

SCHOOL DISTRICT OF LANCASTER  
LANCASTER COUNTY, PENNSYLVANIA  
PERFORMANCE AUDIT REPORT

DECEMBER 2010



The Honorable Edward G. Rendell  
Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania 17120

Mr. Richard Caplan, Board President  
School District of Lancaster  
1020 Lehigh Avenue  
Lancaster, Pennsylvania 17602

Dear Governor Rendell and Mr. Caplan:

We conducted a performance audit of the School District of Lancaster (SDL) to determine its compliance with applicable state laws, regulations, contracts, grant requirements and administrative procedures. Our audit covered the period November 23, 2005 through March 5, 2010, except as otherwise indicated in the report. Additionally, compliance specific to state subsidy and reimbursements was determined for the school years ended June 30, 2008, 2007, 2006 and 2005. Our audit was conducted pursuant to 72 P.S. § 403 and in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Our audit found that the SDL complied, in all significant respects, with applicable state laws, regulations, contracts, grant requirements, and administrative procedures, except as detailed in the two findings noted in this report. A summary of these results is presented in the Executive Summary section of the audit report.

Our audit findings and recommendations have been discussed with SDL's management and their responses are included in the audit report. We believe the implementation of our recommendations will improve SDL's operations and facilitate compliance with legal and administrative requirements. We appreciate the SDL's cooperation during the conduct of the audit.

Sincerely,

/s/

JACK WAGNER  
Auditor General

December 29, 2010

cc: **SCHOOL DISTRICT OF LANCASTER** Board Members

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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 School District of Lancaster (SDL). Our audit sought to answer certain questions regarding the District's compliance with applicable state laws, regulations, contracts, grant requirements, and administrative procedures; and to determine the status of corrective action taken by the SDL in response to our prior audit recommendations.

Our audit scope covered the period November 23, 2005 through March 5, 2010, except as otherwise indicated in the audit scope, objectives, and methodology section of the report. Compliance specific to state subsidy and reimbursements was determined for school years 2007-08, 2006-07, 2005-06 and 2004-05.

### **District Background**

The SDL encompasses approximately 11 square miles. According to 2000 federal census data, it serves a resident population of 70,348. According to District officials, in school year 2007-08 the SDL provided basic educational services to 11,591 pupils through the employment of 990 teachers, 524 full-time and part-time support personnel, and 129 administrators. Lastly, the SDL received more than \$63.9 million in state funding in school year 2007-08.

### **Audit Conclusion and Results**

Our audit found that the SDL complied, in all significant respects, with applicable state laws, regulations, contracts, grant requirements, and administrative procedures; however, as noted below, we identified two compliance-related matters reported as findings.

#### **Finding No. 1: Certification Deficiencies.**

Our audit of professional employees' certification and assignments found 19 individuals were employed without the proper certification (see page 6).

#### **Finding No. 2: Internal Control Weakness Regarding Memorandum of Understanding.**

Our audit found that the SDL was required to obtain a Memorandum of Understanding as of January 1, 2010, due to a change in local police jurisdiction; however, they failed to obtain one by that date (see page 11).

**Status of Prior Audit Findings and Observations.** With regard to the status of our prior audit recommendations to the SDL from an audit we conducted of the 2003-04, 2002-03, 2001-02 and 2000-01 school years, we found the SDL partially complied with our recommendations relating to internal control weaknesses (see page 13), board members' failure to file Statements of Financial Interests (see page 14), and certification deficiencies (see page 14). The SDL did implement recommendations related to the general fund deficit (see page 15) and internal control weaknesses in administrative policies regarding bus drivers' qualifications (see page 16).





## Audit Scope, Objectives, and Methodology

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### Scope

*What is a school performance audit?*

School performance audits allow the 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 PA Department of Education, and other concerned entities.

Our audit, conducted under authority of 72 P.S. § 403, is not a substitute for the local annual 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.

Our audit covered the period November 23, 2005 through March 5, 2010, except for the verification of professional employee certification which was performed for the period October 26, 2005 through February 17, 2010.

Regarding state subsidy and reimbursements, our audit covered school years 2007-08, 2006-07, 2005-06 and 2004-05.

While all districts have the same school years, some have different fiscal years. Therefore, for the purposes of our audit work and to be consistent with Department of Education (DE) reporting guidelines, we use the term school year rather than fiscal year throughout this report. A school year covers the period July 1 to June 30.

