

# PERFORMANCE AUDIT

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## Upper Darby School District Delaware County, Pennsylvania

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April 2022



Commonwealth of Pennsylvania  
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR  
AUDITOR GENERAL**

Dr. Daniel P. McGarry, Superintendent  
Upper Darby School District  
4611 Bond Avenue  
Drexel Hill, Pennsylvania 19026

Mr. Edward W. Brown, Board President  
Upper Darby School District  
4611 Bond Avenue  
Drexel Hill, Pennsylvania 19026

Dear Dr. McGarry and Mr. Brown:

We have conducted a performance audit of the Upper Darby School District (District) for the period July 1, 2016 through June 30, 2020, 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:

- Nonresident Student Data
- Transportation Operations
- Bus Driver Requirements
- Administrator Separations

We also evaluated the application of best practices in the area of school safety and determined compliance with certain requirements in this area, 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.

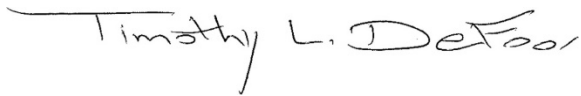
Our audit identified areas of noncompliance and significant internal control deficiencies in the areas of nonresident student data, transportation operations, and bus driver requirements. Those deficiencies are detailed in the findings in this report. A summary of the results is presented in the Executive Summary section of this report. We found that the District performed adequately in the area of administrator separations and we did not identify any internal control deficiencies in this objective.

Dr. Daniel P. McGarry  
Mr. Edward W. Brown  
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Our audit findings and recommendations have been discussed with the District's management, and their responses are included in the audit report. We believe the implementation of our recommendations will improve the District's operations and facilitate compliance with legal and relevant requirements.

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 horizontal line above the first few letters.

Timothy L. DeFoor  
Auditor General

April 27, 2022

cc: **UPPER DARBY 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 Upper Darby 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, 2016 through June 30, 2020, except as otherwise indicated in the audit scope, objectives, and methodology section of the report (see Appendix A).

### Audit Conclusion and Results

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

#### **Finding No. 1: The District's Failure to Implement Adequate Internal Controls Led to Inaccurate Reporting of Nonresident Student Data to the Pennsylvania Department of Education Resulting in an Overpayment of \$377,824.**

We found that the District failed to implement adequate internal controls over the input, categorization, and reporting of nonresident student data resulting in an overpayment of \$377,824 from the Pennsylvania Department of Education (PDE). This overpayment was caused by the District inaccurately reporting the number of foster students educated by the District during the 2016-17 through 2019-20 school years (see page 7).

#### **Finding No. 2: The District's Failure to Implement an Adequate Internal Control Resulted in an Unauditable \$9.7 Million in Transportation Reimbursements.**

We found that the District did not implement an adequate internal control system over its process for reporting 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 to support the regular and supplemental transportation data it reported to PDE for the 2016-17 through 2019-20 school years. Therefore, we could not determine the accuracy of the \$9,747,457 the District received in regular and supplemental transportation reimbursements (see page 13).

#### **Finding No. 3: The District Did Not Implement Adequate Internal Controls to Ensure Compliance with Driver Qualifications and Background Clearance Requirements.**

The District failed to meet its statutory obligations related to the employment of individuals having direct contact with students during the 2021-22 school year by not maintaining, reviewing, and monitoring complete and updated records for all drivers transporting students. Specifically, we found that the District did not have background clearances for three drivers, and one driver had criminal convictions potentially impacting employment eligibility. We also found that the District's Board of School Directors did not approve any drivers employed by its transportation contractor. Finally, we found that the District was not following its own board policies. Overall, we determined that the District did not implement sufficient internal controls to meet these obligations (see page 22).

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

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

## Background Information

School Characteristics 2020-21 School Year*	
County	Delaware
Total Square Miles	8.3
Number of School Buildings	14 <sup>A</sup>
Total Teachers	910
Total Full or Part-Time Support Staff	638
Total Administrators	67
Total Enrollment for Most Recent School Year	12,330
Intermediate Unit Number	25
District Career and Technical School	Delaware County Technical High Schools

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

A - The District includes a Kindergarten Center. Students attending that building do not participate in standardized testing.

### Mission Statement\*

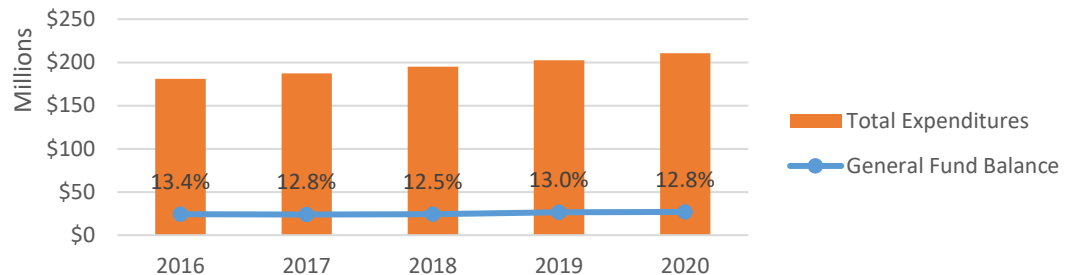
To provide a comprehensive educational program that develops all learners into critical thinkers, with effective communication skills, empowering them to adapt to an ever-changing world. Our students will demonstrate integrity and confidence while cultivating a learner's mindset in pursuit of personal excellence and service to others.

## Financial Information

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

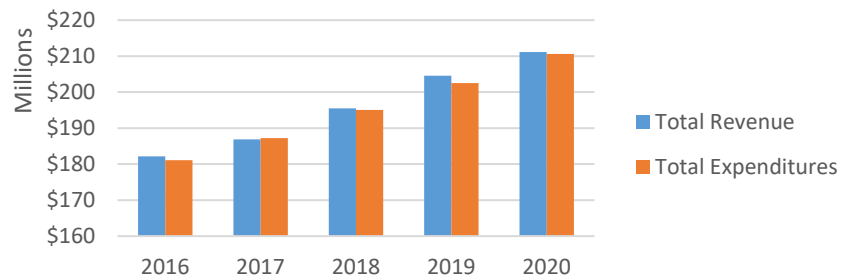
### General Fund Balance as a Percentage of Total Expenditures

	General Fund Balance
2016	\$24,268,062
2017	\$23,899,366
2018	\$24,409,332
2019	\$26,410,103
2020	\$26,918,577



