

PERFORMANCE AUDIT

Blacklick Valley School District Cambria County, Pennsylvania

October 2021



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

Mr. William Kanich, Superintendent
Blacklick Valley School District
555 Birch Street
Nanty Glo, Pennsylvania 15943

Mr. Arthur Wurm, Board President
Blacklick Valley School District
555 Birch Street
Nanty Glo, Pennsylvania 15943

Dear Mr. Kanich and Mr. Wurm:

We have conducted a performance audit of the Blacklick Valley School District (District) for the period July 1, 2015 through June 30, 2019, except as otherwise indicated in the audit scope, objective, and methodology section of the report. We evaluated the District's performance in the following areas as further described in Appendix A of this report:

- Transportation Operations
- Bus Driver Requirements

We also evaluated the application of best practices in the area of school safety and determined compliance with certain requirements in the area of school safety, including compliance with fire and security drills. Due to the sensitive nature of this issue and the need for the results of this review to be confidential, we did not include the full results in this report. However, we communicated the full results of our review of school safety to District officials, the Pennsylvania Department of Education, and other appropriate officials as deemed necessary.

The audit was conducted pursuant to Sections 402 and 403 of The Fiscal Code (72 P.S. §§ 402 and 403), and in accordance with the Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit identified areas of noncompliance and significant internal control deficiencies in the area of transportation operations. This deficiency is detailed in the first finding of this report. We also identified noncompliance with fire drill requirements and those deficiencies are detailed in the second finding of this report. A summary of the results is presented in the Executive Summary section of this report.

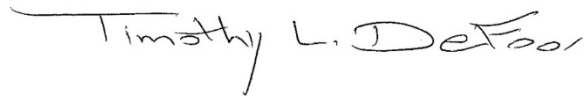
In addition, we identified internal control deficiencies in the area of bus driver requirements that were not significant but warranted the attention of the District management. These deficiencies were communicated to District management for their consideration.

Our audit findings and recommendations have been discussed with the District's management, and their responses are included in the audit report. We believe the implementation of our recommendations will improve the District's operations and facilitate compliance with legal and other relevant requirements.

Mr. William Kanich
Mr. Arthur Wurm
Page 2

We appreciate the District's cooperation during the course of the audit.

Sincerely,

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General

October 1, 2021

cc: **BLACKLICK VALLEY SCHOOL DISTRICT** Board of School Directors

Table of Contents

	Page
Executive Summary	1
Background Information	2
Findings	7
Finding No. 1 – The District’s Failure to Implement an Adequate Internal Control System Resulted in an Unauditable \$2.3 Million in Transportation Reimbursements	7
Finding No. 2 – The District Failed to Conduct all Required Monthly Fire Drills in Accordance with the Public School Code and Accurately Report Drill Data	13
Status of Prior Audit Findings and Observations	17
Appendix A: Audit Scope, Objectives, and Methodology	18
Appendix B: Academic Detail	23
Distribution List	26

Executive Summary

Audit Work

The Pennsylvania Department of the Auditor General conducted a performance audit of the Blacklick Valley School District (District). Our audit sought to answer certain questions regarding the District's application of best practices and compliance with certain relevant state laws, regulations, contracts, and administrative procedures.

Our audit scope covered the period July 1, 2015 through June 30, 2019, except as otherwise indicated in the audit scope, objectives, and methodology section of the report (see Appendix A). Compliance specific to state subsidies and reimbursements was determined for the 2015-16 through 2018-19 school years.

Audit Conclusion and Results

Our audit found areas of noncompliance and significant internal control deficiencies as detailed in the two findings in this report.

Finding No. 1: The District's Failure to Implement an Adequate Internal Control System Resulted in an Unauditable \$2.3 Million in Transportation Reimbursements.

We found that the District did not implement an adequate internal control system over input, categorization, calculating and reporting of regular transportation data. Additionally, the District did not comply with the record retention provisions of the Public School Code (PSC) when it failed to obtain and retain adequate documentation for the regular transportation reimbursements received for the 2015-16 through 2018-19 school years. Consequently, we could not verify the regular transportation reimbursements for the 2015-16 through 2018-19 school years (see page 7).

Finding No. 2: The District Failed to Conduct all Required Monthly Fire Drills in Accordance with the Public School Code and Accurately Report Drill Data.

Our review of the fire and security drill data found that both of the District's school buildings failed to conduct and/or accurately report all of their monthly fire drills in the 2018-19 and 2019-20 school years, as required by the PSC. We also found that the District inaccurately reported fire and security drill data to the Pennsylvania Department of Education (see page 13).

Status of Prior Audit Findings and Observations.

There were no findings or observations in our limited procedures engagement.

Background Information

School Characteristics 2020-21 School Year*	
County	Cambria
Total Square Miles	34
Number of School Buildings	2
Total Teachers	51
Total Full or Part-Time Support Staff	47
Total Administrators	7
Total Enrollment for Most Recent School Year	627
Intermediate Unit Number	8
District Career and Technical School	Admiral Peary Area Vocational-Technical School

* - Source: Information provided by the District administration and is unaudited.

Mission Statement*

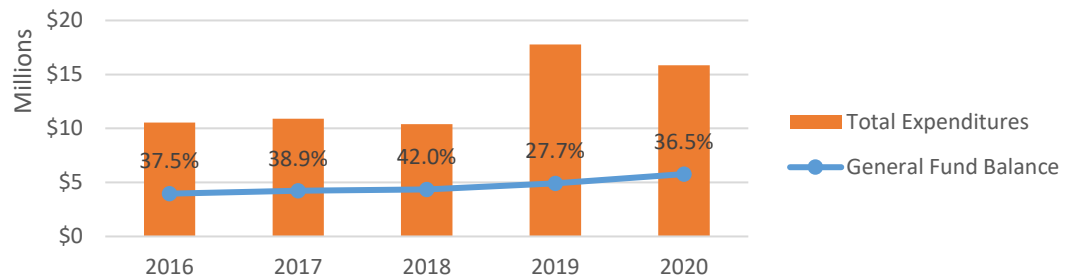
Establish a District system that fully ensures consistent implementation of standards aligned curricula across all schools for all students.
Establish a District system that fully ensures each member of the District community promotes, enhances and sustains a shared vision of positive school climate and ensures family and community support of student participation in the learning process.

Financial Information

The following pages contain financial information about the Blacklick Valley School District obtained from annual financial data reported to the Pennsylvania Department of Education (PDE) and available on PDE's public website. This information was not audited and is presented for **informational purposes only**.

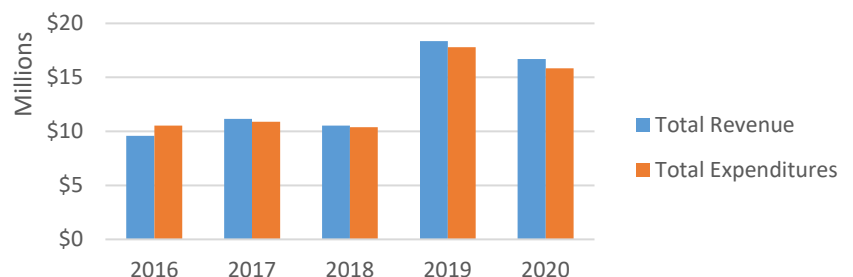
General Fund Balance as a Percentage of Total Expenditures

	General Fund Balance
2016	\$3,961,394
2017	\$4,232,260
2018	\$4,365,582
2019	\$4,919,467
2020	\$5,776,500



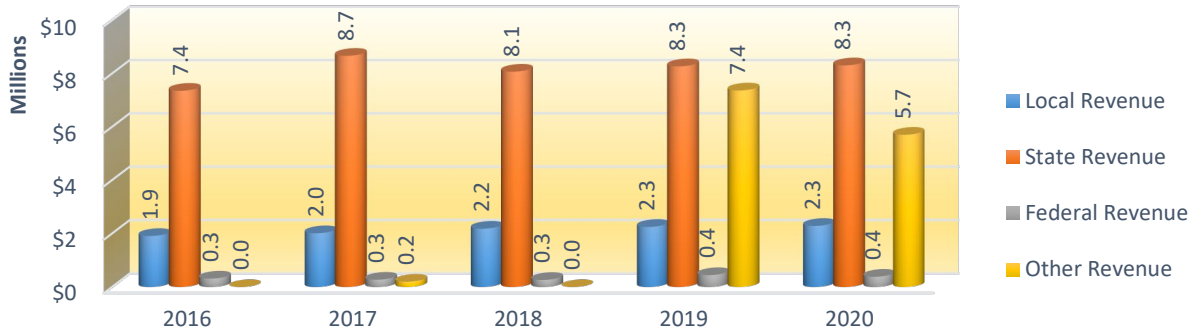
Revenues and Expenditures

	Total Revenue	Total Expenditures
2016	\$9,586,229	\$10,549,946
2017	\$11,160,988	\$10,890,122
2018	\$10,525,145	\$10,391,825
2019	\$18,343,289	\$17,789,404
2020	\$16,692,034	\$15,835,001

