

SHADE-CENTRAL CITY SCHOOL DISTRICT  
SOMERSET COUNTY, PENNSYLVANIA  
PERFORMANCE AUDIT REPORT

APRIL 2009



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

Mr. Stephen Sesack, Board President  
Shade-Central City School District  
203-235 McGregor Avenue  
Cairnbrook, Pennsylvania 15924

Dear Governor Rendell and Mr. Sesack:

We conducted a performance audit of the Shade-Central City School District (SCCSD) to determine its compliance with applicable state laws, regulations, contracts, grant requirements and administrative procedures. Our audit covered the period June 16, 2006 through September 17, 2008, except as otherwise indicated in the report. Additionally, compliance specific to state subsidy and reimbursements was determined for the school years ended June 30, 2006, and June 30, 2005, as they were the most recent reimbursements subject to audit. 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 SCCSD complied, in all significant respects, with applicable state laws, regulations, contracts, grant requirements, and administrative procedures, except as detailed in four 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 SCCSD's management and their responses are included in the audit report. We believe the implementation of our recommendations will improve SCCSD's operations and facilitate compliance with legal and administrative requirements.

Sincerely,

/s/

JACK WAGNER  
Auditor General

April 24, 2009

cc: **SHADE-CENTRAL CITY SCHOOL DISTRICT** 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 Shade-Central City School District (SCCSD). 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 SCCSD in response to our prior audit recommendations.

Our audit scope covered the period June 16, 2006 through September 17, 2008, 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 2005-06 and 2004-05 as they were the most recent reimbursements subject to audit. The audit evidence necessary to determine compliance specific to reimbursements is not available for audit until 16 months, or more, after the close of a school year.

### **District Background**

The SCCSD encompasses approximately 68 square miles. According to 2000 federal census data, it serves a resident population of 4,144. According to District officials, in school year 2005-06, the SCCSD provided basic educational services to 625 pupils through the employment of 44 teachers, 47 full-time and part-time support personnel, and 3 administrators. Lastly, the SCCSD received more than \$4.5 million in state funding in school year 2005-06.

### **Audit Conclusion and Results**

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

#### **Finding 1: Error in Reporting Charter School Tuition Resulted in a Reimbursement Overpayment of \$2,321.**

Our review of the SCCSD's request for reimbursement of charter school expenditures submitted to the Department of Education (DE) for the 2005-06 school year found that tuition paid to a charter school was overstated, resulting in a reimbursement overpayment of \$2,321. SCCSD management agreed with the finding (see page 6).

#### **Finding 2: Pupil Transportation Reporting Errors Resulted in a Net Subsidy Underpayment to the District of \$844 and Overpayments to Two Contractors of \$1,312.**

Our review of the SCCSD's pupil transportation reports submitted to DE found a significant number of errors, resulting in a subsidy overpayment of \$3,172 for the 2005-06 school year and an underpayment of \$4,016 for the 2004-05 school year. In addition, two contractors were overpaid a total of \$1,312 during the 2005-06 school year. SCCSD management agreed with the finding (see page 7).

**Finding 3: Certification Irregularity.** Our audit of professional employees' certificates and assignments for the period April 1, 2006 through February 29, 2008, found that a teacher may have been assigned as a long-term special education substitute from August 28, 2006 until February 20, 2007, without a valid certificate for the assignment. The teacher was subsequently reassigned to a position for which she was properly certificated. SCCSD management agreed with the finding (see page 13).

**Finding 4: Van Drivers' Qualifications Irregularities.** Our review of school bus and van driver files found violations of the Public School Code and the Child Protective Services Law. SCCSD management agreed with the finding (see page 14).

**Status of Prior Audit Findings and Observations.** With regard to the status of our prior audit recommendations to the SCCSD from an audit we conducted of the 2003-04 and 2002-03 school years, we found the SCCSD had not taken appropriate corrective action in implementing our recommendations pertaining to pupil transportation reporting errors (see page 16). However, the SCCSD did take appropriate corrective action regarding resident and nonresident membership reporting errors (see page 17).



## 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 June 16, 2006 through September 17, 2008, except for the verification of professional employee certification, which was performed for the period April 1, 2006 through February 29, 2008.

Regarding state subsidy and reimbursements, our audit covered school years 2005-06 and 2004-05 because the audit evidence necessary to determine compliance, including payment verification from the Commonwealth's Comptroller Operations and other supporting documentation from the Department of Education (DE), is not available for audit until 16 months, or more, after the close of a school year.