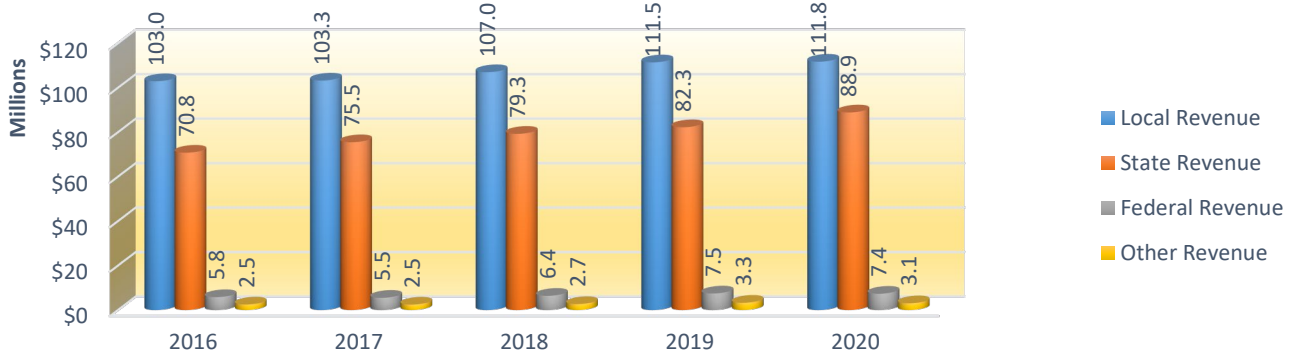
### Revenues and Expenditures

	Total Revenue	Total Expenditures
2016	\$182,169,747	\$181,047,329
2017	\$186,835,884	\$187,204,581
2018	\$195,513,374	\$195,003,405
2019	\$204,541,927	\$202,541,156
2020	\$211,143,434	\$210,634,961

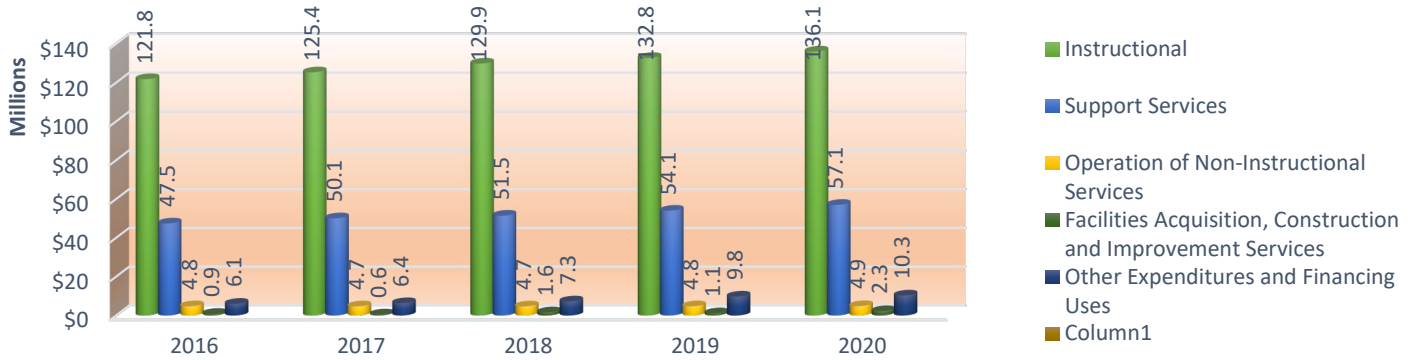


## Financial Information Continued

### Revenues by Source

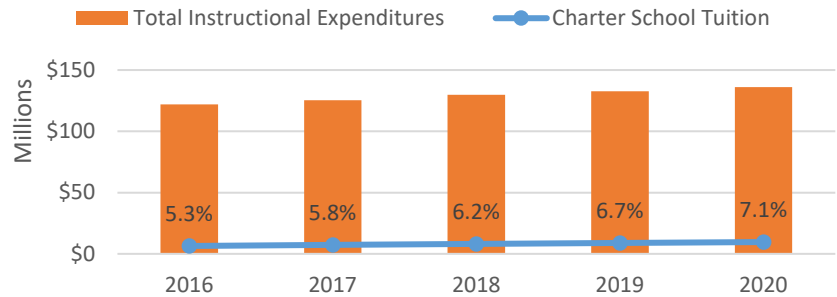


### Expenditures by Function

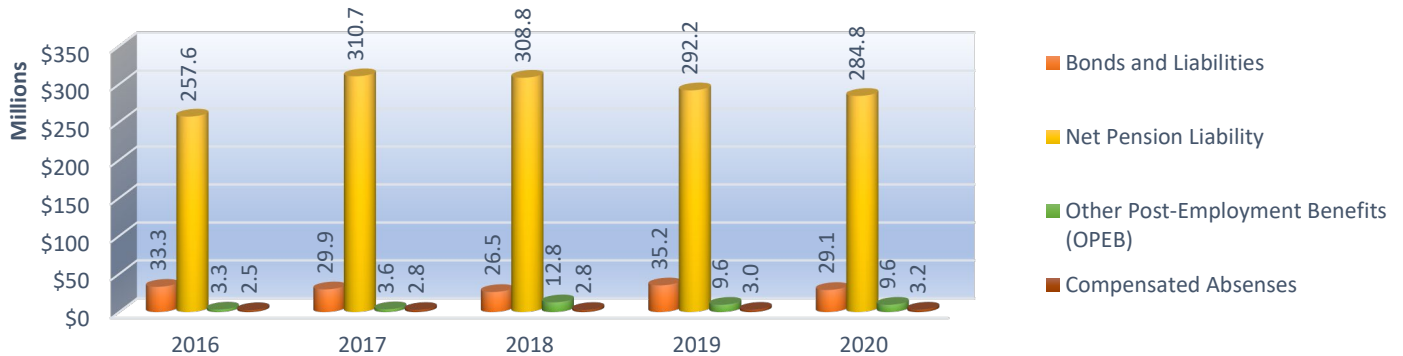


### Charter Tuition as a Percentage of Instructional Expenditures

	Charter School Tuition	Total Instructional Expenditures
2016	\$6,428,132	\$121,840,793
2017	\$7,321,797	\$125,363,669
2018	\$8,046,682	\$129,871,455
2019	\$8,846,551	\$132,760,784
2020	\$9,619,998	\$136,099,881



### Long-Term Debt

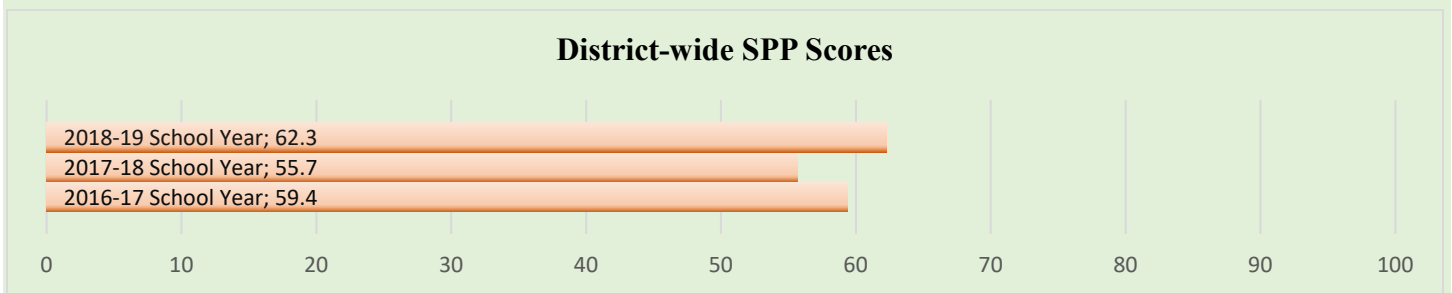


## Academic Information<sup>1</sup>

The graphs on the following pages present the District-wide School Performance Profile (SPP) scores, Pennsylvania System of School Assessment (PSSA) scores, and Keystone Exam results for the District obtained from PDE's data files for the 2016-17, 2017-18, and 2018-19 school years.<sup>2</sup> In addition, the District's 4-Year Cohort Graduation Rates are presented for the 2017-18 through 2019-20 school years.<sup>3</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>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> Due to the COVID-19 pandemic the PSSA and Keystone Exam requirements were waived for the 2019-20 school year; therefore, there is no academic data to present for this school year.