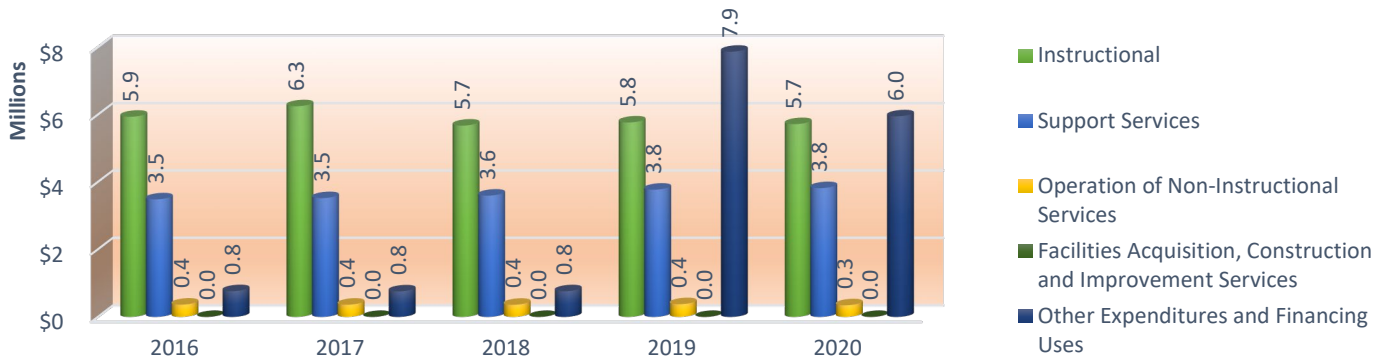


Financial Information Continued

Revenues by Source

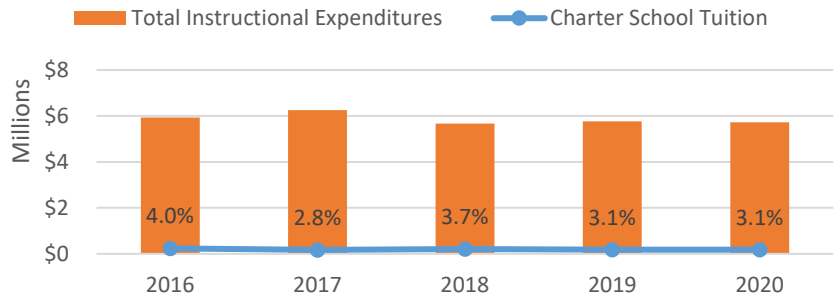


Expenditures by Function

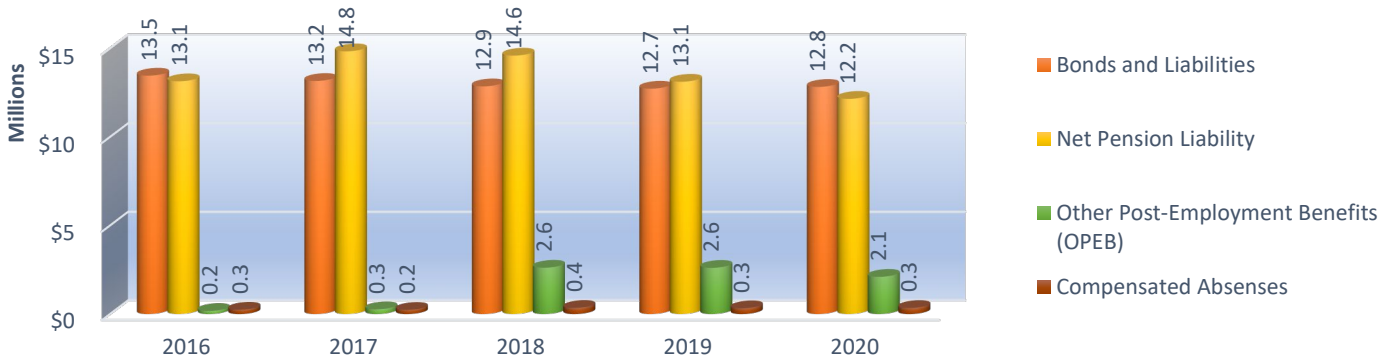


Charter Tuition as a Percentage of Instructional Expenditures

Year	Charter School Tuition	Total Instructional Expenditures
2016	\$237,451	\$5,938,721
2017	\$172,928	\$6,250,650
2018	\$210,224	\$5,675,662
2019	\$178,172	\$5,768,997
2020	\$179,689	\$5,719,716



Long-Term Debt

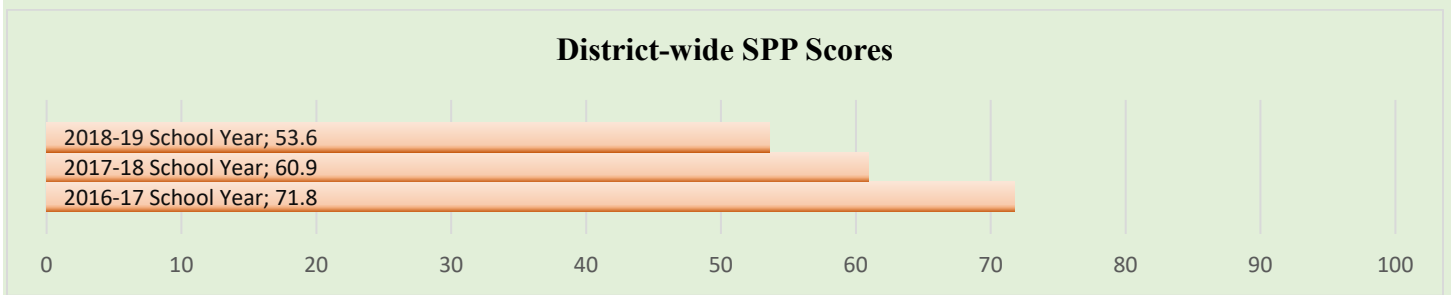


Academic Information¹

The graphs on the following pages present the District-wide School Performance Profile (SPP) scores, Pennsylvania System of School Assessment (PSSA) scores, and Keystone Exam results for the District obtained from PDE's data files for the 2016-17, 2017-18, and 2018-19 school years.² In addition, the District's 4-Year Cohort Graduation Rates are presented for the 2017-18 through 2019-20 school years.³ The District's individual school building scores are presented in Appendix B. These scores are provided in this audit report for **informational purposes only**, and they were not audited by our Department.

What is a SPP score?

A SPP score serves as a benchmark for schools to reflect on successes, achievements, and yearly growth. PDE issues a SPP score annually using a 0-100 scale for all school buildings in the Commonwealth, which is calculated based on standardized testing (i.e., PSSA and Keystone exam scores), student improvement, advance course offerings, and attendance and graduation rates. Generally speaking, a SPP score of 70 or above is considered to be a passing rate.



¹ PDE is the sole source of academic data presented in this report. All academic data was obtained from PDE's publicly available website.

² Due to the COVID-19 pandemic the PSSA and Keystone Exam requirements were waived for the 2019-20 school year; therefore, there is no academic data to present for this school year.

