

# PERFORMANCE AUDIT

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## Methacton School District Montgomery County, Pennsylvania

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August 2021



Commonwealth of Pennsylvania  
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR  
AUDITOR GENERAL**

Dr. David A. Zerbe, Superintendent  
Methacton School District  
1001 Kriebel Mill Road  
Eagleville, Pennsylvania 19403

Mrs. Kim Aubrey-Larcinese, Board President  
Methacton School District  
1001 Kriebel Mill Road  
Eagleville, Pennsylvania 19403

Dear Dr. Zerbe and Mrs. Aubrey-Larcinese:

We have conducted a performance audit of the Methacton 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:

- Bus Driver Requirements
- Transportation Operations

We also evaluated the application of best practices and determined compliance with certain legal and other 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.

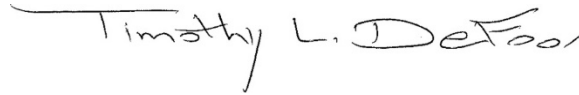
The audit was conducted pursuant to Sections 402 and 403 of The Fiscal Code (72 P.S. §§ 402 and 403), and in accordance with the Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate 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 areas of bus driver requirements and transportation operations. These deficiencies are detailed in the two findings of this report. A summary of the results is presented in the Executive Summary section of this report.

Dr. David A. Zerbe  
Mrs. Kim Aubrey-Larcinese  
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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

August 10, 2021

cc: **METHACTON SCHOOL DISTRICT** Board of School Directors

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## Executive Summary

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### Audit Work

The Pennsylvania Department of the Auditor General conducted a performance audit of the Methacton 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 Failed to Comply with Provisions of the Public School Code and Associated Regulations by Not Maintaining Complete Records for and Properly Monitoring Its Contracted Drivers.

The District failed to meet its statutory obligations related to the employment of individuals having direct contact with students during the 2020-21 school year by not maintaining complete and updated records for all drivers transporting students. We also found that the District's Board of School Directors (Board) failed to approve nine drivers utilized by the District's primary contractor. In addition, the Board did not approve any drivers employed by nine other third party transportation contractors to transport students for "one off routes," and instead, simply approved the contracted companies. Finally, we noted that the District did

not comply with its own board policies related to transportation and contracted services, and the contracted services policy did not include the updated legal requirements to renew background clearances every five years (see page 7).

#### Finding No. 2: The District's Failure to Implement Adequate Internal Controls Resulted in an Unauditable \$8.2 Million in Transportation Reimbursements.

The District did not implement an adequate internal control system over the input, calculation, and reporting of regular and supplemental transportation data. Additionally, the District did not comply with the record retention provisions of the Public School Code when it failed to retain adequate source documentation for the regular and supplemental transportation reimbursements it received for the 2015-16 through 2018-19 school years. Therefore, we could not determine the accuracy of the \$8,238,372 the District received in regular and supplemental transportation reimbursements (see page 14).

#### Status of Prior Audit Findings and Observations.

There were no findings or observations in our prior audit report.

## Background Information

School Characteristics 2019-20 School Year*	
County	Montgomery
Total Square Miles	32
Number of School Buildings	7
Total Teachers	402
Total Full or Part-Time Support Staff	178
Total Administrators	27
Total Enrollment for Most Recent School Year	4,742
Intermediate Unit Number	23
District Career and Technical School	North Montco Technical Career Center

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

## Mission Statement\*

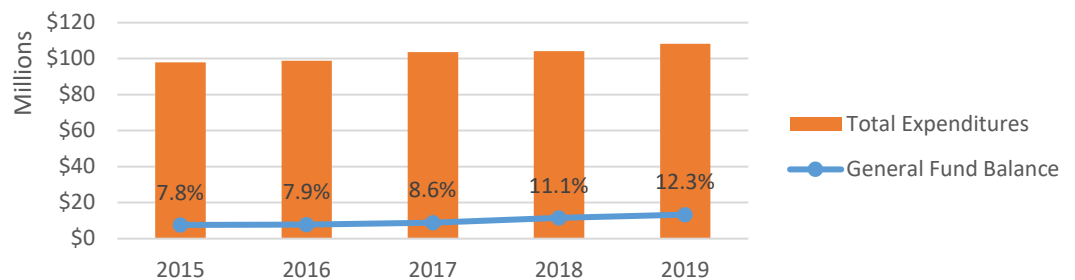
The Methacton School District is an exemplary student focused and community-centered environment that prepares learners to meet the demands of our evolving world.

## Financial Information

The following pages contain financial information about the Methacton 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**.

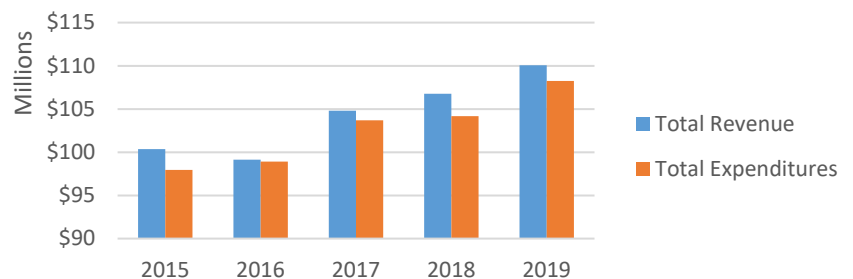
### General Fund Balance as a Percentage of Total Expenditures

	General Fund Balance
2015	\$7,623,000
2016	\$7,840,399
2017	\$8,958,463
2018	\$11,543,367
2019	\$13,353,340



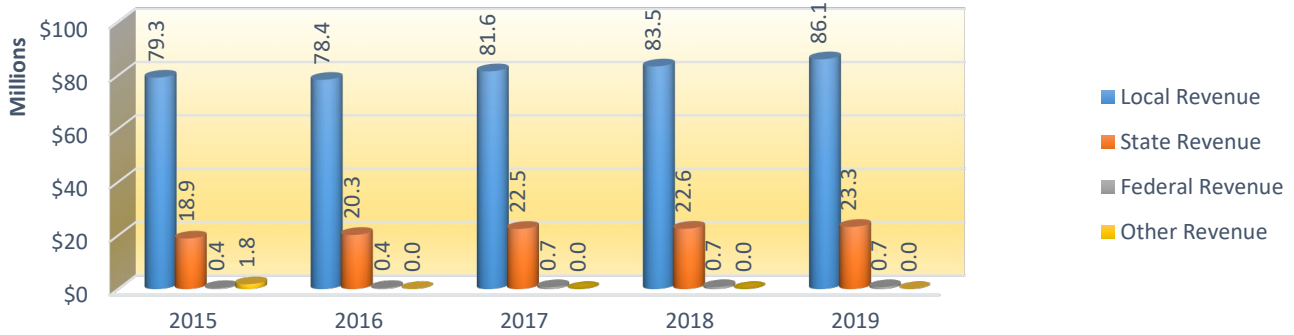
### Revenues and Expenditures

	Total Revenue	Total Expenditures
2015	\$100,343,760	\$97,958,324
2016	\$99,118,198	\$98,900,799
2017	\$104,810,743	\$103,692,680
2018	\$106,751,700	\$104,166,795
2019	\$110,071,407	\$108,261,435