### Objectives

*What is the difference between a finding and an observation?*

Our performance audits may contain findings and/or observations related to our audit objectives. Findings describe noncompliance with a law, regulation, contract, grant requirement, or administrative procedure. Observations are reported when we believe corrective action should be taken to remedy a potential problem not rising to the level of noncompliance with specific criteria.

Performance audits draw conclusions based on an evaluation of sufficient, appropriate evidence. Evidence is measured against criteria, such as, laws, regulations, and defined business practices. Our audit focused on assessing the SDL's compliance with applicable state laws, regulations, contracts, grant requirements and administrative procedures. However, as we conducted our audit procedures, we sought to determine answers to the following questions, which serve as our audit objectives:

- ✓ Were professional employees certified for the positions they held?
- ✓ Does the District ensure that Board members appropriately comply with the Public Official and Employee Ethics Act?
- ✓ Are there any declining fund balances which may impose risk to the fiscal viability of the District?

- ✓ Did the District pursue a contract buyout with an administrator and if so, what was the total cost of the buy-out, reasons for the termination/settlement, and do the current employment contract(s) contain adequate termination provisions?
- ✓ Were there any other areas of concern reported by local auditors, citizens, or other interested parties which warrant further attention during our audit?
- ✓ Is the District taking appropriate steps to ensure school safety?
- ✓ Did the District use an outside vendor to maintain its membership data and if so, are there internal controls in place related to vendor access?
- ✓ Did the District take appropriate corrective action to address recommendations made in our prior audits?

## Methodology

*What are internal controls?*

Internal controls are processes designed by management to provide reasonable assurance of achieving objectives in areas such as:

- Effectiveness and efficiency of operations;
- Relevance and reliability of operational and financial information;
- Compliance with applicable laws, regulations, contracts, grant requirements and administrative procedures.

*Government Auditing Standards* require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings, observations 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.

SDL management is responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the District is in compliance with applicable laws, regulations, contracts, grant requirements, and administrative procedures. Within the context of our audit objectives, we obtained an understanding of internal controls and assessed whether those controls were properly designed and implemented.

Any significant deficiencies found during the audit are included in this report.

Our audit examined the following:

- Records pertaining to professional employee certification, state ethics compliance, and financial stability.
- Items such as Board meeting minutes.

Additionally, we interviewed selected administrators and support personnel associated with SDL operations.

Lastly, to determine the status of our audit recommendations made in a prior audit report released on January 31, 2007, we reviewed the SDL's response to DE dated September 18, 2007. We then performed additional audit procedures targeting the previously reported matters.

## Findings and Observations

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### Finding No. 1

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*Criteria relevant to the finding:*

Section 1202 of the Public School Code provides, in part:

No teacher shall teach, in any public school, any branch which he has not been properly certificated to teach.

Public School Code Section 2518 provides, in part:

[A]ny school district, intermediate unit, area vocational-technical school or other public school in this Commonwealth that has in its employ any person in a position that is subject to the certification requirements of the Department of Education but who has not been certificated for his position by the Department of Education . . . shall forfeit an amount equal to six thousand dollars (\$6,000) less the product of six thousand dollars (\$6,000) and the district's market value/income aid ratio.

### Certification Deficiencies

Our current audit found that the District did not fully implement our prior audit recommendations regarding certification deficiencies (see page 14).

Our current audit of professional employees' certification and assignments for the period October 26, 2005 through February 17, 2010, was performed to determine compliance with the Public School Code and the Bureau of School Leadership and Teacher Quality (BSLTQ), the Department of Education's (DE) Certification and Staffing Policies and Guidelines (CSPG). We found 19 individuals were employed as outreach workers/outreach paraprofessionals without proper certification. Five of the 19 individuals were also employed as outreach workers during the prior audit period.

During our prior audit, we found that seven individuals were employed as outreach workers without the proper certification. In a Settlement and Release Agreement dated October 1, 2007, between the School District of Lancaster (SDL) and BSLTQ, it was stated that CSPG #77 allows paraprofessionals to serve under the direction of certified home and school visitors. The District agreed to revise the job description for the outreach worker position to reflect that the individuals work under the direction of certified home and school visitors. Since the District agreed to revise the outreach worker job description, BSLTQ agreed to forgo \$33,986 in subsidy forfeitures related to the outreach workers.