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



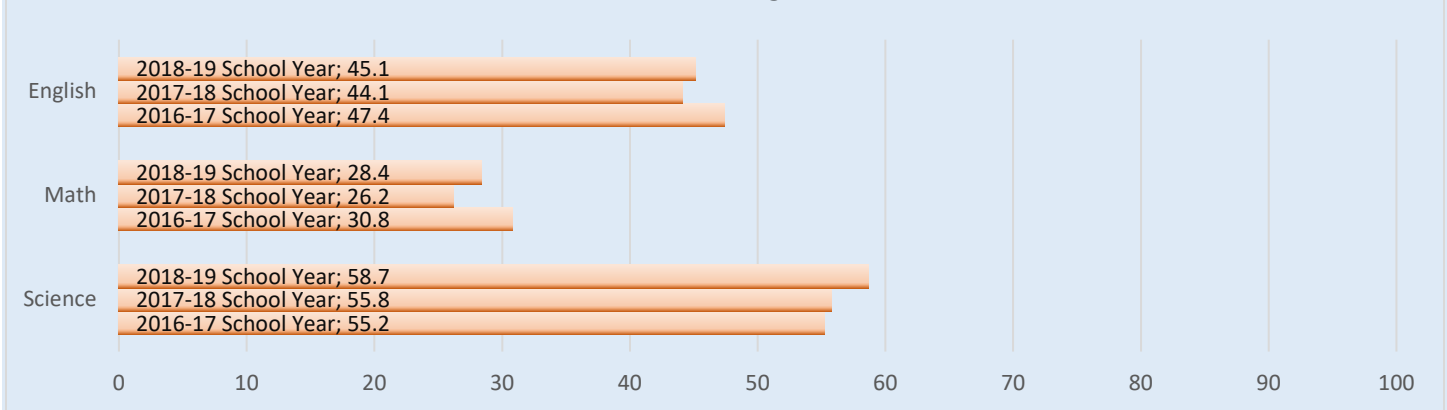
## Academic Information Continued

### What is the PSSA?

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

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

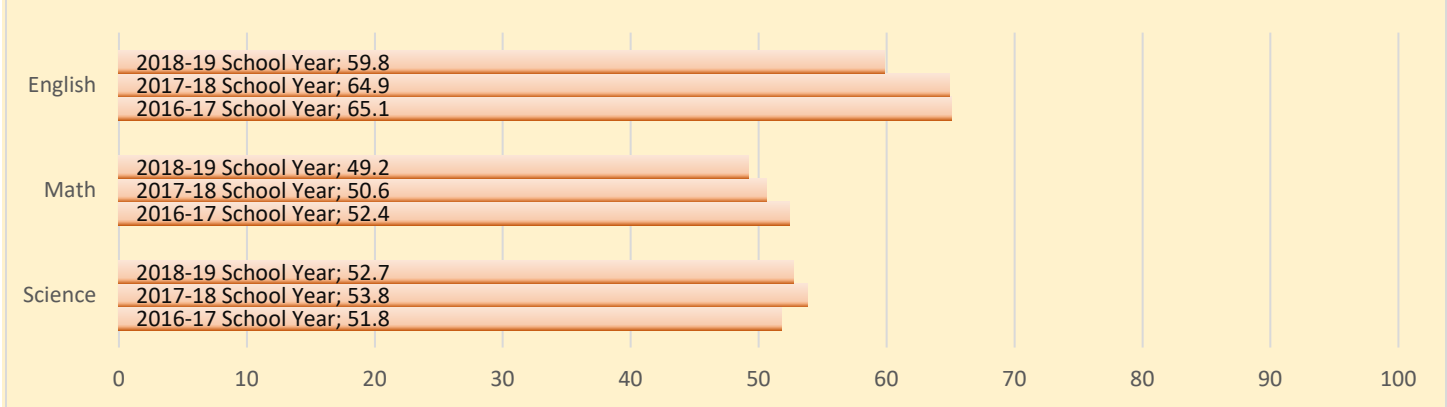
**District-wide Percent of Students Scoring Proficient or Advanced on PSSA**



### 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>4</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.

**District-wide Percent of Students Scoring Proficient or Advanced on Keystone Exams**

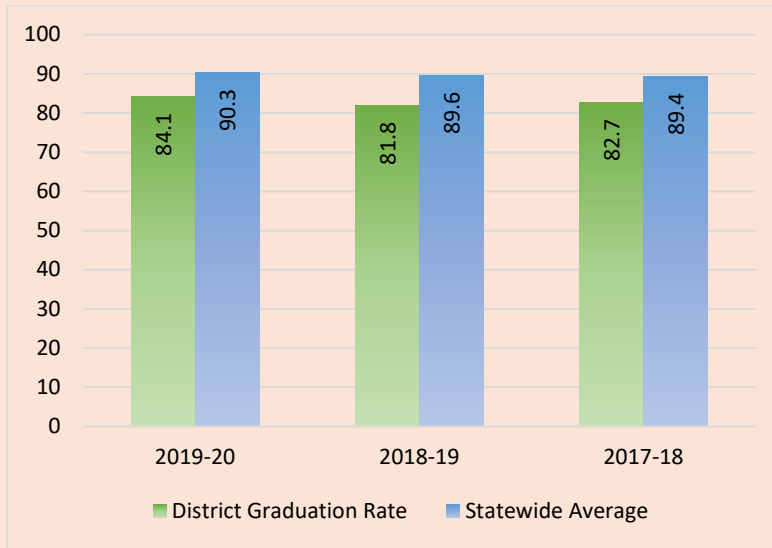


<sup>4</sup> Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1). Please refer to the following link regarding further guidance to local education agencies (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>5</sup>



<sup>5</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's Failure to Implement Adequate Internal Controls Led to Inaccurate Reporting of Nonresident Student Data to the Pennsylvania Department of Education Resulting in an Overpayment of \$377,824

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

The State Board of Education's regulations and Pennsylvania Department of Education (PDE) guidelines govern the classifications of nonresident children placed in private homes based on the criteria outlined in the Public School Code (PSC).

#### **Payment of Tuition**

Section 1305(a) of the PSC provides for Commonwealth payment of tuition for nonresident children placed in private homes as follows:

“When a non-resident child is placed in the home of a resident of any school district by order of court or by arrangement with an association, agency, and dependent children, **such resident being compensated for keeping the child**, any child of school age so placed shall be entitled to all free school privileges accorded to resident school children of the district, including the right to attend the public high school maintained in such district or in other districts in the same manner as though such child were in fact a resident school child of the district.” (Emphasis added.) See 24 P.S. § 13-1305(a).