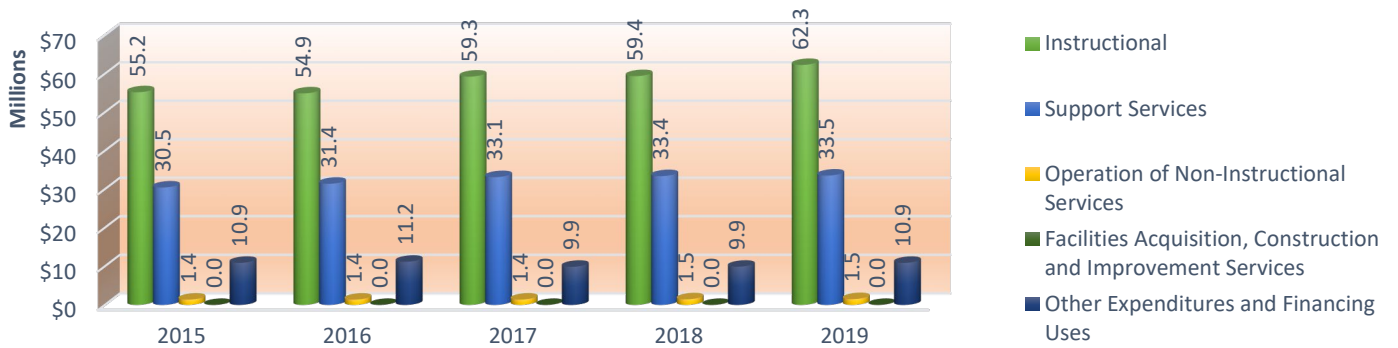


## Financial Information Continued

### Revenues by Source

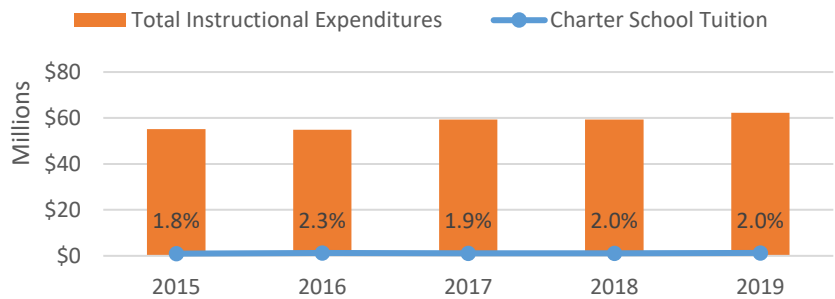


### Expenditures by Function

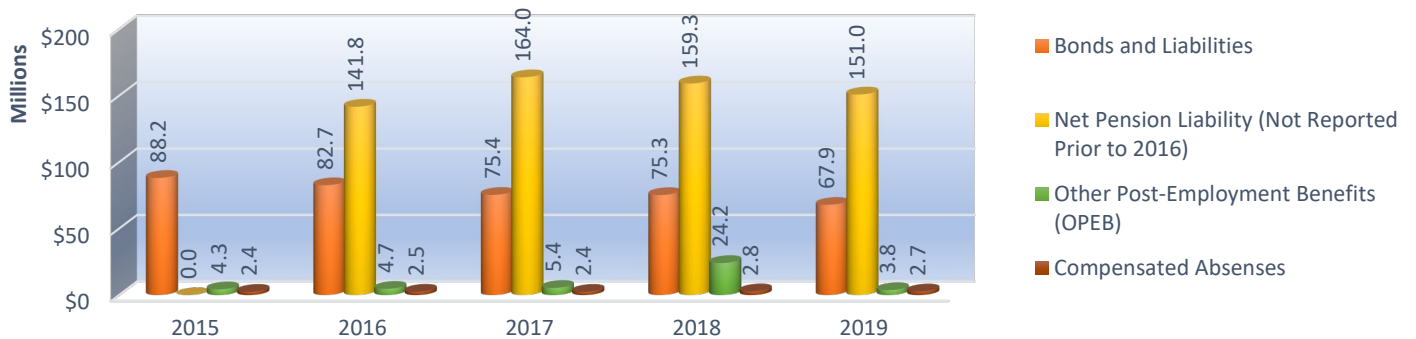


### Charter Tuition as a Percentage of Instructional Expenditures

	Charter School Tuition	Total Instructional Expenditures
2015	\$971,395	\$55,214,875
2016	\$1,268,279	\$54,915,989
2017	\$1,106,073	\$59,273,739
2018	\$1,189,137	\$59,399,032
2019	\$1,273,686	\$62,305,420



### Long-Term Debt

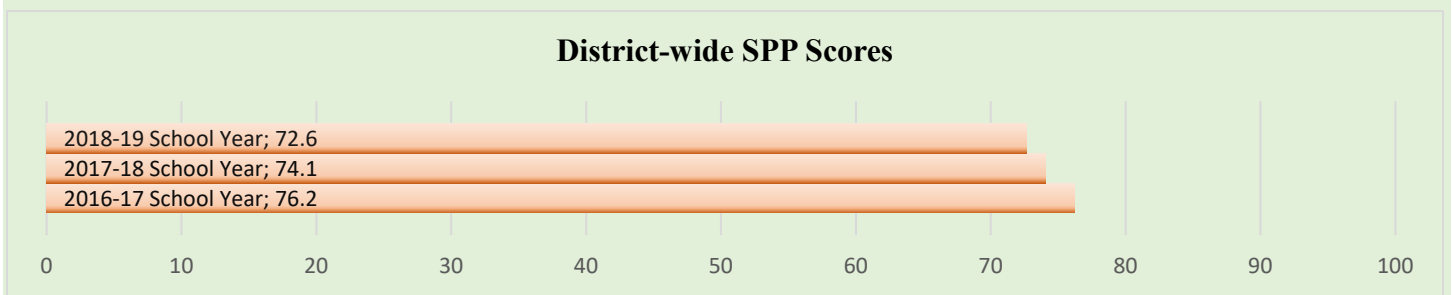


## Academic Information

The graphs on the following pages present the District-wide School Performance Profile (SPP) scores, Pennsylvania System of School Assessment (PSSA) scores, Keystone Exam results, and 4-Year Cohort Graduation Rates for the District obtained from PDE's data files for the 2016-17, 2017-18, and 2018-19 school years.<sup>1</sup> 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.<sup>2</sup>



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

<sup>2</sup> PDE started issuing a SPP score for all public school buildings beginning with the 2012-13 school year. For the 2014-15 school year, PDE only issued SPP scores for high schools taking the Keystone Exams as scores for elementary and middle scores were put on hold due to changes with PSSA testing. PDE resumed issuing a SPP score for all schools for the 2015-16 school year.

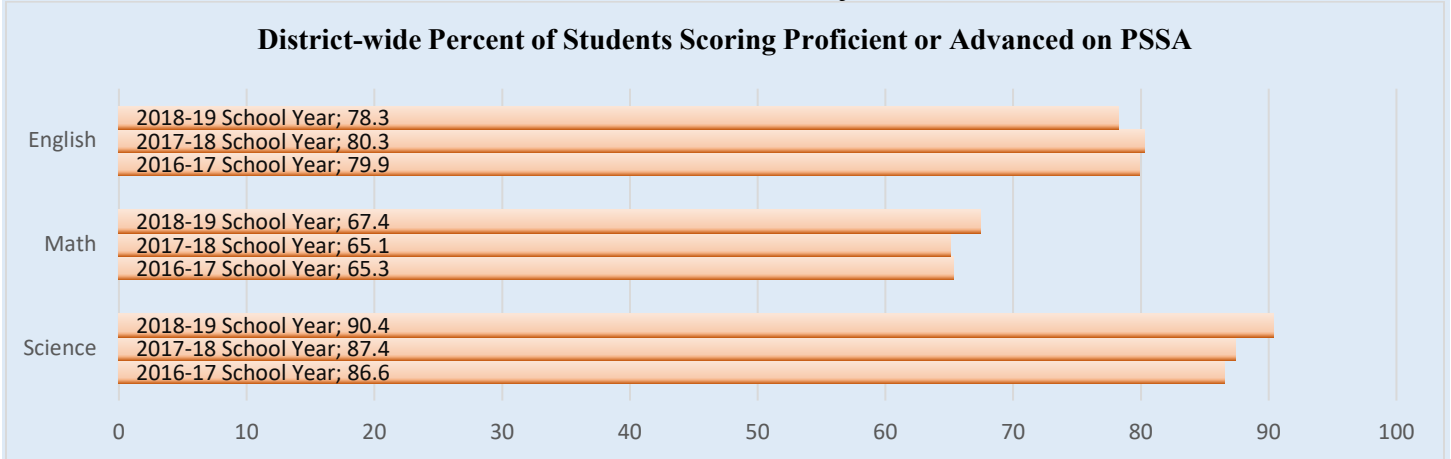


## Academic Information Continued

### What is the PSSA?

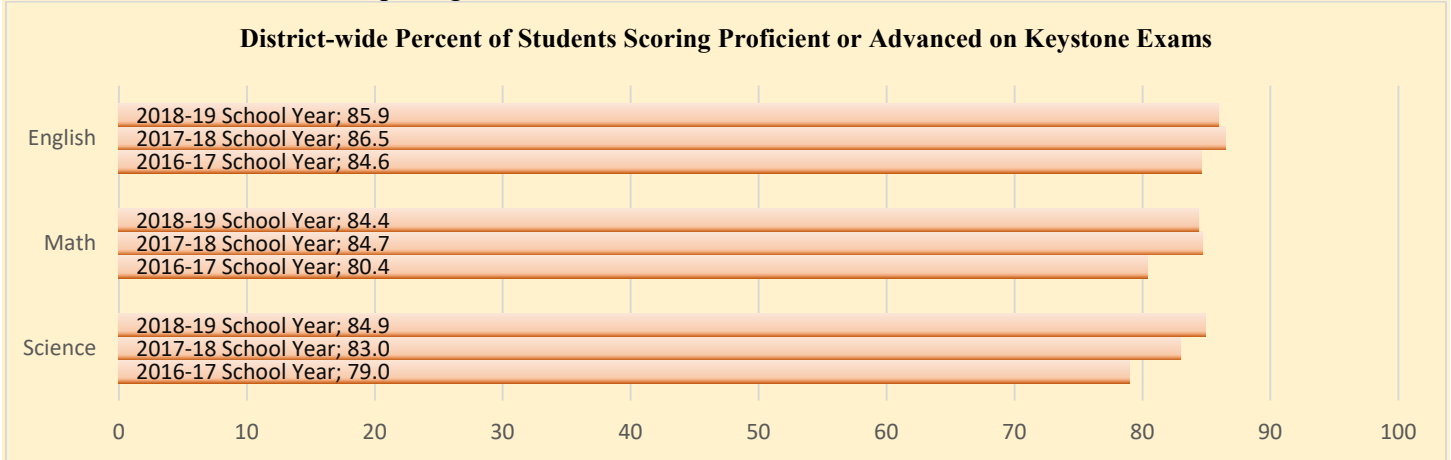
The PSSA is an annual, standardized test given across the Commonwealth to students in grades 3 through 8 in core subject areas, including English, Math and Science. The PSSAs help Pennsylvania meet federal and state requirements and inform instructional practices, as well as provide educators, stakeholders, 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.<sup>3</sup> 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.