We found that the District revised its outreach worker title to outreach paraprofessional effective January 2009; however, the essential functions of this job description remained unchanged. Furthermore, the job description was not revised to require that the individuals work under the direction of certified home and school visitors. Therefore, the District failed to comply with the provisions of the Settlement and Release Agreement.

BSLTQ met with Human Resources representatives from SDL during the month of January 2010; the outreach workers duties were discussed. These workers are from various building sites and work with the principal of the building in varying capacities as the principal directs. The workers visit families, work with attendance and truancy, and refer to community agencies. BSLTQ concluded that the revised job description continues to list duties requiring a professional certificate for home and school visitor.

We submitted information pertaining to the certificates and assignments to BSLTQ, DE, for its review. BSLTQ subsequently confirmed that the individuals were not properly certified; the District is therefore subject to the following subsidy forfeitures:

<u>School Year</u>	<u>Subsidy Forfeitures</u>
2009-10	\$ *
2008-09	22,159
2007-08	21,434
2006-07	20,193
2005-06	<u>6,263</u>
Total subsidy forfeitures	<u>\$70,049</u>

\*Data necessary to complete this calculation was not yet available from DE.

**Recommendations**

The *School District of Lancaster* should:

1. Further revise the outreach paraprofessional job description, as agreed upon in the Settlement and Release Agreement.
2. Ensure that all professional employees have the required certificate for the position to which they are assigned.

The *Department of Education* should:

3. Take action to recover the appropriate subsidy forfeitures. In light of the District's failure to comply with the provisions of the Settlement and Release Agreement with BSLTQ, this should include the subsidy forfeitures of \$33,986 from the prior audit.

## **Management Response**

Prior to the issuance of BSLTQ's determination, management provided a written response dated March 18, 2010, which stated:

The School District of Lancaster ("District") disagrees with the findings of the Bureau of School Audits identifying possible certification irregularities pertaining to the District's locally titled position of "Outreach Worker."

In or around February 2007, the Auditor General released its Audit Report for the years ended June 30, 2001, 2002, 2003 and 2004 and in certain areas extending beyond June 30, 2004 with findings, observations, recommendations and status of prior years' findings through November 23, 2005. One of the deficiencies identified in those findings was that individuals employed by the District as "Outreach Workers" may not have been appropriately certified.

On April 9, 2007, the District, through counsel, filed a Petition for Appeal with the Pennsylvania Department of Education ("PDE"), Docket No. CAA 2006-46. The District asserted in its Appeal that it disagreed with the Bureau of Teacher Certification and Preparation's [now known as Bureau of School Leadership and Teacher Quality] finding that the locally titled position of Outreach Worker requires a Home and School Visitor certification. Subsequent to the filing of the District's Appeal, the District engaged in settlement negotiations with the Bureau of Teacher Certification and Preparation ("BTCP") in an attempt to resolve the issues related to certification.

On October 1, 2007 the parties executed a settlement agreement addressing, among other things, the alleged certification irregularities pertaining to the locally titled position of Outreach Worker. Pursuant to the settlement agreement, the BTCP reduced the penalty amount for citations related to individuals employed as Outreach Workers to zero. A copy of the executed settlement agreement is attached hereto as Exhibit A and is incorporated by reference. On June 6, 2008, Secretary of Education, Gerald Zahorchak, issued an Order dismissing the matter with prejudice. A copy of the Secretary's Order is attached hereto as Exhibit B and incorporated by reference. [NOTE: Exhibits are not reproduced here.]

The individuals employed by the District as Outreach Workers are not engaged in duties requiring a Home and School Visitor certification. The Outreach Worker position is a paraprofessional position and does not require certification pursuant to 22 Pa Code 49.1 *et seq.* As paraprofessionals, individuals employed by the District as Outreach Workers perform non-instructional tasks under the direction and oversight of certified professionals. This is why the Bureau of Teacher Certification and Preparation previously agreed to rescind the penalties associated with this position.

The District's Outreach Workers do not function as, nor do they exercise the same discretion as Home and School Visitors. Individuals employed in positions requiring Home and School Visitor certification may exercise full power without warrant, and may arrest or apprehend any child who fails to attend school in compliance with the provisions of applicable law. Individuals employed by the District as Outreach Workers exercise no such authority and therefore do not require certification.