We found that the Upper Darby School District (District) failed to implement adequate internal controls over the input, categorization, and reporting of nonresident student data resulting in an overpayment of \$377,824 from the Pennsylvania Department of Education (PDE).<sup>6</sup> This overpayment was caused by the District inaccurately reporting the number of foster students educated by the District during the 2016-17 through 2019-20 school years.

**Background:** School districts are entitled to receive Commonwealth paid tuition for educating certain nonresident students. Districts are eligible to receive Commonwealth paid tuition for educating students who are foster students.

For a district to be eligible to report a student as a foster student, the district must ensure that the student has met the following eligibility criteria:

- 1) The student's parent/guardian must not be a resident of the educating district.
- 2) The student must have been placed in the private home of a resident within the district by order of the court or by arrangement with an association or agency.
- 3) The district resident must be compensated for the care of the student.
- 4) The student must not be in pre-adoptive status.

It is the responsibility of the educating district to obtain documentation to ensure that each student met the eligibility criteria to be classified as a nonresident student. Further, the district must obtain updated documentation for each year that the district reports a student as a nonresident.

Because school districts can be eligible for additional revenue for educating nonresident students, it is essential for districts to properly identify, categorize, and report nonresident students that it educated to

<sup>6</sup> The District received a total of \$2,018,823 in Commonwealth paid tuition for nonresident students for the four year period of 2016-17 through 2019-20.

*Criteria relevant to the finding (continued):*

Section 2503(c) of the PSC specifies the amount of Commonwealth-paid tuition on behalf of nonresident children placed in private homes by providing, in part:

Each school district, regardless of classification, which accepts any non-resident child in its school under the provisions of section **one thousand three hundred five or one thousand three hundred six** . . . shall be paid by the Commonwealth an amount equal to the tuition charge per elementary pupil or the tuition charge per high school pupil, as the case may be . . .” (Emphasis added.) See 24 P.S. § 25-2503(c).

Section 11.19(a) (relating to Nonresident child living with a district resident) of the State Board of Education’s regulations provides as follows, in part.

“A nonresident child is entitled to attend the district’s public schools if that child is fully maintained and supported in the home of a district resident as if the child were the residents own child and if the resident receives no personal compensation for maintaining the student in the district. Before accepting the child as a student, the board of school directors of the district shall require the resident to file with the secretary of the board of school directors either appropriate legal documentation to show dependency or guardianship or a sworn statement that the child is supported fully without personal compensation or gain, and that the resident will assume all personal obligations for the child relative to school requirements and intends to so keep and fully support the child continuously and not merely through the school term.” See 22 Pa. Code § 11.19(a).

PDE. Therefore, school districts should have a strong system of internal control over this process that should include, but not be limited to, the following:

- Training on PDE reporting requirements.
- Written internal procedures to help ensure compliance with PDE requirements.
- Reconciliations of source documents to information reported to PDE.

**Nonresident Student Reporting Errors**

The District reported a total of 323 nonresident foster students to PDE and received approximately \$2 million in Commonwealth funding related to those students during the four-year audit period. During our initial review, the District was only able to provide documentation to show that 6 of the 323 students it reported met the eligibility criteria for Commonwealth funding. The District was able to work with the agencies that placed these students to obtain documentation to support eligibility for another 254 nonresident foster students educated by the District.

During our follow-up review, we found that the District made a total of 69 errors over the four-year audit period when it reported nonresident data to PDE. These reporting errors involved students who were inaccurately reported for multiple years. The following table details the number of students that the District inaccurately reported as foster students for each school year of the audit period.

Upper Darby School District Nonresident Student Data		
School Year	Number of Students Inaccurately Reported	Overpayment <sup>7</sup>
2016-17	23	\$110,114
2017-18	13	\$ 89,108
2018-19	15	\$ 62,876
2019-20	18	\$115,726
<b>Totals</b>	<b>69</b>	<b>\$377,824</b>

The overwhelming majority of the reporting errors resulted from the District not having the required documentation necessary to show that students met the eligibility criteria to be reported as foster students.

<sup>7</sup> The amount of the overpayment is based on the total number of eligible days as compared to the number of days reported, not the number of students reported in error.

Without the required documentation, the foster students should have been classified as residents and, therefore, the District was not eligible to receive reimbursement for educating these students. The District employees responsible for categorizing foster students during the four-year audit period were unaware of the eligibility criteria and documentation requirements for foster students.

The remaining students inaccurately reported as foster students were in therapeutic placements or were actually residents of the District. When a student is in a therapeutic placement, as opposed to a traditional foster placement, the educating district is responsible for billing each student's resident district for tuition costs. The District did not bill the resident district for these students. By reporting them as foster students, the District effectively billed the Commonwealth for their tuition instead of the resident school district. District employees responsible for nonresident student data were unaware that students in therapeutic placements are categorized and reported differently from students in traditional foster care placements.

### **Significant Internal Control Deficiencies**

The District did not have adequate internal controls over the input, categorization, and reporting of foster student data. During the audit period, the information was reported to PDE for reimbursement without a review by a District official sufficiently knowledgeable on PDE reporting requirements. A reconciliation to source documents to ensure each foster student met the eligibility requirements was also not performed during the audit period. Additionally, none of the employees involved in categorizing and reporting foster students were adequately trained on PDE requirements or on the documentation needed to demonstrate compliance with the eligibility criteria. Finally, the District did not have written policies and procedures to assist its employees in accurately identifying foster students by obtaining the required documentation needed to support this categorization.

### **Future Reimbursement Adjustment**

We provided PDE with documentation detailing the reporting errors we identified for the 2016-17 through 2019-20 school years. We recommend that PDE adjust the District's future reimbursement amount by the \$377,824 that we identified as an overpayment.

## **Recommendations**

The *Upper Darby School District* should:

1. Develop and implement an internal control system governing the process for categorizing and reporting foster students. The internal control system should include, but not be limited to, the following:
  - All personnel involved in categorizing and reporting nonresident student data are trained on PDE’s reporting requirements.
  - A review of nonresident student data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.
  - Written procedures are developed to document the categorization and reporting process for nonresident student data.
2. Obtain updated placement information annually for all nonresident students to ensure proper categorization and perform a reconciliation of the foster student data to source documents before reporting the data to PDE.
3. Bill tuition costs to the resident district(s) for those students in therapeutic foster placements and educated by the District.
4. Review the nonresident foster student data reported to PDE for the 2020-21 school year and determine if documentation shows that those students met the eligibility criteria to be reported as nonresident foster students. Submit revisions to PDE as necessary.

