as much transparency as possible when it comes to who is making the decisions, how much is being spent and who is doing the work.”

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