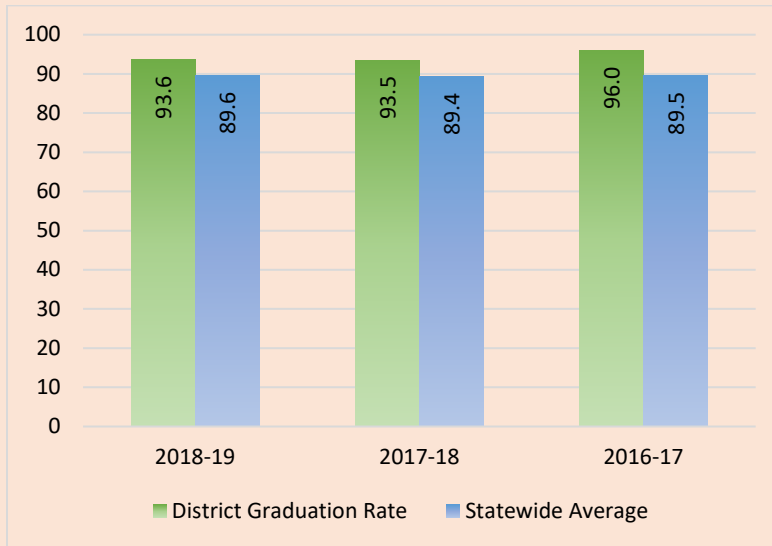


<sup>3</sup> Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1). Please refer to the following link regarding further guidance to local education agencies (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.<sup>4</sup>



<sup>4</sup> 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 Failed to Comply with Provisions of the Public School Code and Associated Regulations by Not Maintaining Complete Records for and Properly Monitoring Its Contracted Drivers

#### *Criteria relevant to the finding:*

#### **Internal Control Standards**

*Standards for Internal Control in the Federal Government* (also known as the Green Book), issued by the Comptroller General of the United States in September 2014, provides a framework for management to establish and maintain an effective internal control system. Principle 10, *Design Control Activities*, Attribute 10.03, states, in part, “Management designs appropriate types of control activities for the entity’s internal control system. Control activities help management fulfill responsibilities and address identified risk responses in the internal control system. . . .”

#### **Statutory and Regulatory Requirements**

Section 23.4(2) of Chapter 23 (relating to Pupil Transportation) of the State Board of Education regulations provides that: “[t]he board of directors of a school district is responsible for all aspects of pupil transportation programs, including the following:\*\*\*(2) The selection and approval of appropriate vehicles for use in district service and eligible operators who qualify under the law and regulations.” See 22 Pa. Code § 23.4(2).

The Methacton School District (District) failed to meet its statutory obligations related to the employment of individuals having direct contact with students during the 2020-21 school year by not maintaining complete and updated records for all drivers transporting students. We also found that the District’s Board of School Directors (Board) failed to approve nine drivers utilized by the District’s primary contractor. In addition, the Board did not approve any drivers employed by nine other third party transportation contractors to transport students for “one off routes,” and instead, simply approved the contracted companies. Finally, we noted that the District did not comply with its own board policies related to transportation and contracted services, and the contracted services policy did not include the updated legal requirements to renew background clearances every five years.

#### **Background**

The District utilizes one primary transportation contractor and nine third party transportation contractors to provide bus and van drivers (drivers) to transport students.

#### ***Importance of Internal Controls***

Several state statutes and regulations establish the minimum required credentials for school bus and van drivers, among others, the Public School Code (PSC) and the Child Protective Services Law (CPSL). The District’s Board is responsible for the selection and approval of eligible school bus and van operators who qualify under the laws and regulations.<sup>5</sup> Therefore, the District should have a strong internal control system over its driver review process that should include, but not be limited to, the following:

- Board approval of all drivers prior to transporting students.
- Documented review of all driver credentials prior to board approval.
- Monitoring of driver credentials to ensure current clearances, licenses, and physicals are on file.

<sup>5</sup> See 22 Pa. Code § 23.4(2).

*Criteria relevant to the finding  
(continued):*

Section 111 of the Public School Code (PSC) requires state and federal criminal background checks and Section 6344(b) of the Child Protective Services Law (CPSL) requires a child abuse clearance. *See* 24 P.S. § 1-111 and 23 Pa.C.S. § 6344(b), as amended. Additionally, administrators are required to maintain copies of all required clearances. *See* 24 P.S. § 1-111(b) and (c.1) and 23 Pa.C.S. § 6344(b.1).

Furthermore, both the PSC and the CPSL now require recertification of the required state and federal background checks and the child abuse clearances every 60 months (or every five years). *See* 24 P.S. § 1-111(c.4) and 23 Pa.C.S. § 6344.4.

With regard to criminal background checks, Sections 111(b) and (c.1) of the PSC require prospective school employees who have direct contact with children, including independent contractors and their employees, to submit a report of criminal history record information obtained from the Pennsylvania State Police, as well as a report of Federal criminal history record information obtained from the Federal Bureau of Investigation. *See* 24 P.S. § 1-111(b) and (c.1).

Moreover, Section 6344(a.1) and (b)(1) of the CPSL require school employees to obtain a Pennsylvania Child Abuse History Clearance to certify whether an applicant is named in the Statewide database as an alleged perpetrator in a pending child abuse investigation or as the perpetrator of a founded report or an indicated report. *See* 23 Pa.C.S. § 6344(a.1) and (b)(1).

- Monitoring who is driving buses and vans each day throughout the school year to ensure all drivers have been authorized by the Board.
- Clear and concise written procedures.
- Training on driver qualification and clearance requirements.

### ***Driver Employment Requirements***

Regardless of whether they hire their own drivers or use contracted drivers, school districts are required to verify and have on file a copy of the following documents for each employed or contracted driver *before* he or she can transport students with Board approval:

1. Driver qualification credentials,<sup>6</sup> including:
  - a. Valid driver's license (Commercial driver's license if operating a school bus).
  - b. Valid school bus endorsement card, commonly referred to as an "S" card, indicating completion of skills and safety training (if operating a school bus).
  - c. Annual physical examination (if operating a school bus).
2. Criminal history reports/clearances:
  - a. State Criminal History Clearance (PSP<sup>7</sup> clearance).
  - b. Federal Criminal History Clearance, based on a full set of fingerprints (FBI clearance).
  - c. PA Child Abuse History Clearance.<sup>8</sup>

It is important to note that all three clearances must be obtained every five years.<sup>9</sup>

### **Inadequate Internal Controls Resulted in Incomplete, Unreviewed, and Non-Existent Records for Contracted Drivers**

We reviewed driver information for the 2020-21 school year. The District provided a list of drivers transporting students as of February 8, 2021, from **only its primary contractor**. The District could not provide a list of drivers for any of the nine third party contractors.

The internal control weaknesses we identified are described in the following narrative.

<sup>6</sup> Pennsylvania's Vehicle Code, 75 Pa.C.S. §§ 1508.1 (relating to Physical examinations) and 1509 (relating to Qualifications for school bus driver endorsement).

<sup>7</sup> Pennsylvania State Police.

<sup>8</sup> This clearance is from the state Department of Human Services.

<sup>9</sup> 24 P.S. § 1-111(c.4) and 23 Pa.C.S. § 6344.4.

*Criteria relevant to the finding  
(continued):*

As for contracted school bus drivers, Section 111(a.1)(1) specifies that bus drivers employed by a school entity through an independent contractor who have direct contact with children must also comply with Section 111 of the PSC. *See* 24 P.S. § 1-111(a.1)(1). *See also* CPSL 23 Pa.C.S. § 6344(a.1)(1).

Pursuant to Section 111(c.4) of the PSC, administrators are required to review the background clearances and determine if the clearance reports disclose information that may require further action. *See* 24 P.S. § 1-111(c.4).