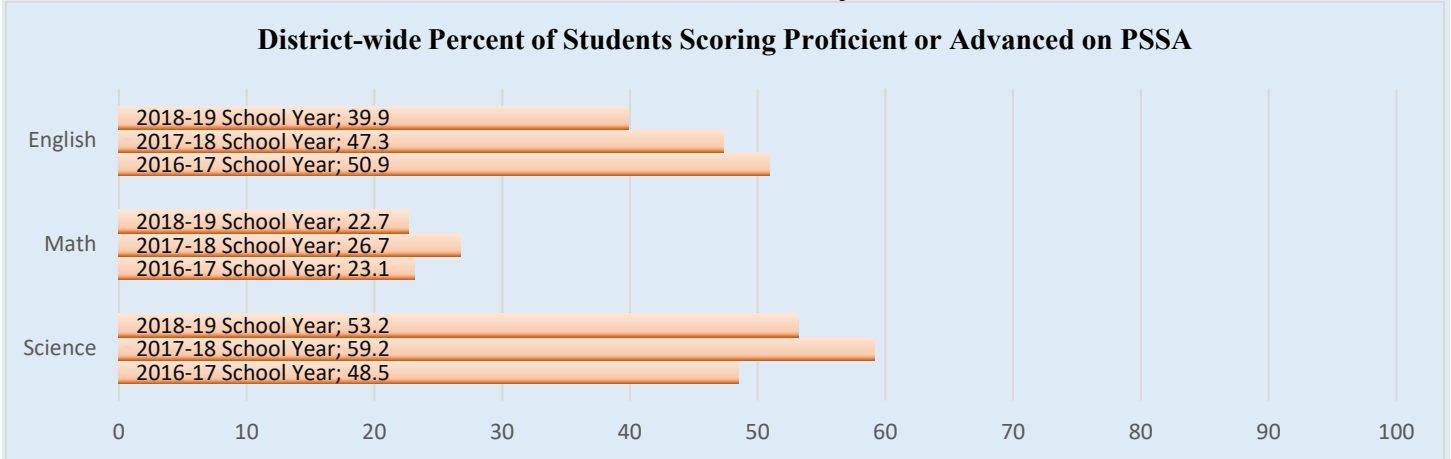
³ Graduation rates were still reported for the 2019-20 school year despite the COVID-19 pandemic.

Academic Information Continued

What is the PSSA?

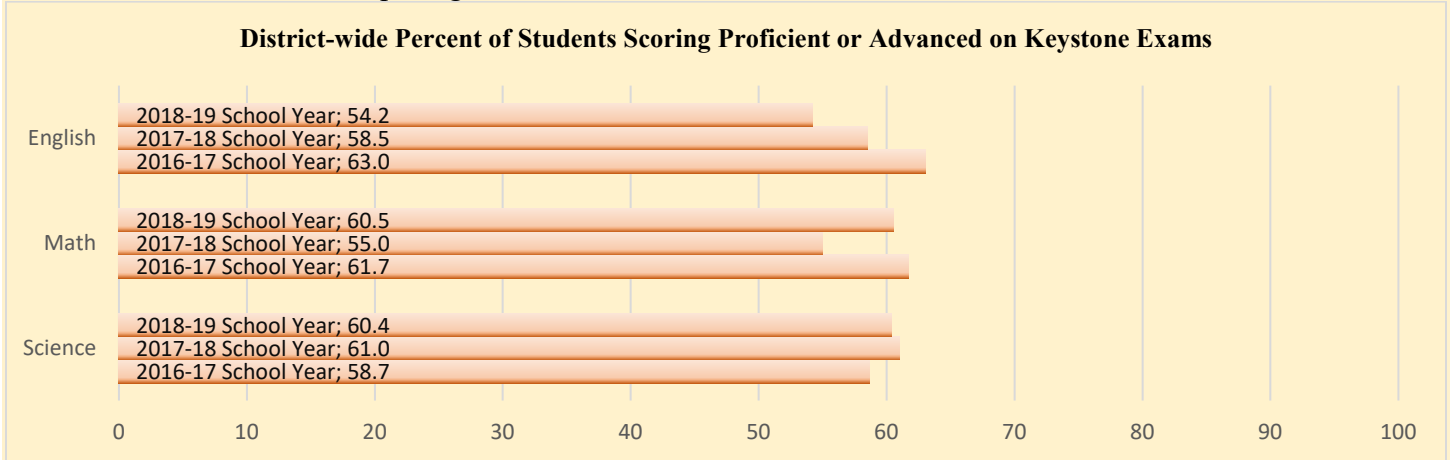
The PSSA is an annual, standardized test given across the Commonwealth to students in grades 3 through 8 in core subject areas, including English, Math and Science. The PSSAs help Pennsylvania meet federal and state requirements and inform instructional practices, as well as provide educators, stakeholders, and policymakers with important information about the state's students and schools.

The 2014-15 school year marked the first year that PSSA testing was aligned to the more rigorous PA Core Standards. The state uses a grading system with scoring ranges that place an individual student's performance into one of four performance levels: Below Basic, Basic, Proficient, and Advanced. The state's goal is for students to score Proficient or Advanced on the exam in each subject area.



What is the Keystone Exam?

The Keystone Exam measures student proficiency at the end of specific courses, such as Algebra I, Literature, and Biology. The Keystone Exam was intended to be a graduation requirement starting with the class of 2017, but that requirement has been put on hold until the 2020-21 school year.⁴ In the meantime, the exam is still given as a standardized assessment and results are included in the calculation of SPP scores. The Keystone Exam is scored using the same four performance levels as the PSSAs, and the goal is to score Proficient or Advanced for each course requiring the test.

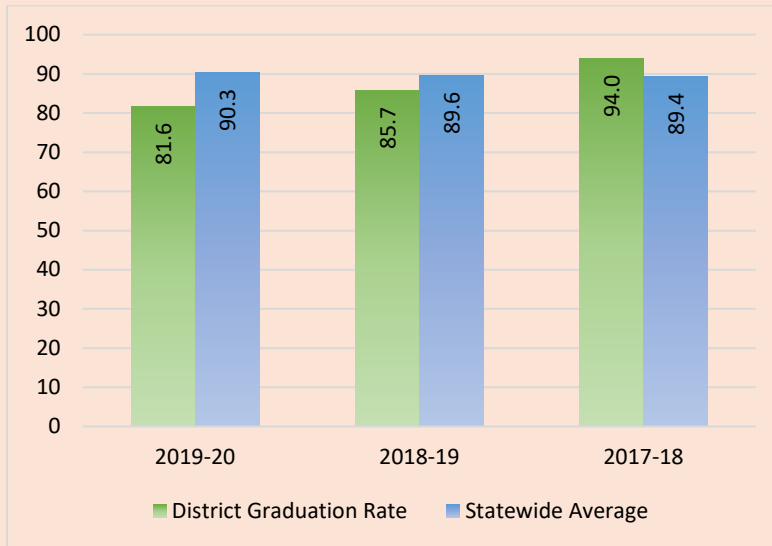


⁴ Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1). Please refer to the following link regarding further guidance to local education agencies (LEAs) on Keystone end-of-course exams (Keystone Exams) in the context of the pandemic of 2020: <https://www.education.pa.gov/Schools/safeschools/emergencyplanning/COVID-19/Pages/Keystone-Exams.aspx>

Academic Information Continued

What is a 4-Year Cohort Graduation Rate?

PDE collects enrollment and graduate data for all Pennsylvania public schools, which is used to calculate graduation rates. Cohort graduation rates are a calculation of the percentage of students who have graduated with a regular high school diploma within a designated number of years since the student first entered high school. The rate is determined for a cohort of students who have all entered high school for the first time during the same school year. Data specific to the 4-year cohort graduation rate is presented in the graph below.⁵



⁵ PDE also calculates 5-year and 6-year cohort graduation rates. Please visit PDE's website for additional information: <https://www.education.pa.gov/DataAndReporting/CohortGradRate/Pages/default.aspx>.

Findings

Finding No. 1

The District's Failure to Implement an Adequate Internal Control System Resulted in an Unauditable \$2.3 Million in Transportation Reimbursements

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).

We found that the Blacklick Valley School District (District) did not implement an adequate internal control system over obtaining, inputting, calculating, and reporting regular transportation data. Additionally, the District did not comply with the record retention provisions of the Public School Code (PSC) when it failed to obtain and retain adequate documentation for the regular transportation reimbursements received for the 2015-16 through 2018-19 school years. Therefore, we could not determine the accuracy of the \$2,322,457 the District received in regular transportation reimbursements.