Pursuant to the settlement agreement executed on October 1, 2007, it was established that the District's locally titled position of Outreach Worker does not require certification as a Home and School Visitor. The District notes that five of the seven individuals identified for certification irregularities related to their employment as Outreach Workers in the current audit period were also identified in the February 2007 Audit Report. . . . The Bureau has also identified fourteen individuals with a service period beginning prior to the date of the October 1, 2007 settlement agreement. Based on the Bureau's agreement to reduce the penalty amount to zero as of October 1, 2007 for citations related to the District's Outreach Worker position, the District disagrees with the current findings as they relate to individuals employed as Outreach Workers prior to that date.

Corrective Action Planned:

Due to numerous and substantial changes in the make-up of the District's administration team, including changes in the position of Superintendent, Business Manager and Director of Human Resources, which occurred during or shortly

after the October 1, 2007 settlement was reached, the District did not complete the process of revising its job description for the Outreach Worker position. The District recognizes this administrative oversight and has taken step to revise the Outreach Worker job description immediately.

**Auditor Conclusion**

Since management acknowledged that they did not complete the process of revising its job description for the outreach worker/outreach paraprofessional position as agreed upon in the October 1, 2007 Settlement and Release Agreement, and BSLTQ's conclusion at its meeting with the District's administration in January 2010 that the job description continues to list duties of a professional certificate for home and school visitor, the finding will stand. Furthermore, as noted in the body of the finding, BSLTQ subsequently issued its determination upholding the citations. Any further disagreement on the part of the District must therefore be addressed to DE.



**Finding No. 2**

**Internal Control Weakness Regarding Memorandum of Understanding**

*Criteria relevant to the finding:*

Public School Code  
Section 13-1303-A(c) provides:

All school entities shall develop a memorandum of understanding with local law enforcement which sets forth procedures to be followed when an incident involving an act of violence or possession of a weapon by any person occurs on school property. Law enforcement protocols shall be developed in cooperation with local law enforcement and the Pennsylvania State Police.

Additionally, a Basic Education Circular issued by the Department of Education entitled Safe Schools and Possession of Weapons as well as the Complete All-Hazards School Safety Planning Toolkit disseminated by the Pennsylvania Emergency Management Association contains a sample MOU format to be used by school entities, which states MOU's must be re-executed every two years.

Our audit of SDL records conducted on February 8, 2010, found that the District did not have a signed Memorandum of Understanding (MOU) with one of the two local police departments with jurisdiction over school property. SDL subsequently provided a MOU signed on March 3, 2010.

District administration indicated this was an oversight caused by a change in police coverage. Prior to January 1, 2010, the entire District was under the jurisdiction of one local police department with which the District had a signed MOU. Beginning January 1, 2010, a portion of the District came under the jurisdiction of a second local police department with which the district had not obtained a signed MOU.

The failure to obtain a signed MOU with all local law enforcement agencies could result in a lack of cooperation, direction, and guidance between District employees and law enforcement agencies if an incident occurs on school property, at any school-sponsored activity, or on any public conveyance providing transportation to or from a school or school-sponsored activity. This internal control weakness could have an impact on law enforcement notification and response, and ultimately the resolution of a problem situation.

**Recommendations**

The *School District of Lancaster* should:

1. Establish procedures to ensure MOUs are reviewed for compliance with the Public School Code when there is a change in police jurisdiction over school property.
2. Adopt a policy requiring the administration to review and re-execute the MOUs every two years.

**Management Response**

Management stated the following:

The School District of Lancaster disagrees with the finding of Internal Control Weakness Regarding Memorandum of Understanding.

At the start of the 2009-2010 school year the District had a MOU with Lancaster City for the School Resource Officer [SRO] program that covered both Lancaster City and Lancaster Township schools. In October 2009, Lancaster Township started the process to establish a new contract for police services that was normally held by the Lancaster City Police Department. This potential change created an issue for the District where one of our SRO's was servicing one Lancaster Township school (Wheatland MS). In December 2009, the Lancaster Township awarded their police services contract to Manheim Township.

Immediately following the new contract award, the District started the process to establish a new MOU with Lancaster & Manheim Township for the SRO at Wheatland MS. This process was just recently completed and the MOU will be presented to the School Board for approval at the March 16, 2010 meeting.

**Auditor Conclusion**

Since management has acknowledged that they had not completed the process of having a signed MOU with the police department, the finding will stand as written.