Administrators are also required to review the required documentation according to Section 111(g)(1) of the PSC. This section provides that an administrator, or other person responsible for employment decisions in a school or institution under this section who willfully fails to comply with the provisions of this section commits a violation of this act, subject to a hearing conducted by the Pennsylvania Department of Education (PDE), and shall be subject to a civil penalty of up to \$2,500. *See* 24 P.S. § 1-111(g)(1).

Section 8.2(a) of Chapter 8 (relating to Criminal Background Checks) of the State Board of Education regulations requires, in part, “(a) School entities shall require a criminal history background check **prior to hiring an applicant or accepting the services of a contractor**, if the applicant, contractor or contractor’s employees would have direct contact with children.” (Emphasis added.) *See* 22 Pa. Code § 8.2(a).

## **Third Party Contractors**

### *No Records for or Board Approval of Third Party Contracted Drivers*

During interviews with District officials, we were informed that the District does **not** maintain or review driver qualifications and background clearances for any of its nine third party contractors. Additionally, the Board did not approve any drivers from its third party contractors. Consequently, there were no third party contracted driver records for us to review to determine whether or not these drivers were properly qualified and approved to transport students. By not maintaining driver records and presenting drivers to the Board for approval before transportation occurred as required, the District and its Board did not have the necessary internal controls in place to know who was transporting District students on a daily basis and if these individuals were suitable to do so. As acknowledged by the District, it relied on the third party contractors to hire qualified individuals and monitor whether or not they stayed current with their credentials while the District abrogated its obligation to do so.

## **Primary Contractor**

### *Incomplete Driver List and Expired Driver Records*

We evaluated the completeness of the District’s primary contractor list by comparing it with the information from the primary contractor and found that the District’s list was incomplete. We found 11 drivers on the contractor’s list that were not on the District’s list. We then requested and reviewed the District’s personnel files for the primary contracted drivers to determine whether the District complied with driver qualifications and background clearance requirements, including the maintenance and monitoring of required documentation during our review period.

The results of our procedures disclosed internal control weaknesses related to obtaining, reviewing, and monitoring driver qualifications, which ultimately resulted in expired driver’s licenses, physical forms, and “S” endorsements and an incomplete District driver list for its primary contractor. However, the District had updated background clearances for all drivers tested. The District worked with its primary contractor to obtain current driver credentials. District officials explained that the drivers not on its driver list, for the most part, were due to the primary contractor borrowing drivers who typically transport students from other districts to transport its students.

### *Failure to Board Approve All Drivers and Board Approval of Drivers Whose Qualifications Were Not Obtained and Reviewed*

The state regulatory requirement to Board approve drivers is designed to provide the public with assurance that District administration has determined that authorized drivers have the required qualifications and

Criteria relevant to the finding  
(continued):

#### **PDE Guidance Document**

See also PDE's  
"Clearances/Background Check"  
web site for current school and  
contractor guidance  
([https://www.education.pa.gov/  
/Educators/Clearances/Pages/  
default.aspx](https://www.education.pa.gov/Educators/Clearances/Pages/default.aspx)).

#### **District Policies**

The District's Policy No. 810,  
*Transportation*, states, in part:

"A school bus driver shall not be employed until s/he has complied with the mandatory background check requirements for criminal history, federal criminal history record, child abuse, driving record and the contractor has evaluated the results of that screening process."

The District's Policy No. 818,  
*Contracted Services*, states, in part:

"Independent contractors and their employees shall not be employed until each has complied with the mandatory background check requirements for criminal history and child abuse and the district has evaluated the results of that screening process."

clearances on file *prior to* employment.<sup>10</sup> The Board approved an initial list of drivers from its primary contractor for the 2020-21 school year at its July 2020 meeting. However, by way of comparison to the contractor's list, we found that nine currently active drivers were not Board approved by the District at that meeting or any other meeting. Additionally, we found that the District did not have all required credentials on file for nine of the ten drivers who were Board approved and whom we selected and reviewed as part of our test population. District officials indicated that the District only approves drivers once, before the start of the school year, but does **not** approve drivers added throughout the school year. The Board relied on District administration to monitor and ensure all drivers were qualified to transport students.

#### **No Written Review Procedures and Insufficient Monitoring Process**

The District did not have a written, standardized review process and ongoing monitoring procedures to ensure that all contracted transportation employees having direct contact with children were properly credentialed prior to and throughout employment. The lack of a standardized process and insufficient monitoring resulted in expired documentation for contracted drivers employed by the District's primary contractor. While the District indicated that it monitored the primary contractor driver clearances, District officials acknowledged that driver qualifications for the primary contractor were not monitored. The District also acknowledged that they do not monitor any qualifications or clearances for the third party contractors.

#### **Noncompliance With and Outdated Board Policies**

During our review, we noted that District Policy No. 810, *Transportation*, was adopted May 2007 and revised December 2019, and Policy No. 818, *Contracted Services*, was adopted in May 2009 and last revised in May 2015. These policies require contracted drivers to comply with the mandatory background check requirements for criminal history and child abuse. Policy No. 818 also requires the District to ensure that all contractors submit a report of criminal history record information and an official child abuse clearance statement for each contractor's prospective employees prior to employment, and it also requires the District to evaluate those clearances. The District did not comply with its own policies as evidenced by its failure to have complete and updated records for all drivers, including the third party contracted drivers, when we conducted our initial review.

Additionally, the 2015 revision to the District's contracted service policy does not incorporate all the significant changes to laws and regulations that were made to the PSC and the CPSL related to the requirement to obtain updated clearances every five years.

<sup>10</sup> See 22 Pa. Code § 23.4(2).

## **Conclusion**

The District and its Board did not meet their statutory and regulatory requirements to ensure that all drivers were qualified and eligible to transport students. Specifically, the District and its Board did not comply with all applicable laws, regulations, and PDE guidance documents when it failed to have the Board approve **all** drivers and failed to obtain, review, and maintain all required driver qualifications and clearances. Finally, the District failed to update its relevant board policies.

Ensuring that ongoing qualification and clearance requirements are satisfied is a vital student protection obligation and responsibility placed on the District and its Board. The ultimate purpose of these requirements is to ensure the safety and welfare of students transported on school buses and vans. The use of a contractor to provide student transportation does not alleviate the District from its responsibility to ensure compliance with requirements for driver qualifications and background clearances.

## **Recommendations**

The *Methacton School District* should:

1. Implement verifiable internal control procedures with a documented review process to ensure that only qualified and authorized individuals are driving for the District.  
These procedures should ensure:
  - All required qualifications and clearances are obtained, reviewed, and on file at the District prior to individuals being presented to the Board for approval and/or transporting students.
  - All required documentation is continuously monitored, updated, and complete.
2. Comply with the PSC's requirements to obtain, review, and maintain required qualifications and background clearances for all contracted employees that have direct contact with students.
3. Ensure that all new drivers added after the start of the school year are presented to the Board for approval in a timely manner.
4. Promptly update the Board's policy and procedures for contracted services to address the requirement to obtain updated clearances every five years.

## **Management Response**

District management provided the following response:

The Methacton School District (District) does not agree that it failed to meet its statutory obligations related to the employment of individuals

having direct contact with students during the 2020-21 school year by not maintaining complete and updated records for all drivers transporting students. While items may have not been added to the Human Resources' driver file the information was in the possession of the contractor, First Student.

To further mitigate future concerns with a complete file being held in Human Resources, the Transportation Coordinator will be provided a log that they will maintain of all drivers and the expiration dates of the required documentation. The Transportation Coordinator will obtain the records from the contractors and provide them to Human Resources for the maintaining of the driver files.

Information to be tracked and maintained as follows:

To be supplied annually:

- Pennsylvania Driver License for Van Driver or School Bus Driver License for Bus Driver.
- Physical Exam Certificate.
- Bus Driver physical exam form.
- Certificate on completion of school bus driver's training.

To be supplied every five years:

- Act 34 Criminal Record Check.
- Act 151 Criminal Record Check.
- Act 114 FBI Fingerprint Report.

In addition, the Transportation Coordinator will be sending to Human Resources any new driver(s) in order to ensure that the School Board can approve the drivers as they are added. This will include drivers from First Student as well as any other third party drivers that are engaged by Methacton School District.

With regards to Board Policy 818 not incorporating all the significant changes to laws and regulations that were made to the PSC and the CPSL related to the requirement to obtain updated clearances every five years, the District does not agree with this statement. The Policy is reviewed per the PSBA recommendations and changes incorporated where appropriate. While the policy does not state that the clearance need to be updated every 5 years, it is well understood that this requirement exists. To help address the concern, the policy will be reviewed via PSBA and if needed the Solicitor.