The *Pennsylvania Department of Education* should:

5. Adjust the District’s future reimbursements to resolve the \$377,824 overpayment.

## **Management Response:**

District management provided the following response:

“Categorizing and Reporting Students in Foster Care

The Upper Darby School District does have procedures in place to verify residency status of all students including but not limited to students in foster care, students experiencing homelessness, support affidavit students, students living in a multiple Opportunity Unity Excellence occupancy setting, as well for resident students living with their parent(s)/guardian(s). The Upper Darby School District participates in Best Interest Determination (BID) meetings with foster care agencies. At this time, the Pennsylvania Department of Education does not have a formalized form or process for collecting information such as where the biological parents

reside, where the caregiver(s) reside, and whether or not the caregiver(s) receive compensation. The focus for the Upper Darby School District has been on working with agencies and other school districts on providing a consistent educational environment that is in the "best interest" of the student. In the absence of a BID document provided by PDE that collects and verifies where biological parents reside, where the caregiver(s) reside, whether or not the caregiver(s) receive compensation, and whether or not the student is receiving therapeutic services; the Upper Darby School District will implement the following updated procedures:

#### Personnel Involved

1. Director of Pupil Services / Foster Care Point of Contact
2. Child Accounting Secretary
3. Lead Registrar (Office of Central Registration)
4. Manager of Data and Information
5. School Staff, including but not limited to School Social Workers, Principals, Assistant Principals, and School Registrar

#### Written Procedures

1. Written Procedures
  - a. When UDSD learns that a nonresident student in foster care will enroll in our schools, or that an existing nonresident student's placement and/or residency will change, the UDSD staff member who becomes aware of this will ask the foster care agency or the CCYA to provide written documentation to support the following for each appropriate school year:
    - i. A child welfare agency or court placed the student in the private home of a resident within Upper Darby SD (agency placement letter)
    - ii. Proof that the UDSD resident was compensated for the care of the student
    - iii. Proof that the student's parent or legal guardian is not a resident of Upper Darby SD
    - iv. Proof that the student is not in pre-adoptive status
  - b. The UDSD staff member who becomes aware of this information and requests this documentation will inform the Office of Central Registration so that they can begin a review of current residency status and request updated documentation.
  - c. The Lead Registrar with approval from the building principal and Director of Pupil Services will update eSchool to reflect the correct coding for the student and include all updated documentation in the online registration portal of the Student Information System.

- d. When a UDSD staff member learns about a student in this category, the Child Accounting Secretary will create a new folder for that student in the Shared Drive named Nonresident Student Data.
- e. When UDSD staff receives one or more of the pieces of documentation listed above, they will upload those documents to the folder labeled with the student's name in the Nonresident Student Data Shared Drive. These folders will be labeled by student name and by school year.

On the last Friday of each month, the Child Accounting Secretary will coordinate with the Manager of Data and Information to ensure that the District has all up to date necessary documentation for each of our nonresident students, including those in a therapeutic foster home.

- f. When UDSD learns that a student we are educating is in a therapeutic foster placement, that staff member will inform the Child Accounting Secretary and that person will complete a 4605 and bill the resident district. The Lead Registrar will update eSchool to reflect the correct coding for the student.
- g. Between June 15 and June 30 each year, the Director of Pupil Services, the Office of Central Registration and the Manager of Data and Information will review the data related to the nonresident students educated by UDSD during the previous school year, ensuring that the District has the necessary documentation to warrant the appropriate reimbursement from PDE or the resident district(s).”

### **Auditor Conclusion**

We are pleased that the District intends to implement corrective actions to address all of our recommendations. We reiterate our position that implementing adequate internal controls will help ensure that the District complies with the reporting requirements for nonresident students.



## Finding No. 2

## The District's Failure to Implement an Adequate Internal Control System Resulted in an Unauditable \$9.7 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 PDE, in the cases hereinafter enumerated, an amount to be determined by multiplying the cost of approved reimbursable pupils transportation incurred by the district by the district's aid ratio. In determining the formula for the cost of approved reimbursable transportation, the Secretary of Education may prescribe the methods of determining approved mileages and the utilized passenger capacity of vehicles for reimbursement purposes . . ." *See* 24 P.S. § 25-2541(a).

We found that the District did not implement an adequate internal control system over its process for reporting regular and supplemental transportation data. Additionally, the District did not comply with the record retention provisions of the Public School Code (PSC) when it failed to retain adequate source documentation to support the regular and supplemental transportation data it reported to PDE for the 2016-17 through 2019-20 school years.<sup>8</sup> Therefore, we could not determine the accuracy of the \$9,747,457 the District received in regular and supplemental transportation reimbursements.

**Background:** School districts receive two separate transportation reimbursement payments from 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 nonpublic school and charter 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 (i.e., for a period of not less than six years) and be readily available for audit. As a state auditing agency, it is concerning to us that the District did not have the necessary and legally required documents 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

<sup>8</sup> *See* 24 P.S. § 5-518.

*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. . . PDE may, for cause specified by it, withhold such reimbursement, in any given case, permanently, or until the school district has complied **with the law or regulations** of the State Board of Education.” (Emphasis added.) See 24 P.S. § 25-2543.

**Record Retention Requirement**

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

reimbursements.<sup>9</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 internal control system so its submission to PDE can be made with the utmost confidence.

The total transportation subsidy the District received for each year of our audit period is detailed in Table No. 1.

**Table No. 1**

Upper Darby School District Regular and Supplemental Transportation Reimbursements			
(A) School Year	(B) Regular Transportation	(C) Supplemental Transportation	(B+C) Total Transportation
2016-17	\$2,214,726	\$ 540,155	\$2,754,881
2017-18	\$2,139,508	\$ 311,465	\$2,450,973
2018-19	\$2,325,229	\$ 370,755	\$2,695,984
2019-20	\$1,277,744	\$ 567,875	\$1,845,619
<b>Total</b>	<b>\$7,957,207</b>	<b>\$1,790,250</b>	<b>\$9,747,457</b>

**Unauditable Regular Transportation Reimbursements of Approximately \$8 Million**

As stated above, the regular transportation reimbursement is based on several data 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, and the average miles per day that each vehicle travels to and from school with and without students.

*No supporting documentation for total annual miles.*

As seen above in Table No. 1, the District’s regular transportation reimbursement for the 2019-20 school year was considerably less than in previous years. This was due to the District significantly underreporting its total annual miles traveled. The District reported data for the 2019-20 school year to PDE in September 2020. In June 2021, District officials reviewed reports produced by PDE, discovered the mileage reporting errors, and submitted revised data in July 2021.<sup>10</sup> The District stated that

<sup>9</sup> See 24 P.S. § 25-2543.

<sup>10</sup> As of February 7, 2022, this revision has not been processed by PDE so a revised regular subsidy amount is not available.

Criteria relevant to the finding  
(continued):

**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).

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

<https://www.education.pa.gov/Documents/Teachers-Administrators/Pupil%20Transportation/eTran%20Application%20Instructions/PupilTransp%20Instructions%20PDE-2089%20SummPupilsTransp.pdf> (accessed 2/9/22)

appropriate documentation was used to submit the revisions. Between the time the revisions were made and our review, the District began a construction project. District officials stated that the supporting documentation for transportation data for all four years of our audit period was lost when construction began at the District’s transportation offices. Without this supporting documentation, we were unable to determine the accuracy of the data reported to PDE; therefore, we could not conclude if the District’s regular transportation reimbursements were appropriate.