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 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

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 SCCSD'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 objectives:

- ✓ Were professional employees certified for the positions they held?

*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.

- ✓ In areas where the District receives state subsidy and reimbursements based on pupil membership (e.g. basic education, special education, and vocational education), did it follow applicable laws and procedures?
- ✓ In areas where the District receives state subsidy and reimbursements based on payroll (e.g. Social Security and retirement), did it follow applicable laws and procedures?
- ✓ Did the District follow applicable laws and procedures in areas dealing with pupil membership and ensure that adequate provisions were taken to protect the data?
- ✓ Is the District's pupil transportation department, including any contracted vendors, in compliance with applicable state laws and procedures?
- ✓ 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 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.

SCCSD 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.

In order to properly plan our audit and to guide us in possible audit areas, we performed analytical procedures in the areas of state subsidies/reimbursement, pupil membership, pupil transportation, and comparative financial information.

Our audit examined the following:

- Records pertaining to pupil transportation, bus driver qualifications, professional employee certification, state ethics compliance, and financial stability.
- Items such as Board meeting minutes, pupil membership records, and reimbursement applications.
- Tuition receipts and deposited state funds.

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

Lastly, to determine the status of our audit recommendations made in a prior audit report released on December 21, 2006, we reviewed the SCCSD's response to DE dated July 18, 2006. 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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*Public School Code section relevant to this finding:*

24 P.S. § 25-2591.1 provides that the Commonwealth shall pay to each school district with resident students enrolled in charter schools or cyber charter schools an amount equal to 30 percent of the total funding required. If insufficient funds are appropriated, the reimbursement shall be made on a pro-rata basis.

### Error in Reporting Charter School Tuition Resulted in a Reimbursement Overpayment of \$2,321

Our review of the District's request for reimbursement of charter school expenditures submitted to the Department of Education (DE) for the 2005-06 school year found that tuition paid to a charter school was overstated, resulting in a reimbursement overpayment of \$2,321.

On June 21, 2006, District personnel made payment to Ridgeview Academy Charter School (RACS) in the amount of \$8,441 for the time its resident pupils had attended the charter school. However, for reasons not identified, RACS did not cash the check and it was subsequently voided. We further found that District personnel had inadvertently included the tuition payment on their request for reimbursement form sent to DE. RACS ultimately received payment for tuition through a deduction from the District's basic education funding, and the District's corresponding reimbursement was already determined based on that deduction.

### Recommendations

The *Shade-Central City School District* should:

1. Strengthen its internal controls to ensure tuition paid to charter schools is accurately reported for reimbursement.

The *Department of Education* should:

2. Adjust the District's future allocations to recover the reimbursement overpayment of \$2,321.

### Management Response

Management agreed with the finding and stated corrective action had already been taken.

**Finding No. 2**

**Pupil Transportation Reporting Errors Resulted in a Net Subsidy Underpayment to the District of \$844 and Overpayments to Two Contractors of \$1,312**

*Public School Code Sections relevant to this finding:*

24 P.S. § 2541 provides for payments for pupil transportation.

24 P.S. § 2509.3 authorizes an additional reimbursement for each nonpublic pupil transported.

*Other criteria relevant to this finding:*

Instructions issued by the Department of Education for completing the end-of-year transportation reports.

Our review of the District's pupil transportation reports submitted to DE found a significant number of errors, resulting in a transportation subsidy overpayment of \$3,172 for the 2005-06 school year, and an underpayment of \$4,016 for the 2004-05 school year. In addition, two contractors were overpaid a total of \$1,312 during the 2005-06 school year.

District personnel incorrectly reported the number of days pupils were transported, the daily miles vehicles traveled with and without pupils, the number of pupils assigned to ride vehicles, the amounts paid to contractors and other miscellaneous data.

In addition, District personnel failed to comply with DE's reporting instructions and failed to provide adequate documentation to support the reported number of days pupils were assigned to ride some vehicles.

Number of Days Pupils Were Transported

The number of days pupils were transported was inaccurately reported for 6 vehicles in the 2005-06 school year and 7 vehicles in the 2004-05 school year.

District personnel reported that all vehicles transported pupils 179 days since this was the number of days the District was in session. However, our review of contractors' invoices found that some vehicles transported pupils more than 179 days and some less than 179 days.