### **Auditor Conclusion**

The District was totally reliant on its transportation contractors to obtain and maintain updated driver records, which is in noncompliance with the PSC and its associated regulations. It is imperative that the District have these updated files in its records to ensure that the District utilizes only



qualified drivers to transport students on a daily basis. We are encouraged that the District indicated in its response that it has already begun implementing procedures to address all of our recommendations. We will review the District's corrective actions during our next audit.

## Finding No. 2

## The District's Failure to Implement Adequate Internal Controls Resulted in an Unauditable \$8.2 Million in Transportation Reimbursements

### *Criteria relevant to the finding:*

#### **Student Transportation Subsidy**

The 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).

The District did not implement an adequate internal control system over the input, calculation, and reporting of regular and supplemental transportation data. Additionally, the District did not comply with the record retention provisions of the PSC when it failed to retain adequate source documentation for the regular and supplemental transportation reimbursements it received for the 2015-16 through 2018-19 school years. Therefore, we could not determine the accuracy of the \$8,238,372 the District received in regular and supplemental 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 upon the number of students transported, the number of days each vehicle is used to transport students, and the number of miles vehicles are in service both with and without students. The **supplemental** transportation reimbursement is solely based upon the number of charter school and nonpublic school students transported by the District at any time during a school year.

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.
- 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.<sup>11</sup> The sworn statement includes the superintendent's signature attesting to the accuracy of the reported data. Because of that attestation, the District should ensure it has implemented an adequate

<sup>11</sup> *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.” See 24 P.S. § 25-2543.

**Supplemental Transportation Subsidy for Nonpublic and Charter School Students**

Section 2509.3 of the PSC provides that each school district shall receive a supplemental transportation payment of \$385 for each nonpublic school student transported. This payment is provided for charter school students in Section 1726-A(a) of the Charter School Law through its reference to Section 2509.3 of the PSC. See 24 P.S. §§ 25-2509.3 and 17-1726-A(a).

**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.

internal control system to provide it with the confidence the Superintendent needs to sign the sworn statement. The District’s total transportation reimbursement received during our audit period is detailed in Table No. 1 below:

**Table No. 1**

<b>Methacton School District Transportation Reimbursements</b>			
<b>School Year</b>	<b>Regular Transportation</b>	<b>Supplemental Transportation</b>	<b>Total Reimbursement</b>
<b>2015-16</b>	\$1,661,443	\$ 333,795	\$1,995,238
<b>2016-17</b>	\$1,569,177	\$ 343,420	\$1,912,597
<b>2017-18</b>	\$2,025,447	\$ 270,270	\$2,295,717
<b>2018-19</b>	\$1,754,540	\$ 280,280	\$2,034,820
<b>Total</b>	<b>\$7,010,607</b>	<b>\$1,227,765</b>	<b>\$8,238,372</b>

**Regular Transportation Reimbursement**

As stated above, the regular transportation reimbursement is based on several components that are reported by a school district to PDE for use in calculating the district’s annual reimbursement amount. PDE guidelines state that districts are required to report the number of days a vehicle is in service, the average number of students assigned to each vehicle, as well as the miles per day, to the nearest tenth, that each vehicle travels with and without students. In addition, districts are required to report the number of students transported who were eligible and not eligible for reimbursement to PDE.

**No Source Documents**

We found that 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. The District relied heavily on its transportation software to calculate the transportation data it reported to PDE. The transportation software captures a monthly mileage and student “snapshot” for each vehicle. The monthly snapshot data is then used to calculate the numbers reported to PDE. The District did not retain the individual monthly vehicle data.

While the District provided us with school calendars as support for the number of days reported to PDE, we found some of the reported days were higher than the calendar days and no documentation existed to demonstrate or verify how the days reported to PDE were determined. Further, the District did not retain the monthly rosters used to calculate the number of students transported in each vehicle in the years we reviewed. The District attempted to retrieve rosters from the transportation software,

*Criteria relevant to the finding (continued):*

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

The “PDE-2089 Summary of Pupils Transported” form is used to report the total number of pupils transported during the school year. This transportation includes LEA-Owned vehicles, contracted service and fare based service, and provides, in part:

Enter the total number of resident NONPUBLIC school pupils you transported to and from school. Documentation identifying the names of these pupils should be retained for review by the Auditor General’s staff. NONPUBLIC school pupils are children whose parents are paying tuition for them to attend a nonprofit private or parochial school. (Any child that your district is financially responsible to educate is a PUBLIC pupil.)

Enter the number of resident PUBLIC school pupils (including charter school pupils) you transported to and from school because of hazardous walking routes. This figure should include only those pupils who live within 1.5 miles of the elementary school or within 2 miles of the secondary school in which they are enrolled. Distances should be computed by public highway miles (see Pennsylvania Public School Code of 1949, Section 1366).

but was unable to produce the documents. Without this supporting documentation, we were unable to determine the accuracy of the miles, students, and days reported to PDE and therefore, we could not determine if the District’s regular transportation reimbursements were appropriate.

***Irregularities in Hazardous Route Student Reporting***

Students transported are classified 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. Elementary students residing within 1.5 miles of their respective school or secondary students residing within 2 miles of their school are not eligible as reimbursable unless the student resides on a PennDOT determined hazardous walking route.

The table below details the number of students reported to PDE as either eligible due to residing on a hazardous walking route or ineligible for reimbursement. A review of the reported data reveals that the District reported the same number of hazardous walking route students for the 2015-16 and 2016-17 school years and reported **zero** hazardous walking route students in the 2017-18 and 2018-19 school years, which based on our experience is unusual. In addition, the District reported **zero** nonreimbursable students for the four-year audit period, which is also unusual. These potential irregularities of reporting **zero** students for these two categories of students necessitated a detailed review of the reported information because it appears that the District may or may not have received all the reimbursements to which it was entitled based on these unusual reported numbers.

**Table No. 2**

<b>Methacton School District Transportation Data Reported to PDE Hazardous Route and Nonreimbursable Students</b>		
<b>School Year</b>	<b>Hazardous Walking Route Students</b>	<b>Nonreimbursable Students</b>
<b>2015-16</b>	1,823	0
<b>2016-17</b>	1,823	0
<b>2017-18</b>	0	0
<b>2018-19</b>	0	0
<b>Total</b>	<b>3,646</b>	<b>0</b>

The District was able to provide documentation of PennDOT determinations of hazardous walking routes within the District. However, the District did not maintain records of the hazardous walking route and nonreimbursable students it transported for all four years of the audit period. The District attempted to re-create the records (i.e., lists of

*Criteria relevant to the finding (continued):*

Enter the number of nonreimbursable pupils (BOTH PUBLIC AND NONPUBLIC SCHOOL PUPILS) transported on contracted service vehicles. If you transport elementary pupils who reside within 1.5 miles of their school or secondary pupils who reside within 2 miles of their school who are not exceptional children or not required to use a certified hazardous walking route to reach their school, they are NONREIMBURSABLE PUPILS. Pupils who reside as indicated above, but are being transported to/from daycare providers located beyond those distances are still nonreimbursable. The location of their residence is the deciding factor.

Enter the number of resident pupils transported to charter schools located within your district boundaries. Documentation identifying the names of these pupils should be retained for review by the Auditor General’s staff.

Enter the number of resident pupils transported outside of your district boundaries either to a regional charter school of which your district is a part or to a charter school located within ten miles of your district boundaries. Documentation identifying the names of these pupils should be retained for review by the Auditor General’s staff.

students) from its transportation software but given the “dynamic” nature of the data, which is constantly changing as students are being added and deleted to the software, the District could not re-create the records to support the numbers it reported to PDE.

The lack of supporting documentation for the hazardous route and nonreimbursable students reported to PDE further contributed to our inability to determine if the District’s regular transportation reimbursements were appropriate.

**Supplemental Transportation Reimbursement**

The PSC requires school districts to provide transportation services to students who reside in its District and who attend a nonpublic or charter school, and it provides for a reimbursement from the Commonwealth of \$385 for each nonpublic school student transported by the District.<sup>12</sup> This reimbursement was made applicable to the transportation of charter school students pursuant to an equivalent provision in the Charter School Law.<sup>13</sup>

We reviewed the supplemental transportation data that the District reported to PDE and identified significant fluctuations in the number of nonpublic students reported from the 2016-17 to 2017-18 school years, as shown in the table below.

**Table No. 3**

Methacton School District Supplemental Transportation Data Reported to PDE		
School Year	Nonpublic Students	Charter School Students
2015-16	835	32
2016-17	861	31
2017-18	669	33
2018-19	691	37
<b>Total</b>	<b>3,056</b>	<b>132</b>

When we attempted to verify the accuracy of the reported data, we found that the District did not retain records of the nonpublic and charter school students it reported to PDE as transported for the 2016-17 and 2017-18 school years.