## Status of Prior Audit Findings and Observations

Our prior audit of the School District of Lancaster (SDL) for the school years 2003-04, 2002-03, 2001-02 and 2000-01 resulted in three reported findings and two observations, as shown in the following table. As part of our current audit, we determined the status of corrective action taken by the District to implement our prior recommendations. We analyzed the SDL Board's written response provided to the Department of Education (DE), performed audit procedures, and questioned District personnel regarding the prior findings and observations. As shown below, we found that the SDL the District partially complied with our recommendations relating to internal control weaknesses, board members' failure to file Statements of Financial Interests, and certification deficiencies. The District did implement recommendations related to the general fund deficit and internal control weaknesses in administrative policies regarding bus drivers' qualifications.

<i>School Years 2003-04, 2002-03, 2001-02 and 2000-01 Auditor General Performance Audit Report</i>		
<i>Prior Recommendations</i>	<i>Implementation Status</i>	
<p><u><i>I. Finding No. 1: Internal Control Weaknesses</i></u></p> <ol style="list-style-type: none"> <li>1. Ensure that the new child accounting software contains edit checks to verify accuracy of student entry and withdrawal dates.</li> <li>2. Ensure that all individuals involved in the child accounting processing understand the importance of maintaining supporting documentation and reporting accurate vocational education membership data.</li> <li>3. Ensure that minutes are approved, signed and bound in a timely manner.</li> </ol>	<p><b>Background:</b></p> <p>Our prior audit of District procedures and records found internal control weaknesses in certain operational areas. The weaknesses resulted in procedural deficiencies in the areas of vocational education membership and minutes of school board meetings.</p>	<p><b>Current Status:</b></p> <p>Our current audit found that the District has complied with our recommendations by hiring an experienced child accounting staff member in April 2005. In July 2005 the District implemented new child accounting system software, which contains edit checks to verify the accuracy of the student membership entry and withdrawal dates. In addition, membership data is provided through the student permanent school history record, which is verified with the vocational education management report. Child accounting personnel provided current school year documentation to support the accurate reporting of vocational education membership.</p> <p>Our review of board minutes found that they were approved and signed in a timely manner; however,</p>