Background: School districts receive two separate transportation reimbursement payments from the Pennsylvania Department of Education (PDE). The **regular** transportation reimbursement is broadly based on the number of students transported, the number of days each vehicle was used to transport students, and the number of miles that vehicles are in service, both with and without students. The **supplemental** transportation reimbursement is based on the number of nonpublic school and charter school students transported at any time during the school year. The issues identified in this finding pertain to the District's regular transportation reimbursements.

It is absolutely essential that records related to the District's transportation reimbursements be retained in accordance with the PSC's record retention provisions (for a period of not less than six years) and be readily available for audit. Periodic auditing of such documents is extremely important for District accountability and verification of accurate reporting. Therefore, the District should have a strong system of internal control over its regular and supplemental transportation operations that should include, but not be limited to, the following:

- Segregation of duties.
- Comprehensive written procedures.
- Training on PDE reporting requirements.

It is also important to note that the 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.⁶ The sworn statement includes the Superintendent's

⁶ See 24 P.S. § 25-2543.

Criteria relevant to the finding
(continued):

Sworn Statement and Annual Filing Requirements

Section 2543 of the PSC, which is entitled, “Sworn statement of amount expended for reimbursable transportation; payment; withholding” 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 and 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.) See 24 P.S. § 25-2543.

Record Retention Requirement

Section 518 of the PSC requires that the financial records of a district be retained by the district for a period of not less than six years. See 24 P.S. § 5-518.

PDE Instructions for Local Education Agencies (LEA) on how to complete the PDE-2089.

<https://www.education.pa.gov/Documents/Teachers-Administrators/Pupils%20Transportation/eTran%20Application%20Instructions/PupilTransp%20Instructions%20PDE-2089%20SummPupilsTransp.pdf> (Accessed on June 28, 2021).

signature attesting to the accuracy of the reported data. Because of that attestation, the District should ensure it has implemented an adequate internal control system to provide it with the confidence it needs to sign the sworn statement.

Unauditable Regular Transportation Reimbursements of More than \$2.3 Million

The District was unable to provide source documents to support the transportation data (days, miles, and students) it reported to PDE for all years of the audit period. Without this supporting documentation, we were unable to determine the accuracy of the data reported to PDE and therefore, could not conclude if the District’s regular transportation reimbursements were appropriate and accurate. The District accepted the transportation data provided by the contractor without verifying the accuracy of that data. In addition, the District did not ensure adequate source documentation was obtained and retained to support reported data to PDE.

Even though we were unable to audit the reported data, a cursory review of the data, as detailed in the table below, shows potential irregularities that warranted further review. For example, we noted that the District’s reported approved annual miles increased by more than 36,000 in the 2017-18 school year while the reported number of students and vehicles did not increase proportionately.

Table No. 1

Blacklick Valley School District Transportation Data Reported to PDE				
School Year	Reported Number of Students	Reported Number of Vehicles	Reported Approved Annual Miles	Regular Transportation Reimbursement Received
2015-16	727	23	274,896	\$ 536,319
2016-17	739	20	300,364	\$ 529,684
2017-18	742	20	336,886	\$ 659,053
2018-19	728	21	301,593	\$ 597,401
Totals	2,936	84	1,213,739	\$2,322,457

In addition to the fluctuations in the 2017-18 school year, we found that the District inaccurately reported the costs it paid to its contractor for services in the 2016-17 school year. Contractor costs are required to be reported to PDE annually and are part of the calculation that determines each district’s transportation reimbursement amount. Contractor costs are a component of the reimbursement formula along with the days in operation, miles traveled, and number of students transported. Since the District did not have complete supporting documentation for these

Criteria relevant to the finding (continued):

Non-reimbursable Students

Non-reimbursable students are elementary students who reside within 1.5 miles of their elementary school and secondary students who reside within 2 miles of their secondary schools. Non-reimbursable students do not include special education students or students who reside on routes determined by The Pennsylvania Department of Transportation (PennDOT) to be hazardous. See 24 P.S. § 25-2541(c)(1) and (c)(2).

Hazardous route – Route certified by PennDOT as having conditions, i.e., heavy traffic, no sidewalks, etc., which make it dangerous for pupils to walk along the road to school or to a bus stop.

Hazardous pupil – Any pupil living in an area where the highway, road, or traffic conditions are such that walking constitutes a hazard to the safety of the child, as so certified by PennDOT.

Amount Paid Contractor

Enter the total amount paid to this contractor for the services described for the vehicles listed under this “Notification Number.” This amount should include payment for any activity run service (some schools refer to this as a “late run”), but should not include payment for field trips, athletic events, extended school year or any service provided other than to-and-from school transportation.

reimbursement components, we were unable to quantify the effect on the District’s reimbursement.

Irregularities in Hazardous Route Student Reporting

Students transported fall into multiple reporting categories including, but not limited to, students transported and eligible for reimbursement due to residing on a Pennsylvania Department of Transportation (PennDOT) determined public hazardous walking route and students transported who are not eligible for reimbursement. Elementary students residing within 1.5 miles of their respective school or secondary students residing within 2 miles of their school are not eligible to be reported as reimbursable unless the student resides on a PennDOT determined hazardous walking route.

We found that the District reported to PDE that it transported a total of 1,145 students that resided on a hazardous walking route; however, the District did not obtain the required determinations from PennDOT. The table below shows the number of students reported to PDE as eligible due to residing on a hazardous walking route for each year of the audit period.

Table No. 2

Blacklick Valley School District Transportation Data Reported to PDE Hazardous Route Students	
School Year	Hazardous Route Students
2015-16	271
2016-17	272
2017-18	293
2018-19	309
Total	1,145

When we questioned the District about how these students were reported as reimbursable due to residing on a hazardous walking route, District officials stated that an internal hazardous route determination was made by District officials based on past practices of reporting transportation data. The District employee responsible for making this determination and reporting this data was not properly trained on the PDE reporting requirements and did not know that the District had to obtain hazardous walking route determination documentation from PennDOT.

Because the District did not obtain hazardous route determinations from PennDOT, technically, none of the students reported in this category over the four year period were eligible for reimbursement.

We also noted that the District did not report any “non-reimbursable” students during the audit period, which based on our experience is unusual. When we questioned the District about the failure to report any non-reimbursable students, the District acknowledged that it provided transportation to students who lived within 1.5 miles of the elementary school and 2 miles of the secondary school for all four years of the audit period. However, the District was unable to quantify the number of students who should have been reported as non-reimbursable because of inadequate source documents needed to make this determination.

The reporting errors we identified in both the hazardous walking route and non-reimbursable categories likely resulted in an overpayment to the District but, as previously stated, without the needed detailed documentation, we were unable to quantify the overpayment amount.

Significant Internal Control Deficiencies

Our review revealed that the District did not have adequate controls over the process of obtaining, inputting, maintaining, and reporting regular transportation data to PDE. Specifically, we found that the District did not do the following:

- Ensure that the employee responsible for reporting transportation data to PDE was adequately trained on PDE’s reporting requirements and the supporting documentation required to be obtained and retained.
- Implement adequate segregation of duties when it assigned responsibility to one employee for reporting regular transportation data without ensuring a different employee reviewed the data before it was submitted to PDE.
- Develop detailed written procedures for obtaining and maintaining the documentation needed to accurately report vehicle data to PDE.

All of the above control deficiencies resulted in our inability to fully audit the regular transportation reimbursements.

Recommendations

The *Blacklick Valley School District* should:

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

- A review of transportation data is conducted by an employee other than the person who prepared the data before it is submitted to PDE.
 - Clear and concise written procedures are developed to document the transportation data collection, categorization, and reporting process, as well as the retention of documentation.
2. Ensure that complete supporting documentation for all regular transportation data, including hazardous walking routes, is obtained, reviewed, and retained in accordance with PSC requirements. Record retention procedures should be documented and staff should be trained on these procedures.
 3. Submit a request to PennDOT to obtain determinations of hazardous walking routes within the District.

Management Response

District management provided the following response:

“The District accepted the transportation data provided by the contractor and did not have enough internal controls in place. In order to correct this, the District will develop and implement an internal control system over our regular transportation reporting process. The internal control system will include, but not be limited to, the following:

“All personnel involved in inputting, categorizing, calculating, and reporting transportation data will be trained on PDE's reporting requirements. We will work with organizations such as PASBO to conduct such training.

“A review of transportation data will be conducted by an employee other than the person who prepared the data before it is submitted to PDE.