Even though we were unable to audit the reported data, a cursory review of the reported mileage data shows potential irregularities beyond the errors we previously discussed related to the 2019-20 school year data that warranted further review. For example, the annual approved miles for both the 2017-18 and 2019-20 school years were greater than the actual total miles traveled. This should not happen since approved annual miles are the miles a vehicle travels with and without students to transport students to and from school. The actual total miles are the total miles a vehicle travels during a school year including extracurricular travel. Therefore, when annual approved miles are greater than total annual miles, the reported data is most likely inaccurate and would necessitate a detailed review of the reported information. However, we were unable to conduct this detailed review to verify the accuracy of the reported data below due to the District’s failure to retain adequate supporting documentation.

**Table No. 2**

Upper Darby School District Annual Miles Reported to PDE			
(A)	(B)	(C)	(C-B)
School Year	Approved Annual Miles	Total Annual Miles	Difference <sup>11</sup>
2016-17	1,244,893	1,437,058	192,165
2017-18	1,281,104	1,206,163	(74,941)
2018-19	1,254,138	2,611,405	1,357,267
2019-20	1,187,698	482,717 <sup>12</sup>	(704,981)
<b>Total</b>	<b>4,967,833</b>	<b>5,737,343</b>	<b>769,510</b>

<sup>11</sup> Numbers in parentheses and appearing red in color illustrate years where total annual miles was surpassed by approved annual miles. These discrepancies should have constituted a red flag for the District to conduct an additional review of the mileage data to verify its accuracy.

<sup>12</sup> This figure represents the total annual miles originally reported to PDE. In July 2021, the District revised its total annual miles to 994,563, which is still significantly less than approved annual miles. As of February 7, 2022, this revision has not been processed by PDE so a revised regular subsidy amount is not available.

*Criteria relevant to the finding  
(continued):*

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 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.

**Unauditable Supplemental Transportation Reimbursement of More Than \$1.7 Million**

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 reimbursements from the Commonwealth of \$385 for each nonpublic school student transported by the District.<sup>13</sup> This reimbursement was made applicable to the transportation of charter school students pursuant to an equivalent provision in the Charter School Law.<sup>14</sup>

We reviewed the supplemental transportation data that the District reported to PDE and noted potential irregularities that warranted further review. The table below shows the nonpublic and charter school student transportation data reported to PDE for the audit period.

**Table No. 3**

Upper Darby School District Supplemental Transportation Data Reported Number of Students Transported		
School Year	Nonpublic Students	Charter School Students
2016-17	1,173	230
2017-18	522	287
2018-19	686	277
2019-20	1,028	447
<b>Total</b>	<b>3,409</b>	<b>1,241</b>

As shown in Table No. 3, there was a significant decrease in the number of nonpublic students reported in the 2017-18 and 2018-19 school years that raised a concern. In addition, there was a substantial increase in the number of charter school students reported in the 2019-20 school year. District officials could not provide an explanation for these large fluctuations and when we attempted to verify the accuracy of the reported data, we found that the District failed to obtain and retain the student requests for transportation. Instead, the District used its transportation software to compile reports listing nonpublic and charter school students transported based on the school of attendance recorded within the software. Not obtaining and retaining these requests for transportation precluded us from concluding on the accuracy of the reported number of nonpublic school and charter school students transported. Therefore, we could not determine if the District’s supplemental transportation reimbursements were appropriate.

<sup>13</sup> According 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>14</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”).

## Significant Internal Control Deficiencies

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

- Ensure that all employees involved in the reporting of transportation data were adequately trained on the documentation required to be obtained and retained to support the data for the regular and supplemental transportation reimbursements.
- Develop detailed written procedures for obtaining and maintaining the documentation needed to accurately report vehicle data and nonpublic/charter school students to PDE.
- Reconcile regular and supplemental transportation data to source documents prior to submitting the data to PDE.
- Ensure that another employee independently reviewed the regular and supplemental transportation data as part of the collection and recording process before it was submitted to PDE.

All of the above internal control deficiencies led to the District's failure to retain sufficient documentation and subsequently resulted in our inability to audit the District's regular and supplemental transportation reimbursements for the four-year audit period.

## Recommendations

The *Upper Darby 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:
  - a. All personnel involved in inputting, categorizing, and reporting transportation data are trained on PDE's reporting requirements including the supporting documentation necessary to be obtained and retained.
  - b. Clear and concise written procedures are developed to document the regular and supplemental transportation data collection, categorization, and reporting process.
  - c. A review of the transportation data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.
2. Ensure that complete supporting documentation for all regular and supplemental transportation data is obtained, reviewed, and retained in accordance with PSC requirements. Record retention procedures should be documented.

3. Reconcile lists of nonpublic and charter school students transported to requests for transportation prior to submitting data to PDE.

The *Pennsylvania Department of Education* should:

4. Require the District to provide complete and appropriate documentation to support the revised data it submitted for the 2019-20 school year prior to calculating the District's updated 2019-20 regular transportation reimbursements.

### **Management Response**

District management provided the following response:

“The Upper Darby School District began a renovation of 8201 Lansdowne Avenue (Location of Transportation Offices) the year prior to notification of a state audit. The District has limited space, resources, and storage for materials, and the state required odometer readings that are typically kept by the Transportation Department. These documents were misplaced when the District started a renovation project at 8201 Lansdowne Avenue. In order to prevent a loss of documentation moving forward, the District will implement an electronic record keeping process. The District has also already implemented new technologies such as a GPS system for all buses and updated bus routing software. These technologies were not in place during the years of 2016-2020.

In response to: ‘All personnel involved in inputting, categorizing, and reporting transportation data are trained on PDE's reporting requirements including the supporting documentation necessary to be obtained and retained.’

All appropriate transportation personnel, Supervisor of Transportation, Assistant Supervisor of Transportation, Dispatcher, Two Secretaries, and the Controller of Operations, who are involved in inputting, categorizing, and reporting transportation data have been and will continue to be trained on the Pennsylvania Department of Education's (PDE's) reporting requirements including the supporting documentation necessary to be obtained and retained. The District will document each required training/professional development in our professional development online portal. The aforementioned Transportation Personnel who are responsible for overseeing the required documentation for subsidy purposes will also receive written procedures that outline how to ensure complete and accurate data. The document will be referred to as the Transportation Subsidy Documentation Manual. The Transportation Subsidy Documentation Manual will provide detailed procedures in a) obtaining and retaining monthly vehicle mileage information, b) obtaining, verifying, and retaining public, charter, and non-public student information through three way matching, c) maintaining the District's transportation up to date fleet list, d) obtaining, reviewing and retaining

the District's school bus routes, e) obtaining and retaining the transportation contracts, f) accounting for and distribution procedures of SEPTA transpass program, and g) filing instructions of various forms and its deadlines.