Daily Miles Vehicles Traveled With and Without Pupils

In 2005-06, the daily mileage for 3 vehicles was incorrectly reported, resulting in a net overstatement of 40.7 miles with pupils and a net understatement of .4 miles without pupils.

In 2004-05, the daily mileage for 7 vehicles was incorrectly reported, resulting in a net overstatement of 4.2 miles with pupils and a net understatement of 27.7 miles without pupils.

The following errors were found during both years of audit:

- District personnel reported the number of miles a vehicle traveled to the area vocational-technical school (AVTS). The agreement between the AVTS and the District for the years of audit indicated that the AVTS was responsible for transporting District pupils to the AVTS, and was therefore responsible for reporting the mileage. District personnel indicated they were not aware that the AVTS reported the mileage.
- The number of miles some vehicles traveled without pupils between the school and the garage, or between two separate runs, was reported as miles with pupils rather than miles without pupils.
- Mathematical miscalculations.

The following additional errors were found during the 2004-05 school year:

- The number of miles one vehicle traveled appeared to be inadvertently reported for two vehicles.
- District personnel failed to report the average miles traveled by vehicles transporting special needs pupils, even though two mileage readings were recorded.

#### Number of Pupils Assigned to Ride Vehicles

The number of pupils assigned to ride vehicles was incorrectly reported for both the 2005-06 and 2004-05 school years, resulting in understatements of 111.4 pupils and 189 pupils, respectively.

The errors were due to District personnel reporting the average number of pupils who actually rode vehicles at the time the drivers completed the pupil count information sheets, rather than the average number of pupils who were assigned to ride as DE instructions require.

### Amounts Paid to Contractors

The amounts paid to 2 of the District's 6 contractors were inaccurately reported during 2004-05. The errors occurred because District personnel:

- Omitted some payments made to contractors and inaccurately reported others.
- Reported payments to contractors applicable to transportation provided during 2003-04 and previously submitted on the District's 2003-04 end-of-year transportation reports.
- Reported payments for transporting pupils to an extended school year summer program which was not eligible for subsidy.

### Other Miscellaneous Data

During 2005-06, the following miscellaneous reporting errors occurred:

- Two contractors were paid for transporting pupils 180 days when they actually transported pupils 179 days. As a result, the contractors were overpaid \$1,055 and \$257, respectively.
- One vehicle made only one trip a day to transport a pupil home in the afternoon. District personnel reported that the vehicle transported the pupil both to school in the morning and home in the afternoon.

During 2004-05, the following miscellaneous reporting errors occurred:

- A contractor bought-out another's contract. District personnel failed to prorate the number of days each contractor provided service.
- District personnel understated the number of nonpublic pupils transported by two pupils.

### Failure to Comply With DE's Reporting Instructions

DE's reporting instructions provide for two different methods of computing the average miles vehicles travel with pupils and without pupils.

The first method, known as the weighted average method, consists of recording the number of miles vehicles travel with pupils and without pupils once a year and again whenever changes occur. The weighted average of all measurements for each variable is reported to DE.

The second method, known as the sample average method, consists of recording the number of miles vehicles travel with pupils and without pupils once during each month from October through May. At the end of the school year, the average of the eight measurements for each variable is reported to DE.

During each year of audit, odometer readings for vehicles used by the District's major contractors were recorded twice. The average miles vehicles traveled with pupils and without pupils were computed based on the two readings.

Obtaining only two odometer readings does not comply with DE's approved sample average method of computing miles vehicles travel with pupils and without pupils, which requires eight monthly readings.

We further noted that District personnel did not use either method to determine the number of miles traveled by vehicles transporting special needs students. For these students odometer readings were recorded once during the 2005-06 school year and twice during the 2004-05 school year.

### Failure to Document the Number of Days Pupils Were Assigned to Ride Some Vehicles

During both years of audit, District personnel failed to provide adequate documentation to support the number of days some special needs and nonpublic pupils were assigned to ride vehicles. In addition, we were not able to identify the pupils assigned to ride some vehicles because the names of the students were not documented. When questioned, District personnel indicated they could not remember who the students were.



The inaccuracies were the result of District personnel not having sufficient training for compiling and reporting data in accordance with DE's instructions, clerical errors, and a lack of internal review of transportation reports before they were submitted to DE.