“Clear and concise written procedures will be developed to document the transportation data collection, categorization, reporting process, and retention of documentation.

“The District ensures that complete supporting documentation for all regular transportation data, including hazardous walking routes, will be obtained, reviewed, and retained in accordance with PSC requirements. Record retention procedures will be documented and staff will be trained on these procedures. As such, a request to PennDOT to obtain determinations of hazardous walking routes within the District will be sent.”

Auditor Conclusion

We are encouraged that the District intends to implement our recommendations. We will review the effectiveness of the District's corrective actions during our next audit of the District.

Finding No. 2

The District Failed to Conduct all Required Monthly Fire Drills in Accordance with the Public School Code and Accurately Report Drill Data

Criteria relevant to the finding:

Section 1517(a) of the PSC requires:

“Except as provided under subsection (a.1), in all school buildings of school entities where fire-escapes, appliances for the extinguishment of fires, or proper and sufficient exits in case of fire or panic, either or all, are required by law to be maintained, fire drills shall be periodically conducted, **not less than one a month**, by the teacher or teachers in charge, under rules and regulations to be promulgated by the chief school administrator under whose supervision such school entities are. In such fire drills, the pupils and teachers shall be instructed in, and made thoroughly familiar with, the use of the fire-escapes, appliances and exits. **The drill shall include the actual use thereof, and the complete removal of the pupils and teachers,** in an expeditious and orderly manner, by means of fire-escapes and exits, from the building to a place of safety on the grounds outside.” (Emphases added.) See 24 P.S. § 15-1517(a) (as amended by Act 55 of 2017, effective November 6, 2017).

Our review of the fire and security drill data found that both of the District’s school buildings failed to conduct and/or accurately report all of their monthly fire drills in the 2018-19 and 2019-20 school years, as required by the PSC.⁷ We also found that the District inaccurately reported fire and security drill data to PDE. Consequently, the District’s Superintendent inappropriately attested to the accuracy of the drill data in the PDE-required report and certification statement.

Fire and Security Drill Requirements

As detailed in the criteria box, the PSC requires that each school building perform a fire drill each and every month while school is in session. The PSC further mandates that each school also conduct a security drill within the first 90 days of the school year. According to the PSC, districts are permitted to substitute a maximum of two additional security drills in place of two monthly fire drills after the first 90 days of the school year. Both fire and security drill data must be reported annually to PDE through the *Fire Evacuation and Security Drill Accuracy Certification Statement* (ACS) report.

In an effort to help prepare students and staff for potential emergency situations, the mandatory fire and security drill requirements of the PSC should be closely followed by all school entities across the Commonwealth. To determine compliance with drill requirements, we requested and reviewed the 2018-19 and 2019-20 fire and security drill data reported to PDE for the District’s two school buildings, along with supporting documentation to evidence the reported drills. We reviewed the months of September 2018 through May 2019 and September 2019 through February 2020 since drills are required to be conducted with students and staff present.⁸

⁷ 24 P.S. § 15-1517(a) (as amended by Act 55 of 2017, effective November 6, 2017). The security drill requirement was added to the PSC by Act 39 of 2018, effective July 1, 2018. See 24 P.S. § 15-1517(a.1).

⁸ Drills were not required for March, April, and May 2020 due to the mandatory, statewide closing of schools because of the COVID-19 pandemic.

*Criteria relevant to the finding
(continued):*

Section 1517(a.1) of the PSC requires:

“Within ninety (90) days of the commencement of the school year after the effective date of this subsection and within ninety (90) days of the commencement of each school year thereafter, each school entity shall conduct one school security drill per school year in each school building in place of a fire drill required under subsection (a). After ninety (90) days from the commencement of each school year, each school entity may conduct two school security drills per school year in each school building in place of two fire drills required under subsection (a).” See 24 P.S. § 15-1517(a.1) (as last amended by Act 39 of 2018, effective July 1, 2018).

Further, Sections 1517(b) and (e) of the PSC also require:

“(b) Chief school administrators are hereby required to see that the provisions of this section are faithfully carried out in the school entities over which they have charge.”

“(e) On or before the tenth day of April of each year, each chief school administrator shall certify to the Department of Education that the emergency evacuation drills and school security drills herein required have been conducted in accordance with this section.” See 24 P.S. § 15-1517(b) and (e) (as last amended by Act 55 of 2017, effective November 6, 2017).

Fire Drill Accuracy Certification Statements must be electronically submitted to PDE by July 31 following the end of a school year. Within two weeks of the electronic Pennsylvania Information Management System (PIMS) submission, a printed, signed original must be sent to PDE’s Office for Safe Schools.

Fire and Security Drill Weaknesses

Our review found that the required fire and security drills were not conducted and/or correctly reported to PDE for the District’s two school buildings in the 2018-19 and 2019-20 school years. Fire drill deficiencies included missed drills and reporting discrepancies. Security drill deficiencies were the result of the District reporting the incorrect date of when the drill was conducted for both school years.

Missed Fire Drills

We found that the District missed fire drills at both of the District’s school buildings in the 2018-19 and 2019-20 school years. For the 2018-19 school year, according to the ACS report filed with PDE, the elementary and secondary schools did not conduct four and seven of the nine required fire drills, respectively. For the 2019-20 school year, according to the ACS report, the elementary and secondary schools did not conduct one and four of the five required fire drills, respectively. We noted that the District included comments on its ACS report explaining why drills were not performed. The PSC does not provide any exception for not conducting monthly fire drills.

Inaccurately Reported Fire and Security Drill

As part of our review, we compared the ACS report to other available supporting documentation to determine the accuracy of the drill data reported to PDE. We found date discrepancies between the ACS report and the District’s drill log. For the 2018-19 school year, the District inaccurately reported the date for two security drills. For the 2019-20 school year, the District inaccurately reported the date for two security drills and one fire drill.

District officials acknowledged a general lack of administrative oversight on individual schools conducting and documenting fire and security drills, resulting in improper reporting of drill types and drill dates. There were no standardized procedures for recording and reporting drills at the building level.

The PSC requires the chief school administrator to ensure that all requirements of Section 1517 are “faithfully carried out in the schools over which they have charge.”⁹ Given the concerns noted in the reporting of both fire and security drills, it is evident that the Superintendent did not fulfill this mandate.

⁹ 24 P.S. § 15-1517(b).

*Criteria relevant to the finding
(continued):*

The 2018-19 and 2019-20 *Fire Evacuation and Security Drill Accuracy Certification Statement* that the chief school administrator was required to sign and file with PDE states, in part:

Fire Drill Accuracy Certification Statements must be electronically submitted to PDE by July 31 following the end of a school year. Within two weeks of the electronic PIMS submission, a printed, signed original must be sent to PDE's Office for Safe Schools.

The 2018-19 and 2019-20 *Fire Evacuation and Security Drill Accuracy Certification Statement* that the chief school administrator was required to sign and file with PDE states, in part:

"I acknowledge that 24 PS 15-1517 requires that... fire drills shall be periodically conducted, not less than one a month...under rules and regulations to be promulgated by the district superintendent under whose supervision such schools are... District superintendents are hereby required to see that the provisions of this section are faithfully carried out in the schools over which they have charge. I certify that drills were conducted in accordance with 24 PS 15-1517 and that information provided on the files and summarized on the above School Safety Report is correct and true to the best of my knowledge"

Conclusion

In conclusion, it is vitally important that the District's students and staff regularly participate in fire and security drills as required by the PSC throughout the school year. Building-level documentation should be maintained to support that all required drills occurred. Further, it is essential that the District accurately report fire and security drill data to PDE pursuant to its reporting requirements and guidance and ensure that the data has been double-checked for accuracy by properly trained and knowledgeable personnel.

Recommendations

The Blacklick Valley School District should:

1. Conduct fire and security drills in compliance with the PSC requirements for all future school years.
2. Maintain detailed documentation of every fire and school security drill conducted at each school building in order to accurately report annual data to PDE.
3. Require building principals and other senior administrative personnel to verify drill data before submitting the ACS report to PDE.
4. Ensure all personnel in charge of completing and submitting ACS reports are trained on PDE's reporting requirements and guidance.
5. Make certain that the Chief School Administrator is aware of his/her fire and security drill obligation and certification statement requirements.