There were two highlighted deficiencies in data collection: 1) Mileage Documentation and 2) Contract documentation

o Mileage documentation

- First, the District does have a process for collecting mileage information and requires a sign off by bus drivers. Unfortunately, the internal documents were lost during a new construction process that started prior to the audit. Nevertheless, there is an opportunity to move toward an electronic scanning of documents that will prevent future loss of documentation.
- Transportation created a monthly data collection dashboard to monitor its data collection performance. The monthly data collection will be reviewed by the Controller of Finance for its accuracy and completeness.
- Transportation created an electronic filing structure to retain the data electronically in a consistent manner. The Controller of Finance and the Chief Financial Officer will have access to the file locations for their regular review. The electronic filing structure (folder located on the District server) will include a yearly record for all odometer readings and other related documents.

o Contract documentation

- The Transportation Department will work with the Procurement Services Department to create a standard contract template for future transportation services. The template will include references to Pennsylvania School Code that will require board approval and the date of board approval for any newly hired or contracted driver (buses and or vans, etc.).
- Any time the District relies on contracted personnel or services to provide transportation all background check information will be collected and retained in the yearly electronic filing system folder on the District server as well as documentation located with the Human Resources Office. The District will also follow guidelines and policy for Board approval of contracted services and approval of individual contracted transportation staff. The District has included our "Contracted Request for Approval" form in this response.

In response to: ‘Clear and concise written procedures are developed to document the regular and supplemental transportation data collection, categorization, and reporting process.’

The Controller of Operations and the Controller of Finance will hold a professional development class that will be captured in our professional development portal. The professional development class will go over all aspects of subsidy data collection with all employees of the Transportation Department who are responsible for collection of supplemental transportation data, categorization, and reporting process before the beginning of each school year and at the conclusion of that year.

A written procedure manual will be provided to employees during the professional development class. The written procedure will include the following information:

- Source of the data
- Responsible parties
- Reviewer and approver of each data
- Frequency of data collection
- Physical and electronic file locations
- Reconciliation methods
- Internal deadlines to collect data
- Internal review schedules

In response to: ‘A review of the transportation data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.’

- The Supervisor of Transportation is responsible for running the operations in accordance with the PDE guidelines and collecting accurate and complete information to prepare for the PDE subsidy.
- The Controller of Operations will review all aspects of transportation operations that include data collection and retention in relation to the PDE transportation subsidy.
- The Controller of Finance will perform quarterly reviews of data collection and retention and also perform the final review of the data before submitting the information to the PDE.
- The Controller of Finance will report any deficiencies in data collection to the CFO.

In response to: ‘A review of the transportation data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE. Record retention procedures should be documented.’



- The Supervisor of Transportation is responsible for running the operations in accordance with the PDE guidelines and collecting accurate and complete information to prepare for the PDE subsidy.
- The Controller of Operations will review all aspects of transportation operations that include data collection and retention in relation to the PDE transportation subsidy.
- The Controller of Finance will perform quarterly reviews of data collection and retention and also perform a final review of the data before submitting the information to the PDE. The Controller of Finance will have access to all transportation files and relevant locations where the electronic source documents are located.
- The Controller of Finance will report any deficiencies in data collection to the CFO.

In response to: ‘Reconcile lists of nonpublic and charter school students transported to requests for transportation prior to submitting data to PDE.’

- A three-way matching will be performed. The Transportation Department will request and collect a list of students who are eligible to receive transportation from each non-public and charter school. The lists will be reviewed by the Transportation Department and Office of Central Registration prior to providing transportation.
- The Transportation Department will request updated transportation lists from each non-public and charter school in December and again in March of each year.
- An electronic file will be saved on the District server. An electronic file will be kept for each year, and it will include the list of students who are eligible for transportation from each non-public and charter school.”

### **Auditor Conclusion**

We are pleased that the District plans to implement corrective actions to address our recommendations. We reiterate that implementing adequate internal controls will help ensure that the District submits accurate and supportable documentation to PDE.

## Finding No. 3

# The District Did Not Implement Adequate Internal Controls to Ensure Compliance with Driver Qualifications and Background Clearance Requirements

### *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. . . .” See Section 10.3 of the Green Book.

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

Chapter 23 (relating to Pupil Transportation) of the State Board of Education’s regulations, among other provisions, provides that the board of directors of a school district is responsible for the selection and approval of eligible operators who qualify under the law and regulations. See, in particular, 22 Pa. Code § 23.4(2).

The District failed to meet its statutory obligations related to the employment of individuals having direct contact with students during the 2021-22 school year by not maintaining, reviewing, and monitoring complete and updated records for all drivers transporting students. Specifically, we found that the District did not have background clearances for three drivers, and one driver had criminal convictions potentially impacting employment eligibility. We also found that the District’s Board of School Directors (Board) did not approve any drivers employed by its transportation contractor. Finally, we found that the District was not following its own Board policies. Overall, we determined that the District did not implement sufficient internal controls to meet these obligations.

By not adequately maintaining and monitoring all required driver records, the District could not ensure that its own drivers, as well as its contracted drivers, were properly qualified and cleared to transport students as required by state laws and regulations (see criteria box).

### **Background**

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

Several state statutes and regulations establish the minimum required credentials for school bus and van drivers including, among others, the PSC and the Child Protective Services Law (CPSL). The District and its Board are responsible for the selection and approval of eligible drivers who qualify under applicable laws and regulations.<sup>15</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:

- Documented review of all driver credentials prior to Board approval.
- Monitoring of driver credentials to ensure current clearances, licenses, and annual physical exam documents are on file.
- A system to track who is driving buses and vans throughout the school year to ensure all drivers have been authorized by the Board.
- Clear and concise written policies and procedures specific to reviewing and monitoring the qualification and clearance documentation for all drivers, including contracted drivers.
- Training on driver qualification and clearance requirements for employees responsible for driver records.

<sup>15</sup> See 22 Pa. Code § 23.4(2).

*Criteria relevant to the finding (continued):*

Section 111 of the Pennsylvania 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 clearance 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).

## ***Driver Employment Requirements***

Regardless of whether they hire their own 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>16</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 (Pennsylvania State Police [PSP] clearance).
  - b. Federal Criminal History Clearance, based on a full set of fingerprints (FBI clearance).
  - c. PA Child Abuse History Clearance.<sup>17</sup>

It is important to note that all three clearances must be obtained every five years.<sup>18</sup>

## **Inadequate Internal Controls Resulted in Missing Background Clearances and Insufficient Monitoring**

The District utilized its own employees and one transportation contractor to provide bus and van drivers (drivers) to transport its students.

### *Incomplete Driver List*

The District provided a list of 114 drivers transporting students as of December 6, 2021, including 97 District employees and 17 contracted drivers. We evaluated the completeness of that list and determined that the District's driver list was incomplete. We found that one District employee and two contracted drivers were not included on the District's list. We then requested the District's personnel files for 69 of the 117 drivers, including the three drivers not on the District's list, to determine whether the District complied with driver and background clearance requirements, including the maintenance and monitoring of required documentation during our review period.

<sup>16</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>17</sup> This clearance is from the state Department of Human Services

<sup>18</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 up to \$2,500. *See* 24 P.S. § 1-111(g)(1).