The District provided a list of nonpublic and charter school students for the 2015-16 and 2018-19 school years; however, the 2018-19 list did not agree with what was reported to PDE. In addition, the 2015-16 list of

<sup>12</sup> Pursuant to the PSC, a nonpublic school is defined, in pertinent part, as a nonprofit school other than a public school within the Commonwealth of Pennsylvania, wherein a resident of the Commonwealth may legally fulfill the compulsory school attendance requirements. See Section 922.1-A(b) (relating to “Definitions”) of the PSC, 24 P.S. § 9-922.1-A(b).

<sup>13</sup> See 24 P.S. § 17-1726-A(a) which refers to 24 P.S. § 25-2509.3. A charter school is an independent public school and educates public school students within the applicable school district. See 24 P.S. § 17-1703-A (relating to “Definitions”).

nonpublic school students contained special education, work-study, and other public school students, which, per PDE requirements, are not included in the definition of nonpublic school students. According to District officials, the nonpublic and charter school student data reported to PDE was based on real time data from its software system; however, the data was not saved as of the date it was captured. As stated earlier, the software system does not allow users to re-create historical data and therefore the District could not produce records to support the data it reported to PDE.

The District's lack of supporting documentation precluded us from determining the accuracy of the reported number of nonpublic school and charter school students transported and, therefore, we could not determine if the District's supplemental transportation reimbursements were appropriate.

### **Significant Internal Control Deficiencies**

Our review revealed that the District did not have an adequate internal control system over the process of inputting, categorizing, and reporting of both regular and supplemental transportation data to PDE. Specifically, we found that the District did not do the following:

- Ensure that the supporting documentation for vehicle data, hazardous route students, and nonpublic/charter school students is obtained and retained.
- Ensure that an employee, other than the employee responsible for inputting and categorizing regular and supplemental transportation data, has reviewed the data for accuracy and completeness before it was submitted to PDE.
- Properly configure its transportation software to ensure it accurately captures the data needed to properly report information to PDE.
- Develop detailed written procedures for obtaining and maintaining the documentation needed to accurately report vehicle data, hazardous route students, and nonpublic/charter school students to PDE.

All of the above internal control deficiencies resulted in our inability to audit the District's regular and supplemental transportation reimbursements during the four-year audit period.

### **Conclusion**

We found that the District did not have adequate internal controls in place to obtain appropriate supporting documentation and report accurate transportation data to PDE. For example, we noted significant reporting irregularities in the hazardous walking route category. The lack of adequate internal controls led to the District being unable to provide appropriate records to support the transportation data reported to PDE.

Therefore, we could not determine the accuracy of the regular and supplemental transportation reimbursements the District received for the 2015-16 through 2018-19 school years.

### **Recommendations**

The *Methacton School District* should:

1. Develop and implement an internal control system over its regular and supplemental transportation operations. The internal control system should include, but not be limited to, the following:
  - All personnel involved in inputting, categorizing, and reporting transportation data are trained on PDE's reporting requirements.
  - Clear and concise written procedures are developed to document the regular and supplemental transportation data collection, categorization, and reporting process.
  - A documented review of transportation data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE. This includes routinely double checking any transportation categories reported as zero (or similar unexpectedly low number) during any school year to ensure accuracy and completeness.
2. Ensure that complete supporting documentation for all regular and supplemental transportation data is obtained, reviewed, and retained in accordance with PSC requirements.
3. Work with the transportation software vendor to reprogram portions of the software to ensure that data is appropriately captured and maintained within the system to help ensure accurate data is reported to PDE and the District can demonstrate sufficient support for that data.
4. Ensure that employees responsible for transportation operations receive additional training on the District's transportation software.

### **Management Response**

District management provided the following response:

Methacton School District ("District") agrees that the historical documents were not retained as the District relied on the Bus Boss Software for the state reporting.

The District's reporting of students that ride but live within walking distance was deficient. To address this concern the District has worked with the software provider and the contractor to correctly identify these students for future reporting.

The District was also under reporting students transported due to hazardous walking conditions. To address this, the District worked with the software provider to correctly identify students meeting this criteria.

To address the documentation concerns, the District's Transportation Coordinator is electronically storing "snap shots" of the routes and rosters to support the information the software created for the state reporting.

The District will also be seeking enhanced training for the state reporting via PASBO in order to ensure that not only the proper documentation is being retained, but gain a better understanding of the reporting process and requirements.

### **Auditor Conclusion**

We are encouraged that the District indicated in its response to the finding that it has already begun or plans to implement most of our recommendations. We continue to recommend that the District develop clear and concise written procedures to help ensure that the District obtains, maintains, and reports accurate transportation data to PDE. We will review the District's corrective actions during our next audit of the District.



## **Status of Prior Audit Findings and Observations**

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**O**ur prior audit of the Methacton School District resulted in no findings or observations.

## Appendix A: Audit Scope, Objectives, and Methodology

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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,<sup>14</sup> 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.<sup>15</sup> *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.<sup>16</sup> 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.

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<sup>14</sup> 72 P.S. §§ 402 and 403.

<sup>15</sup> 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.

<sup>16</sup> 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
<b>Control Environment</b>	
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
<b>Risk Assessment</b>	
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
<b>Control Activities</b>	
10	Design control activities
11	Design activities for the information system
12	Implement control activities
<b>Information and Communication</b>	
13	Use quality information
14	Communicate internally
15	Communicate externally
<b>Monitoring</b>	
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?<sup>17</sup>
  - ✓ To address this objective, we assessed the District's internal controls for obtaining, processing and reporting transportation data to PDE. We verified that the District's data reported on the PDE-2518 (Summary of Individual Vehicle Data for Contracted Vehicle) was the same as the District created summary weighted average calculations of mileage and student data. We requested odometer readings, student rosters, vehicle rosters, and sample/weighted average calculations for all vehicles reported to PDE as transporting students for the 2015-16, 2016-17, and 2017-18 school years.<sup>18</sup> The District did not maintain the required supporting documentation for any vehicles; therefore, we were unable to determine the accuracy of the regular transportation reimbursement the District received from PDE for the audit period.
  - ✓ We assessed the District's internal controls for inputting, categorizing, and reporting nonpublic school and charter school student data to PDE. We asked the District to provide us with the requests for transportation for each nonpublic school and charter school student reported to PDE as transported by the District during the 2015-16 through 2018-19 school years.<sup>19</sup> However, the District could not provide requests for transportation forms for either group of students; therefore, we were unable to determine the accuracy of the supplemental transportation reimbursement the District received from PDE for the audit period.

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<sup>17</sup> See 24 P.S. § 2541.

<sup>18</sup> The District reported 107 vehicles used to transport students in 2015-16, 103 vehicles in 2016-17, 121 vehicles in 2017-18, and 112 vehicles in 2018-19 to PDE.

<sup>19</sup> The District reported 835 nonpublic school and 32 charter school students transported in 2015-16, 861 nonpublic school and 31 charter school students transported in 2016-17, and 669 nonpublic school and 33 charter school students transported in 2017-18, and 691 nonpublic school and 37 charter school students in the 2018-19 school year.

- ✓ Finally, we assessed the District’s internal controls for inputting and processing students that were reported as reimbursable due to residing on a hazardous walking route. We requested supporting documentation for all students reported as reimbursable due to residing on hazardous walking routes for the 2015-16, 2016-17, and 2017-18 school years.<sup>20</sup> The District did not maintain the required supporting documentation for these students; therefore, we were unable to determine the accuracy of the regular transportation reimbursement the District received from PDE for the audit period.

**Conclusion:** The results of our procedures identified areas of noncompliance and significant internal control deficiencies related to obtaining, inputting, processing, categorizing, and maintaining documentation to support the data reported to PDE for transportation reimbursement. Those results are detailed in Finding No. 2 beginning on page 14 of this report.

### **Bus Driver Requirements**

- Did the District ensure that all bus drivers transporting District students are board approved and had the required driver’s license, physical exam, training, background checks, and clearances<sup>21</sup> as outlined in applicable laws?<sup>22</sup> 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 and procedures for being made aware of who transported students daily. We determined if all drivers were Board approved by the District. We randomly selected 10 of 78 bus and van drivers transporting District students as of February 8, 2021.<sup>23</sup> We reviewed documentation to determine if the District complied with the requirements for bus drivers’ qualifications and clearances. 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 identified areas of noncompliance and significant internal control deficiencies related to bus driver requirements. Our results are detailed in Finding No. 1 beginning on page 7 of this report.

### **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, memorandums of understanding with local law enforcement?<sup>24</sup> Also, did the District follow best practices related to physical building security and providing a safe school environment?

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<sup>20</sup> The District reported 1,823 hazardous pupils in 2015-16, 1,823 hazardous pupils in 2016-17, 0 hazardous pupils in 2017-18, and 0 hazardous pupils in 2018-19 to PDE.