Management Response

District management provided the following response for each recommendation:

- "1. The district has implemented procedures to ensure compliance in meeting the requirements for fire and security drills.
2. Detailed documentation will be kept and reviewed by multiple school district personnel to ensure accuracy.
3. All reports will be reviewed by multiple administrative personnel to ensure accuracy before submission to PDE.
4. Personnel in charge of completing ACS reports will be trained on the requirements and guidance of PDE.

5. The Chief School Administrator has reviewed the obligations pertaining drill obligation and certification statement requirements.”

Auditor Conclusion

We are encouraged that the District has agreed to implement corrective actions to address all of our recommendations to retain and maintain detailed documentation to support fire and security drills conducted at each school building. We will evaluate the effectiveness of the District’s corrective actions during our next audit.

Status of Prior Audit Findings and Observations

Our prior Limited Procedures Engagement of the Blacklick Valley School District resulted in no findings or observations.

Appendix A: Audit Scope, Objectives, and Methodology

School performance audits allow the Pennsylvania Department of the Auditor General to determine whether state funds, including school subsidies, are being used according to the purposes and guidelines that govern the use of those funds. Additionally, our audits examine the appropriateness of certain administrative and operational practices at each local education agency (LEA). The results of these audits are shared with LEA management, the Governor, the Pennsylvania Department of Education (PDE), and other concerned entities.

Our audit, conducted under authority of Sections 402 and 403 of The Fiscal Code,¹⁰ is not a substitute for the local annual financial audit required by the Public School Code of 1949, as amended. We conducted our audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit.

Our audit focused on the District's effectiveness and/or compliance with applicable statutory provisions and related regulations in the areas of Transportation Operations, Bus Driver Requirements, and School Safety, including fire and security drills. The audit objectives supporting these areas of focus are explained in the context of our methodology to achieve the objectives in the next section. Overall, our audit covered the period July 1, 2015 through June 30, 2019. The scope of each individual objective is also detailed in the next section.

The District's management is responsible for establishing and maintaining effective internal control to provide reasonable assurance that the District's objectives will be achieved.¹¹ *Standards for Internal Control in the Federal Government* (also known as and hereafter referred to as the Green Book), issued by the Comptroller General of the United States, provides a framework for management to establish and maintain an effective internal control system. The Department of the Auditor General used the Green Book as the internal control analysis framework during the conduct of our audit.¹² The Green Book's standards are organized into five components of internal control. In an effective system of internal control, these five components work together in an integrated manner to help an entity achieve its objectives. Each of the five components of internal control contains principles, which are the requirements an entity should follow in establishing an effective system of internal control. We illustrate the five components and their underlying principles in Figure 1 on the following page.

¹⁰ 72 P.S. §§ 402 and 403.

¹¹ District objectives can be broadly classified into one or more of the following areas: effectiveness of operations; reliability of reporting for internal and external use; and compliance with applicable laws and regulations, more specifically in the District, referring to certain relevant state laws, regulations, contracts, and administrative procedures.

¹² Even though the Green Book was written for the federal government, it explicitly states that it may also be adopted by state, local, and quasi-government entities, as well as not-for-profit organizations, as a framework for establishing and maintaining an effective internal control system. The Green Book is assessable at <https://www.gao.gov/products/GAO-14-704G>

Figure 1: Green Book Hierarchical Framework of Internal Control Standards

Principle	Description
Control Environment	
1	Demonstrate commitment to integrity and ethical values
2	Exercise oversight responsibility
3	Establish structure, responsibility, and authority
4	Demonstrate commitment to competence
5	Enforce accountability
Risk Assessment	
6	Define objectives and risk tolerances
7	Identify, analyze, and respond to risks
8	Assess fraud risk
9	Identify, analyze, and respond to change

Principle	Description
Control Activities	
10	Design control activities
11	Design activities for the information system
12	Implement control activities
Information and Communication	
13	Use quality information
14	Communicate internally
15	Communicate externally
Monitoring	
16	Perform monitoring activities
17	Evaluate issues and remediate deficiencies

In compliance with generally accepted government auditing standards, we must determine whether internal control is significant to our audit objectives. We base our determination of significance on whether an entity’s internal control impacts our audit conclusion(s). If some, but not all, internal control components are significant to the audit objectives, we must identify those internal control components and underlying principles that are significant to the audit objectives.

In planning our audit, we obtained a general understanding of the District’s control environment. In performing our audit, we obtained an understanding of the District’s internal control sufficient to identify and assess the internal control significant within the context of the audit objectives. Figure 2 represents a summary of the internal control components and underlying principles that we identified as significant to the overall control environment and the specific audit objectives (denoted by an “X”).

Figure 2 – Internal Control Components and Principles Identified as Significant

Principle →	Internal Control Significant ?	Control Environment					Risk Assessment					Control Activities			Information and Communication			Monitoring	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
General/overall	Yes	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	
Transportation	Yes				X			X	X		X		X	X	X	X	X		
Bus Drivers	Yes										X		X			X	X		
Safe Schools	No																		

With respect to the principles identified, we evaluated the internal control(s) deemed significant within the context of our audit objectives and assessed those controls to the extent necessary to address our audit objectives. The results of our evaluation and assessment of the District's internal control for each objective is discussed in the following section.

Objectives/Scope/Methodology

In order to properly plan our audit and to guide us in selecting objectives, we reviewed pertinent laws and regulations, the District's annual financial reports, annual General Fund budgets, and the independent audit reports of the District's basic financial statements for the July 1, 2015 through June 30, 2019 fiscal years. We conducted analytical procedures on the District's state revenues and the transportation reimbursement data. We reviewed the prior audit report and we researched current events that possibly affected District operations. We also determined if the District had key personnel or software vendor changes since the prior audit.

Performance audits draw conclusions based on an evaluation of sufficient, appropriate evidence. Evidence is measured against criteria, such as laws, regulations, third-party studies, and best business practices. Our audit focused on the District's effectiveness in four areas as described below. As we conducted our audit procedures, we sought to determine answers to the following questions, which served as our audit objectives.

Transportation Operations

- Did the District ensure compliance with applicable laws and regulations governing transportation operations, and did the District receive the correct transportation reimbursement from the Commonwealth?¹³
 - ✓ To address this objective, we assessed the District's internal controls for obtaining, processing, and reporting transportation data to PDE. We reconciled the reported mileage and student data on the PDE-2518 (*Summary of Individual Vehicle Data for Contracted Service*) to the District created summary weighted average calculations for the 2016-17 and 2017-18 school years. To determine if the District accurately calculated and reported transportation data (miles, students, and days) to PDE, we requested school calendars as well as the vehicle odometer readings and student rosters for all 84 vehicles reported to PDE as transporting District students during the 2015-16 through 2018-19 school years. However, the District was unable to provide all of the requested documentation so we could not audit the more than \$2.3 million the District received in regular transportation reimbursements. Additionally, we reviewed all 38 invoices submitted to the District for both transportation contractors during the 2016-17 and 2017-18 school years to determine whether the District accurately reported transportation contractor costs on the 2016-17 and 2017-18 year-to-date expenditure ledgers.

Finally, we assessed the District's internal controls for categorizing and reporting students who were transported and reimbursable due to residing on a Pennsylvania Department of Transportation (PennDOT) hazardous walking route and students transported who are not eligible for reimbursement. We attempted to review all 1,145 students the District transported and reported to PDE as reimbursable due to residing on a PennDOT determined hazardous walking route. However, the District was unable to produce all of the required documentation so we were unable to determine the accuracy of this reported data.

¹³ See 24 P.S. § 2541(a).

Conclusion: The results of our procedures identified areas of noncompliance and significant internal control deficiencies. Those results are detailed in Finding No. 1 beginning on page 7 of this report.

Bus Driver Requirements

- Did the District ensure that all bus drivers transporting District students are approved by the Board of School Directors (Board) and had the required driver’s license, physical exam, training, background checks, and clearances¹⁴ as outlined in applicable laws?¹⁵ Also, did the District adequately monitor driver records to ensure compliance with the ongoing five-year clearance requirements and ensure it obtained updated licenses and health physical records as applicable throughout the school year?
 - ✓ To address this objective, we assessed the District’s internal controls for reviewing, maintaining and monitoring the required bus driver qualification documents. We determined if all drivers were approved by the District’s Board. We reviewed all 52 drivers transporting District students as of March 19, 2021. We reviewed documentation to ensure the District complied with the requirements for those drivers. We also determined if the District had monitoring procedures to ensure that all drivers had updated clearances, licenses, and physicals.