		<p>board minutes were not permanently bound. We again recommend the board minutes are permanently bound.</p>
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<p><b><u>II. Finding No. 2: Board Members Failed to File Statements of Financial Interests in Violation of the State Public Official and Employee Ethics Act</u></b></p> <ol style="list-style-type: none"> <li>1. Develop procedures to ensure that all individuals required to file Statements of Financial Interests (SFI) do so in compliance with the Ethics Act.</li> <li>2. Seek the advice of the District’s solicitor in regard to the board’s responsibility when an elected board member fails to file a SFI.</li> </ol>	<p><b>Background:</b></p> <p>Our prior audit of the 2004, 2003, 2002 and 2001 calendar years’ SFIs found that three board members in 2004, 2003 and 2002, and six board members in 2001, failed to file SFIs. As a result of our audit, one of the three board members who failed to file for 2004 filed her statement, on July 19, 2005.</p>	<p><b>Current Status:</b></p> <p>Our current audit found the District did implement our recommendation in August 2007, and all board members’ SFIs were on file. However, we did find that one board member for 2005 filed the SFI after the May 1, 2006 due date. In 2006, all board members filed their SFIs timely.</p> <p>A report of the late filing will be sent to the State Ethics Commission for its review and determination of any further action it deems necessary.</p>
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<p><b><u>III. Finding No. 3: Certification Deficiencies</u></b></p> <ol style="list-style-type: none"> <li>1. Take the necessary action required to ensure compliance with certification regulations.</li> <li>2. Submit locally titled positions to the Bureau of School Leadership and Teacher Quality (BSLTQ) for its review and determination prior to assigning employees to these positions.</li> <li>3. Establish a review process to ensure that all professional employees’ certificates are current and valid.</li> </ol>	<p><b>Background:</b></p> <p>Our prior audit of the District’s professional employees’ certification and assignments for the period September 2, 2003 through October 25, 2005 found certification deficiencies as follows:</p> <ul style="list-style-type: none"> <li>• Seven individuals were assigned to the locally titled position of “Outreach Worker” without the proper certification; six of these individuals were also cited in the prior audit.</li> <li>• Two individuals assigned to locally titled positions of IMPACT program administrator and Literacy Coach (Elementary) were not properly certified.</li> <li>• Nine individuals were teaching with expired certificates.</li> <li>• Two individuals taught prior to being certified.</li> <li>• One individual was not properly certified for his assignment.</li> </ul>	<p><b>Current Status:</b></p> <p>Our current audit of the 21 individuals cited during the last audit found: six individuals obtained proper certification; nine individuals retired, resigned or were terminated; one individual was reassigned to a position for which they were properly certified; and five individuals remained in the position of outreach worker.</p> <p>The District and BSLTQ, entered into a Settlement and Release Agreement on October 1, 2007, with the following results:</p> <ul style="list-style-type: none"> <li>• BSLTQ reduced the total subsidy penalty from \$77,052 to \$38,613.</li> </ul>
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<p>4. Ensure that all teachers are assigned to courses that they are properly certified to teach.</p> <p>5. DE should take action to recover the subsidy forfeitures of \$77,422, resulting from the certification deficiencies.</p>		<ul style="list-style-type: none"> <li>• BSLTQ agreed to forego the subsidy forfeitures for the seven outreach workers and the one literacy coach.</li> <li>• The District agreed to revise the job description for the outreach worker position to reflect that the individuals are working under the direction of certified home and school visitors.</li> </ul> <p>However, we found that the District failed to revise the job description as agreed (see Finding No. 1, page 6).</p> <p>DE recovered subsidy forfeitures of \$38,613 on December 24, 2008.</p>
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<p><i>IV. Observation No. 1: General Fund Deficit of \$1,647,459</i></p> <ol style="list-style-type: none"> <li>1. Prepare realistic budgets based on historical data.</li> <li>2. Examine the budgeting procedures which allow total expenditures and other financing uses to exceed revenue.</li> <li>3. Provide for further systematic reduction and elimination of the deficit general fund balance.</li> </ol>	<p><b>Background:</b></p> <p>Our prior review of the District’s annual financial reports, local auditor’s reports and general fund budgets for the fiscal years ended June 30, 2005, 2004, 2003, 2002 and 2001 found that the balance in the District’s general fund decreased during our review period from a \$576,228 surplus at June 30, 2001, to a deficit of \$1,647,459 at June 30, 2005. It was noted that audited information for the 2005-06 school year was not available at the time of fieldwork for our audit.</p>	<p><b>Current Status:</b></p> <p>Our current audit found that the District implemented our recommendations in August 2007 by providing documentation on budgeted revenues and expenditures through a budget planning model. The District also provided a monthly general fund budget to actual expenditures report which supports that system controls are in place to help ensure actual expenditures do not exceed budgeted expenditures. Lastly, the corrective action implemented by the District in August 2007 has eliminated the general fund deficit. There was a positive general fund balance of \$2,410,273 for the 2005-06 school year. As of the 2008-09 school, this had increased to \$6,312,971.</p>
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<p><u>V. Observation No. 2:</u>  <u>Internal Control</u>  <u>Weaknesses in</u>  <u>Administrative Policies</u>  <u>Regarding Bus Drivers’</u>  <u>Qualifications</u></p> <ol style="list-style-type: none"> <li>1. Develop a process to determine, on a case-by-case basis, whether prospective and current employees of the District or the District’s transportation contractors have been convicted of crimes that, even though not disqualifying under state law, affect their suitability to have direct contact with children.</li>   <li>2. Implement written policies and procedures to ensure that the District is notified when drivers are charged with or convicted of crimes that call into question their suitability to continue to have direct contact with children and to ensure the District considers on a case-by-case basis whether any conviction of a current employee should lead to an employment action.</li> </ol>	<p><b>Background:</b></p> <p>Our prior audit found that neither the District nor the transportation contractors had written policies or procedures in place to ensure that they were notified if current employees were charged with or convicted of serious criminal offenses which should be considered for the purpose of determining an individual’s continued suitability to be in direct contact with children. We considered this lack of written policies and procedures to be an internal control weakness that could result in the continued employment of individuals who may pose a risk if allowed to continue to have direct contact with children.</p>	<p><b>Current Status:</b></p> <p>Our current audit found the District complied with our recommendations as of July 2008 by obtaining the contractor’s driver policies ensuring that the District will be notified by the contractor if drivers are charged with or convicted of crimes that may have a negative impact on their suitability to have contact with students.</p>
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## **Distribution List**

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This report was initially distributed to the superintendent of the school district, the board members, our website address at [www.auditorgen.state.pa.us](http://www.auditorgen.state.pa.us), and the following:

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This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, PA 17120. If you have any questions regarding this report or any other matter, you may contact the Department of the Auditor General by accessing our website at [www.auditorgen.state.pa.us](http://www.auditorgen.state.pa.us).