Pupil transportation data must be maintained and reported in accordance with DE guidelines and instructions to ensure the District receives the correct subsidy.

DE has been provided reports detailing the errors for use in recalculating the District's transportation subsidy.

## **Recommendations**

The *Shade-Central City School District* should:

1. Attend DE sponsored workshops on compiling and completing transportation reports.
2. Conduct an internal review to ensure days of service, daily mileage, pupil counts, amounts paid to contractors, and other data elements which make up the transportation formula are reported accurately.
3. Calculate the number of miles vehicles travel in accordance with either the weighted average or sample average methods approved by DE.
4. Prepare detailed route descriptions indicating when students are picked up and dropped off to determine the number of miles vehicles travel with pupils and without pupils.
5. Ensure that sufficient documentation is available to determine the number of days all pupils are assigned to ride vehicles, including the names of the pupils.
6. Review reports submitted to DE subsequent to the years audited and submit revised reports if errors are found.
7. Consult with its solicitor, if necessary, to recover the \$1,312 overpayments from the contractors, and strengthen internal controls to ensure contractors are not overpaid in the future.

The *Department of Education* should:

8. Adjust the District's future allocations to correct the net underpayment of \$844.

**Management Response**

Management agreed with the finding, but provided no further comment.

### Finding No. 3



*Public School Code Sections relevant to this finding:*

24 P.S. § 1202 provides, in part:

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

24 P.S. § 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.

*Other criteria relevant to this finding:*

DE Bureau of School Leadership and Teacher Quality's Certification and Staffing Policies and Guidelines.

### Certification Irregularity

Our audit of professional employees' certificates and assignments for the period April 1, 2006 through February 29, 2008, found that a teacher was assigned as a long-term special education substitute from August 28, 2006 until February 20, 2007, without a valid certificate for the assignment. The teacher was subsequently reassigned to a position for which she was properly certificated.

Based on conversations with the District's superintendent, the irregularity occurred due to a misinterpretation of Certification and Staffing Policy Guideline #13, which permits the chief school administrator to assign a person who holds a valid Pennsylvania certificate to a day-to-day substitute position for 20 *cumulative* days in any area outside of their certificated area(s). The superintendent indicated that the teacher worked on a 14 day rotation pattern and therefore, he felt the teacher was appropriately certified since she was not assigned 20 *consecutive* days.

Information pertaining to the questionable assignment was submitted to the Bureau of School Leadership and Teacher Quality (BSLTQ), DE for its review. BSLTQ subsequently determined the teacher was not properly certificated. The District is therefore subject to a subsidy forfeiture of \$771 for the 2006-07 school year.

### Recommendations

The *Shade-Central City School District* should:

1. Ensure the District is in compliance with certification regulations in the future.

The *Department of Education* should:

2. Adjust the District's allocations to assess the subsidy forfeiture of \$771.

### Management Response

Management agreed with the finding, but provided no further comment.

**Finding No. 4** →

*Criteria relevant to this finding:*

Section 111 of the PSC requires prospective school employees who would have direct contact with children, including independent contractors and their employees, to submit reports of criminal history record information obtained from the Pennsylvania State Police and the Federal Bureau of Investigation.

Section 111 of the PSC lists convictions for certain criminal offenses that, if indicated on the report to have occurred within the preceding five years, would prohibit the individual from being hired.

Similarly, Section 6355 of the CPSL requires prospective school employees to submit an official child abuse clearance statement obtained from the Pennsylvania Department of Welfare. The CPSL prohibits the hiring of an individual determined by a court to have committed child abuse.

**Van Drivers' Qualifications Irregularities**

Our review of school bus and van driver files, as of May 27, 2008, found violations of the Public School Code (PSC) and the Child Protective Services Law (CPSL).

Several different state statutes and regulations establish the minimum required qualifications for school bus and van drivers. The ultimate purpose of these requirements is to ensure the protection of the safety and welfare of the students transported on school vehicles. We reviewed the following five requirements:

1. possession of a valid drivers license;
2. completion of school bus driver skills and safety training;
3. passing a physical examination;
4. lack of convictions for certain criminal offenses; and
5. official child abuse clearance statement.

The first three requirements were set by the Pennsylvania Department of Transportation. The fourth and fifth requirements were set by the PSC and the CPSL, respectively.