Conclusion: The results of our procedures did not identify any reportable issues; however, we did identify an internal control deficiency that was not significant to our objective but warranted the attention of the District. This deficiency was communicated to District management and those charged with governance for their consideration.

School Safety

- Did the District comply with requirements in the Public School Code and the Emergency Management Code related to emergency management plans, bullying prevention, and memorandums of understanding with local law enforcement?¹⁶ Also, did the District follow best practices related to physical building security and providing a safe school environment?
 - ✓ To address this objective, we reviewed a variety of documentation including but not limited to safety plans, training schedules, risk and vulnerability assessments, anti-bullying policies, safety committee meetings, school climate surveys, and memorandums of understanding with local law enforcement.

Conclusion: Due to the sensitive nature of school safety, the results of our review for this portion of the objective are not described in our audit report, but they were shared with District officials, PDE’s Office of Safe Schools, and other appropriate law enforcement agencies deemed necessary.

¹⁴ Auditors reviewed the required state, federal, and child abuse background clearances that the District obtained from the most reliable sources available, including the FBI, the Pennsylvania State Police, and the Department of Human Services. However, due to the sensitive and confidential nature of this information, we were unable to assess the reliability or completeness of these third-party databases.

¹⁵ PSC 24 P.S. § 1-111, CPSL 23 Pa.C.S. § 6344(a.1), PSC (Educator Discipline) 24 P.S. § 2070.1a *et seq.*, State Vehicle Code 75 Pa.C.S. §§ 1508.1 and 1509, and State Board of Education’s regulations 22 Pa. Code Chapter 8.

¹⁶ Safe Schools Act 24 P.S. § 13-1301-A *et seq.*, Emergency Management Services Code 35 Pa.C.S. § 7701.

- Did the District comply with the fire and security drill requirements of Section 1517 of the Public School Code?¹⁷ Also, did the District accurately report the dates of drills to PDE and maintain supporting documentation to evidence the drills conducted and reported to PDE?
 - ✓ To address this objective, we obtained and reviewed the fire and security drill records for 2018-19 and 2019-20 school years. We determined if a security drill was held within the first 90 days of the school year for each building in the District and if monthly fire drills were conducted in accordance with requirements. We also obtained the *Accuracy Certification Statement* that the District filed with PDE and compared the dates reported to the supporting documentation.

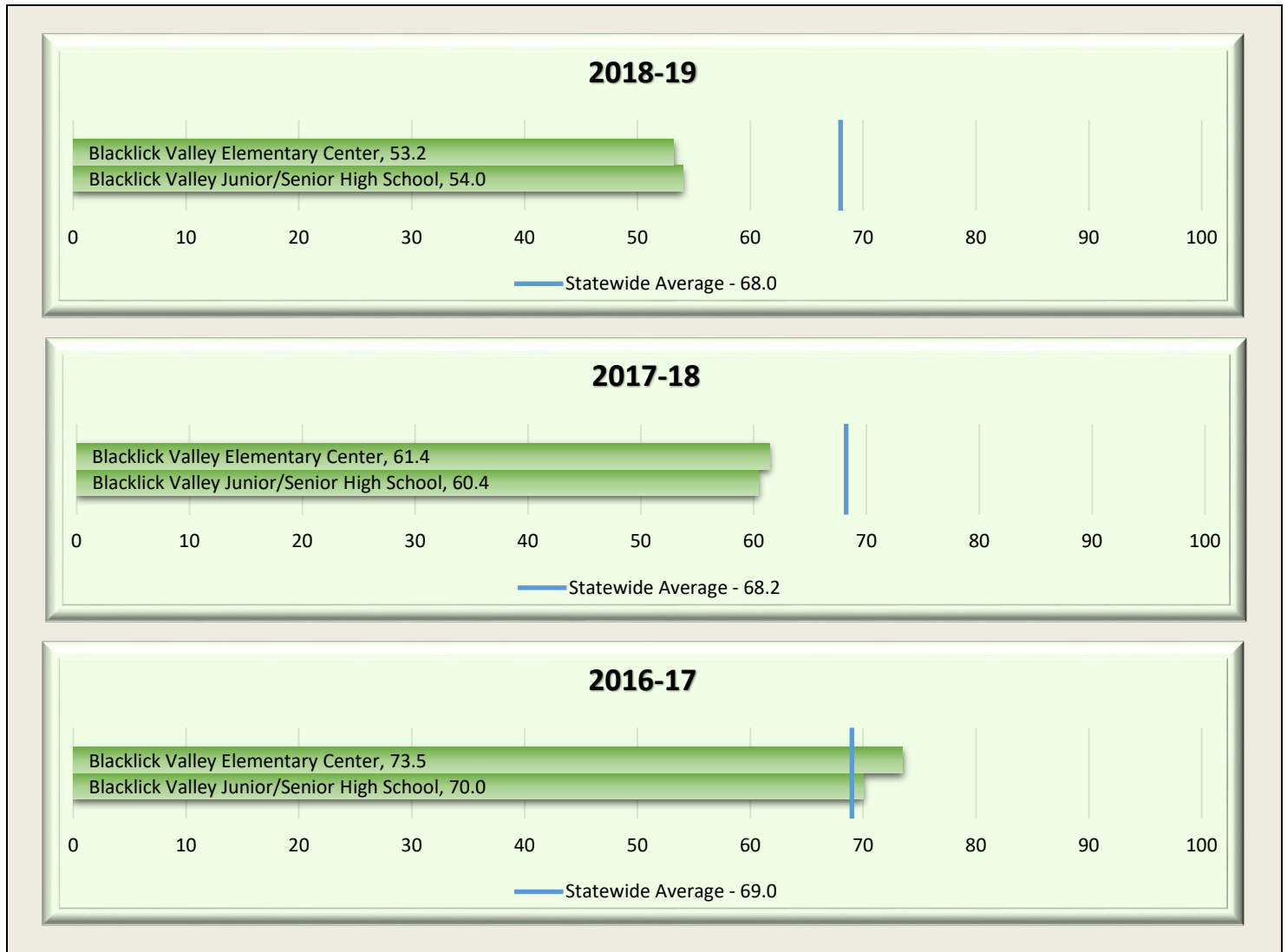
Conclusion: The results of our procedures identified areas of noncompliance related to the reporting of fire and security drills. Our results are detailed in Finding No. 2 beginning on page 13 of this report.

¹⁷ Public School Code (Fire and Security Drills) 24 P.S. § 15-1517.

Appendix B: Academic Detail

Benchmarks noted in the following graphs represent the statewide average of all public school buildings in the Commonwealth that received a score in the category and year noted.¹⁸ Please note that if one of the District's schools did not receive a score in a particular category and year presented below, the school will not be listed in the corresponding graph.¹⁹

SPP School Scores Compared to Statewide Averages

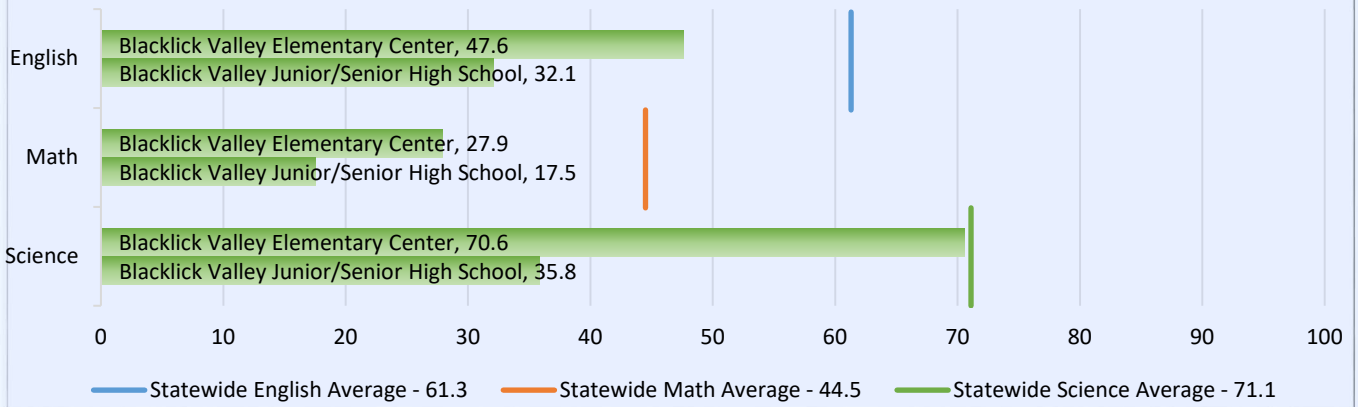


¹⁸ Statewide averages were calculated by our Department based on individual school building scores for all public schools in the Commonwealth, including district schools, charters schools, and cyber charter schools.