<sup>21</sup> 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.

<sup>22</sup> 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*.

<sup>23</sup> While representative selection is a required factor of audit sampling methodologies, audit sampling methodology was not applied to achieve this test objective; accordingly, the results of this audit procedure are not, and should not be, projected to the population.

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

- ✓ To address this objective, we reviewed a variety of documentation including but not limited to, safety plans, training schedules, anti-bullying policies, safety committee meeting minutes, and the memorandum of understanding with the local law enforcement agency.

**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.

- Did the District comply with the fire and security drill requirements of Section 1517 of the Public School Code?<sup>25</sup> 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 the District’s two buildings for the 2018-19 and 2019-20 school years to determine drills were held as required by PDE. 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 for this portion of the school safety objective did not disclose any reportable issues.

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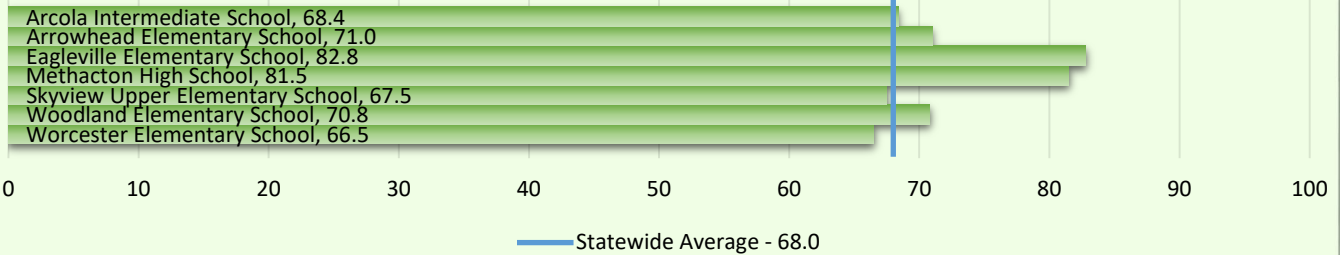
<sup>25</sup> Public School Code (Fire and Security Drills) 24 P.S. § 15-1517.

## Appendix B: Academic Detail

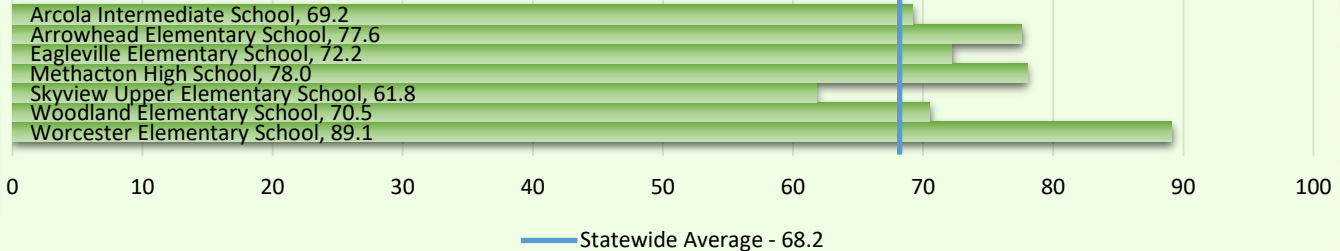
Benchmarks noted in the following graphs represent the statewide average of all public school buildings in the Commonwealth that received a score in the category and year noted.<sup>26</sup> Please note that if one of the District's schools did not receive a score in a particular category and year presented below, the school will not be listed in the corresponding graph.<sup>27</sup>

### SPP School Scores Compared to Statewide Averages

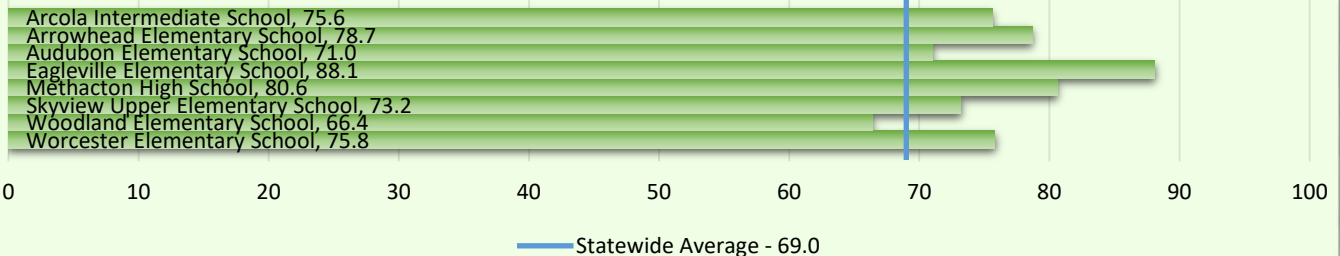
#### 2018-19



#### 2017-18



#### 2016-17

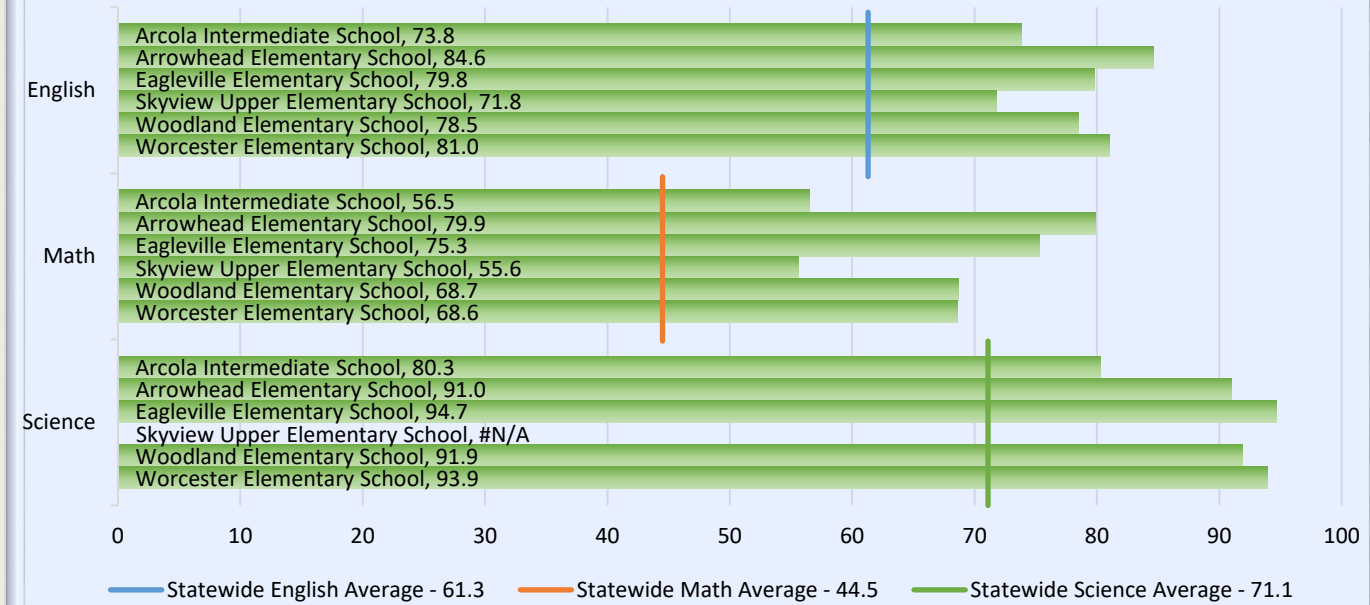


<sup>26</sup> Statewide averages were calculated by our Department based on individual school building scores for all public schools in the Commonwealth, including district schools, charters schools, and cyber charter schools.

<sup>27</sup> 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.