We reviewed the personnel records of all 22 drivers employed by the District's transportation contractors. Our review found that two van drivers did not apply for a report of criminal history record from the Pennsylvania State Police, and one of these drivers also did not apply for a report of criminal history record from the Federal Bureau of Investigation or a child abuse clearance statement from the Pennsylvania Department of Welfare.

As a result of our audit, the drivers subsequently obtained the required reports and statements. No criminal violations or records of child abuse were indicated.

The irregularities occurred because the District relied on its contractors to ensure drivers were properly qualified.

**Recommendations**

The *Shade-Central City School District* should:

1. Verify each driver's qualifications prior to that person transporting students.
2. Work with contractors to ensure the District's files are up-to-date and complete.

**Management Response**

Management agreed with the finding, but provided no further comment.

## Status of Prior Audit Findings and Observations

Our prior audit of the Shade-Central City School District (SCCSD) for the school years 2003-04 and 2002-03 resulted in two reported findings. The first finding pertained to pupil transportation reporting errors. The second finding pertained to resident and nonresident membership reporting errors. 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 SCCSD Board’s written response provided to the Department of Education (DE), performed audit procedures, and questioned District personnel regarding the prior findings. As shown below, we found that the SCCSD did not implement our recommendations related to the pupil transportation reporting errors. The SCCSD did, however, implement our recommendations related to the resident and nonresident membership reporting errors.

<i>School Years 2003-04 and 2002-03 Auditor General Performance Audit Report</i>		
<i>Prior Recommendations</i>	<i>Implementation Status</i>	
<p><u><i>I. Finding 1: Errors in Pupil Transportation Reports Resulted in a Net Underpayment of \$6,072</i></u></p> <ol style="list-style-type: none"> <li>1. Accurately report transportation data in accordance with DE’s reporting guidelines.</li> <li>2. Implement a review process prior to submission of DE reports to help ensure accurate reporting.</li> <li>3. DE should adjust the District’s future allocations to correct the net underpayment.</li> </ol>	<p><b>Background:</b></p> <p>Our review of the District’s transportation records for the 2003-04 and 2002-03 school years found errors in the contractor cost data and various other inaccuracies in pupil transportation data to reported DE. These errors resulted in a subsidy underpayment of \$7,572 for 2003-04 and an overpayment of \$1,500 for 2002-03.</p>	<p><b>Current Status:</b></p> <p>Additional pupil transportation reporting errors were found during our current audit (see Finding No. 2). It should be noted that the fieldwork completion date for our prior audit was June 16, 2006. Therefore, any corrective action initiated by the District could not have been implemented until to the 2006-07 school year. We will review their corrective action during the next audit.</p> <p>As of September 17, 2008, DE had not adjusted the District’s allocations to correct the net underpayment of \$6,072. We again recommend that DE make the necessary adjustment.</p>

<p><u>II. Finding 2: Errors in Reporting Nonresident Membership</u></p> <ol style="list-style-type: none"><li>1. Strengthen controls to ensure District personnel accurately identify and report nonresident membership data in accordance with DE guidelines and instructions.</li><li>2. DE should adjust the District's allocations to recover the net overpayment.</li></ol>	<p><b>Background:</b></p> <p>Our prior review of pupil membership reports submitted to DE for the 2002-03 school year revealed membership for nonresident children placed in private homes was overstated by 179 days for secondary students and understated by 179 days for elementary students, resulting in a net reimbursement overpayment of \$1,464.</p>	<p><b>Current Status:</b></p> <p>Our current audit found that District personnel accurately reported membership for nonresident children placed in private homes. Based on the results of our current audit, we concluded that the SCCSD did take appropriate corrective action to address this finding. As of September 17, 2008, DE had not adjusted the District's allocations to recover the net overpayment of \$1,464. We again recommend that DE make the necessary adjustments.</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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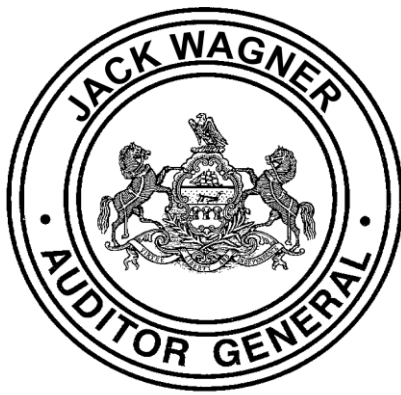
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