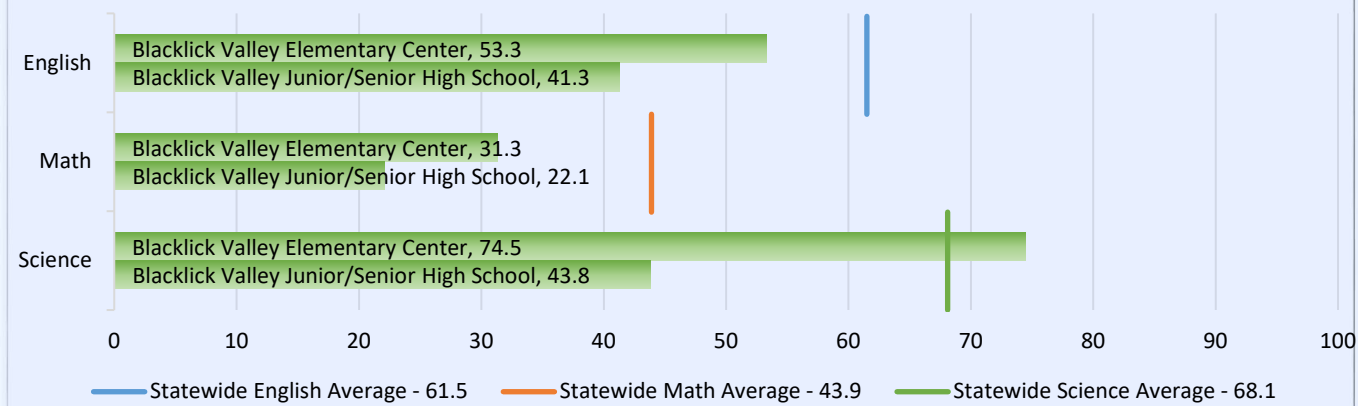
¹⁹ PDE's data does not provide any further information regarding the reason a score was not published for a specific school. However, readers can refer to PDE's website for general information regarding the issuance of academic scores.

**PSSA Advanced or Proficient Percentage
School Scores Compared to Statewide Averages**

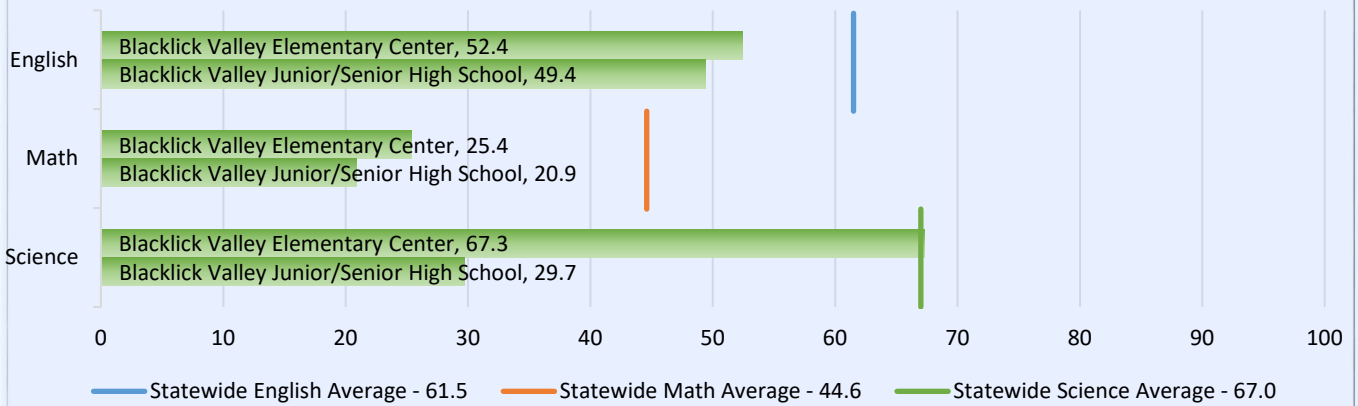
2018-19



2017-18

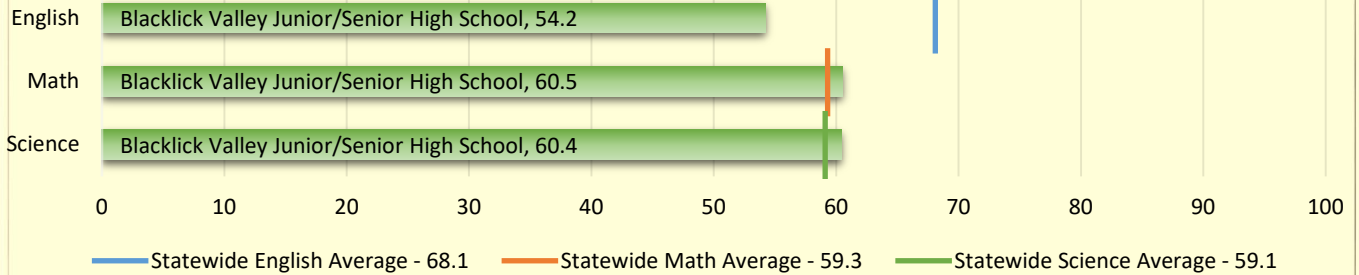


2016-17

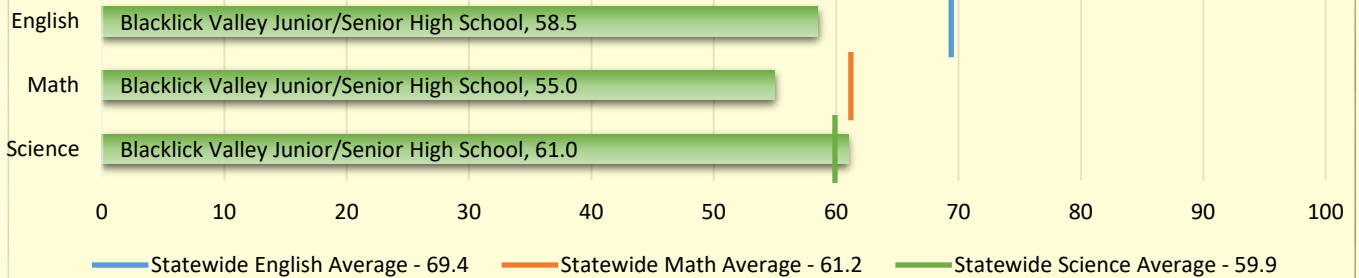


Keystone Advanced or Proficient Percentage School Scores Compared to Statewide Averages

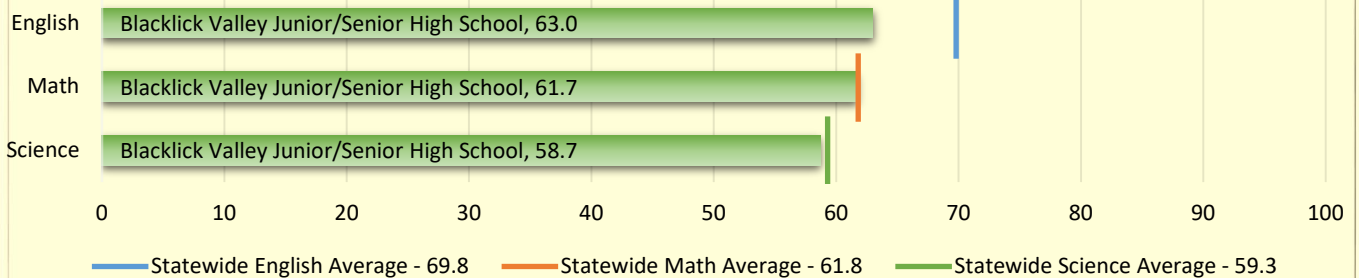
2018-19



2017-18



2016-17



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