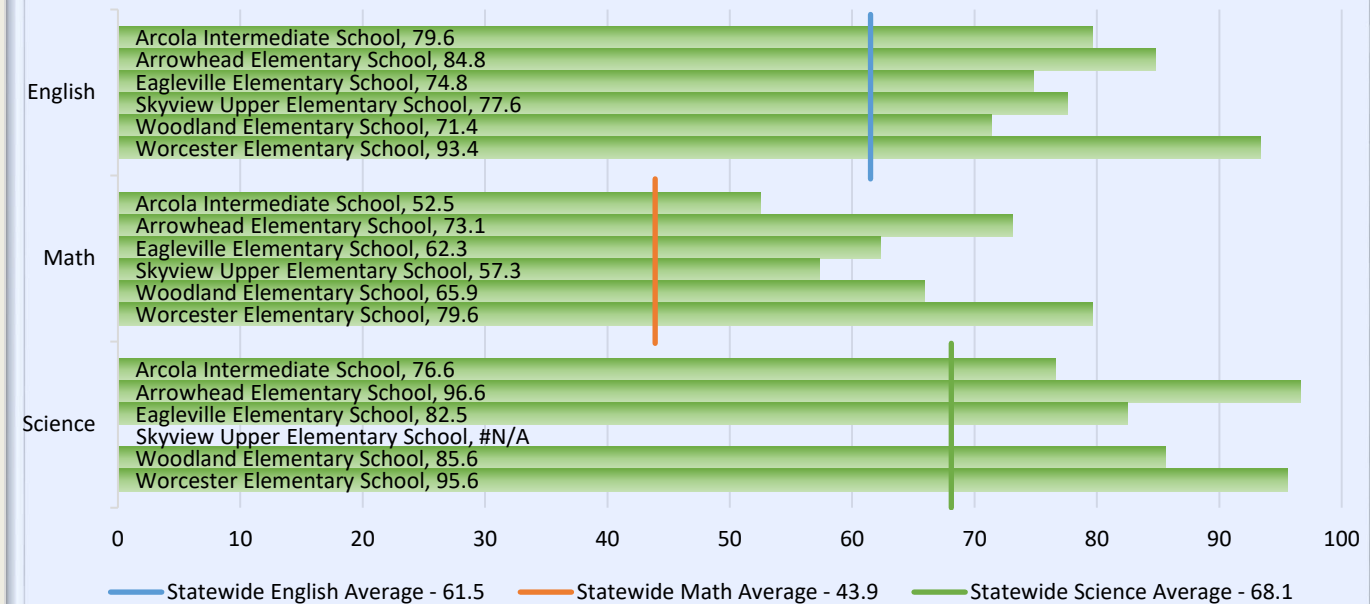
## PSSA Advanced or Proficient Percentage School Scores Compared to Statewide Averages

**2018-19**



#N/A: Students in grades 4 and 8 are administered the Science PSSAs. The Skyview Upper Elementary School is currently a grade 5 and 6 school; therefore, Science PSSAs are not administered to this school's students.

**2017-18**

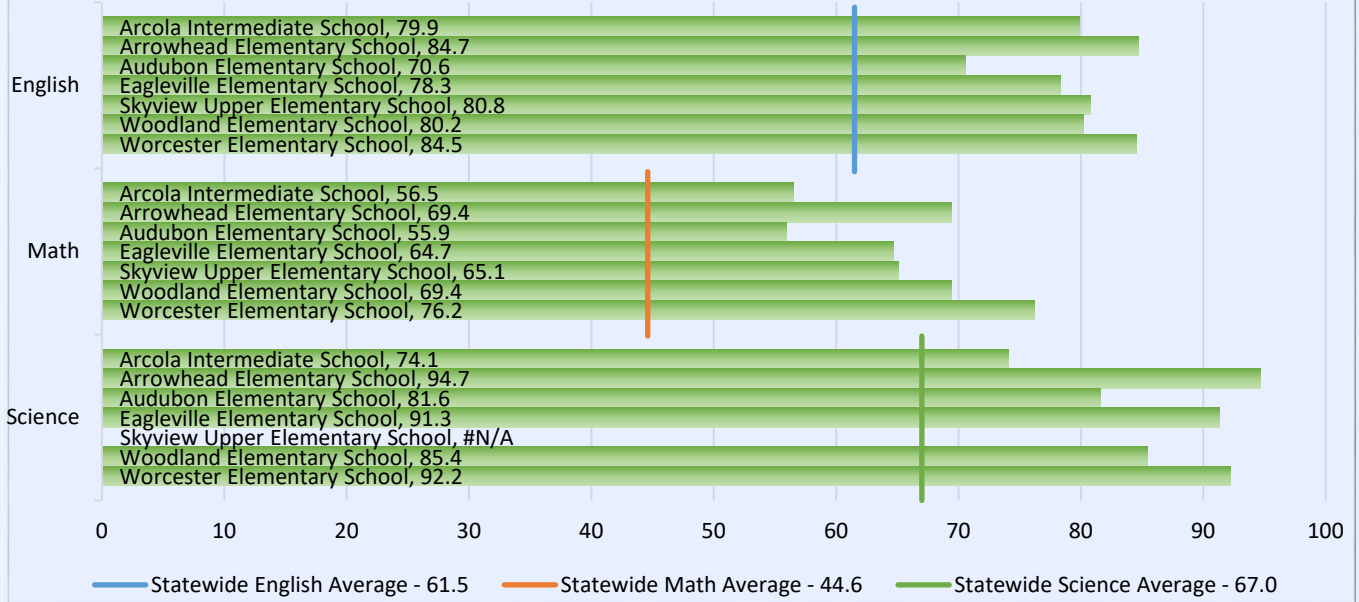


#N/A: Students in grades 4 and 8 are administered the Science PSSAs. The Skyview Upper Elementary School is currently a grade 5 and 6 school; therefore, Science PSSAs are not administered to this school's students.



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

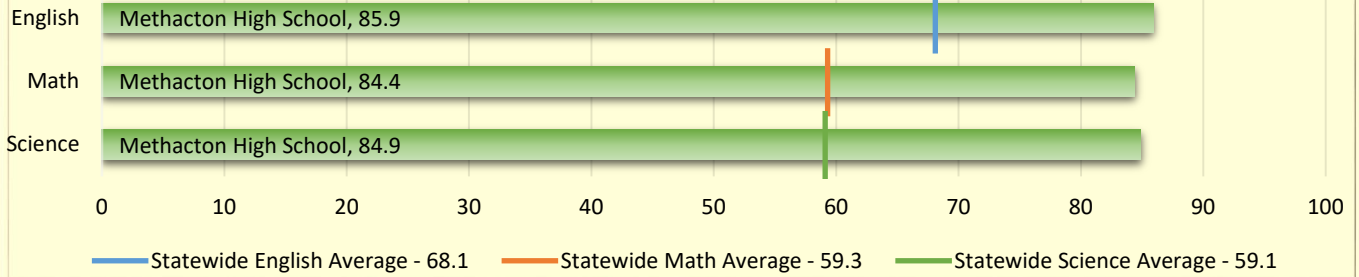
**2016-17**



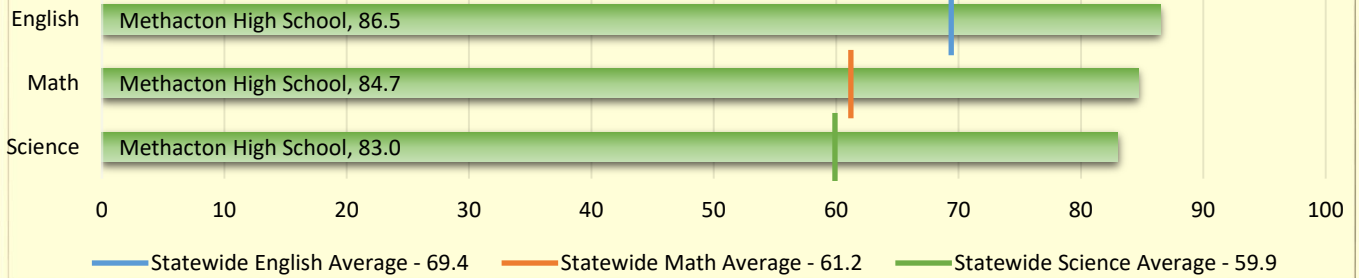
#N/A: Students in grades 4 and 8 are administered the Science PSSAs. The Skyview Upper Elementary School is currently a grade 5 and 6 school; therefore, Science PSSAs are not administered to this school's students.

## Keystone Advanced or Proficient Percentage School Scores Compared to Statewide Averages

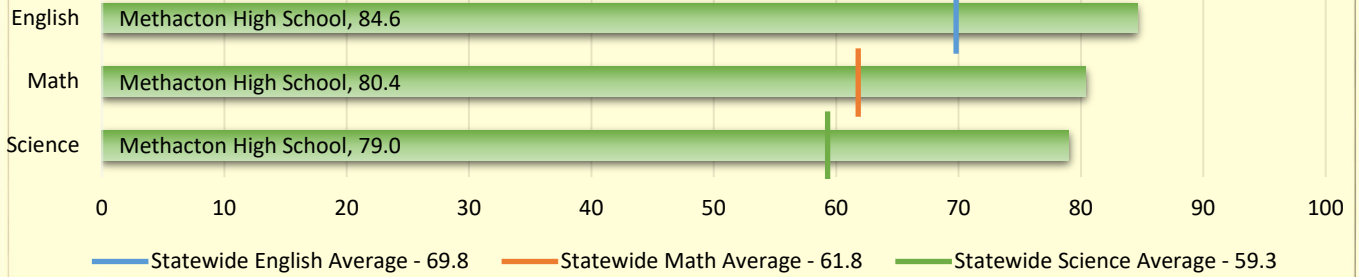
### 2018-19



### 2017-18



### 2016-17



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