Section 111(e) of the PSC lists convictions for certain criminal offenses that require an absolute ban to employment. Section 111(f.1) to the PSC requires that a **ten, five, or three** year look-back period for certain convictions be met before an individual is eligible for employment. (Emphasis added.) *See* 24 P.S. § 1-111(e) and (f.1).

The results of our procedures disclosed internal control weaknesses related to the District obtaining, reviewing, and monitoring qualification and clearance documents for both District-employed and contracted drivers. The internal control weaknesses we identified are described in the following narrative.

*Missing Background Clearances for District Employed Drivers*

During our initial review, we found two drivers with missing PSP clearances. The District’s human resources department is responsible for obtaining and reviewing District employees’ clearances. The PSP clearances for both drivers were not immediately available from the PSP when the District initially requested them as the clearance requests were deemed “Request Under Review.”<sup>19</sup> The District did not wait to obtain and review the official PSP clearances or follow-up on the clearances before hiring these two drivers.

Once we brought the missing clearances to the attention of the District during our audit, District officials requested updated PSP clearances for both drivers. One driver clearance was obtained and did not reveal any employment eligibility concerns. However, the other driver’s clearance came back yet again as “Request Under Review.” As of January 26, 2022, that driver’s PSP clearance remained unavailable for review. The lack of the required PSP clearance is especially concerning because we found that the FBI clearance for this driver listed felony convictions as described in more detail in the following paragraph.

*Criminal Conviction Potentially Impacting Employment Eligibility*

We found that one driver employed by the District had two potentially disqualifying criminal convictions that did not appear to be reviewed and considered by the District prior to hiring. According to our review of the FBI clearance, this driver was charged in 2011 and 2017 for crimes that resulted in felony of the third degree convictions, which require a ten-year look-back period to be met from the end of sentencing before the individual is eligible for any employment that involves having direct

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<sup>19</sup> PSP clearance requests come back with four different status designations: 1) Record, 2) Request Under Review, 3) No Record, and 4) No Items Found. A “Request Under Review” status means that the request has been added to the PSP’s queue of clearance items to be reviewed and will be worked on chronologically. This designation does **not** mean there is a record but further review is required.

*Criteria relevant to the finding  
(continued):*

Effective July 1, 2012, Section 111(j)(2) of the PSC was amended to require all prospective employees to submit an *Arrest/Conviction Report and Certification Form (PDE-6004 Form)*, including the Section 111(f.1) criminal offenses, to their administrator prior to employment indicating whether or not they have ever been arrested or convicted of any of the reportable offenses provided for in Section 111(e) or (f.1). Further, retroactively effective on December 31, 2015, Section 111(j)(2) was amended by Act 4 of 2016 to require that the *PDE-6004 Form* include a certification of whether or not an employee was named as a perpetrator of a founded report of child abuse within the past five (5) years as defined by the CPSL.

Please note that the district or contracted employee must sign the form subject to a disclaimer indicating that the employee is signing the form with the acknowledgment that any “false statements herein, including, without limitation, any failure to accurately report any arrest or conviction for a Reportable Offense, shall subject [them] to criminal prosecution under 18 Pa.C.S. § 4904, relating to unsworn falsification to authorities.” See 24 P.S. § 1-111(f.1) and (j)(2) (Act 24 of 2011, Act 82 of 2012, and Act 4 of 2016) and *PDE-6004 Form* instructions.

contact with children.<sup>20</sup> This individual was hired by the District in 2017, so clearly the ten-year look-back period had not expired.

Moreover, as previously mentioned, the District still had not obtained the PSP clearance before the end of our fieldwork for this particular driver. Obtaining both the FBI and PSP clearances is a critical part of the criminal clearance review process because the PSP clearance contains the Pennsylvania equivalent crime, grading, and sentencing information that a FBI clearance is often missing. For example, the FBI clearance for this individual was missing the sentencing information for the 2017 conviction. Therefore, since the District failed to obtain the PSP clearance, as required, it did not have all the necessary information to review and determine if this driver was eligible by law to be employed to transport students.

In addition, we found discrepancies between the FBI clearance and the information provided on the driver’s self-reported *Arrest/Conviction Report and Certification Form (PDE-6004 Form)* filed with the District.<sup>21</sup> The PSC requires that a *PDE-6004 Form* be maintained and considered by districts when determining initial and continued employment eligibility.<sup>22</sup> During our review, the District provided a *PDE-6004 Form* for this individual that indicated no reportable offenses, yet the FBI clearance showed two felony convictions that constituted reportable offenses.<sup>23</sup> Therefore, it appears that the District did not identify or question the arrest and conviction discrepancy between the FBI clearance and the self-reported information on the *PDE-6004 Form*. District officials were unable to provide documentation that this individual’s convictions were considered by the District prior to employment or provide an explanation why the FBI clearance and *PDE-6004 Form* contained contradictory arrest/conviction information. District officials indicated they will consult with the District’s solicitor regarding this particular situation.

<sup>20</sup> See Section 111(f.1)(1) of the PSC providing for the following: “(1) If a report of criminal history record information or a form submitted by an employe under subsection (j) indicates the person has been convicted of an offense graded as a **felony offense of the first, second or third degree**, other than one of the offenses enumerated in subsection (e), the person shall be eligible for continued or prospective employment only if a period of **ten years has elapsed from the date of expiration of the sentence for the offense.**” (Emphases added.) See 24 P.S. § 111(f.1)(1).

<sup>21</sup> Pursuant to Section 111(c.4) and (j) of the PSC, the Pennsylvania Department of Education developed the *PDE-6004 Form* to be used by current and prospective employees of public school entities to provide written reporting of any arrest or conviction for an offense enumerated under 24 P.S. § 1-111(e) and (f.1) and to provide notification of having been named as a perpetrator of a founded report of child abuse within the past five (5) years as defined by the Child Protective Services Law. See 24 P.S. § 1-111(c.4) and (j). See also *PDE-6004 Form* which was developed pursuant to Act 24 of 2011 and Act 82 of 2012.

<sup>22</sup> See 24 P.S. § 1-111.

<sup>23</sup> Reportable offenses are listed under Sections 111(e) and (f.1) of the PSC and on the *PDE-6004 Form*. See 24 P.S. § 111(e) and (f.1).

*Criteria relevant to the finding  
(continued):*

Section 8.2 of Title 22, 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).

**District Policies**

The District’s Policy No. 304, *Employment of District Staff*, states, in part:

“A candidate shall not be employed until s/he 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.

Each candidate shall report, on the designated form, arrests and convictions as specified on the form. Candidates shall likewise report arrests and convictions that occur subsequent to initially submitting the form. Failure to accurately report such arrests and convictions may subject the individual to denial of employment, termination if already hired, and/or criminal prosecution.”

*Missing Background Clearance for Contracted Driver*

During our initial review, we found that the District was missing the FBI clearance for one contracted driver. The District’s transportation department is responsible for contracted drivers’ clearances. District officials attributed the missing clearance to a clerical error. The FBI clearance was requested during our audit and was provided for our review and we did not note any concerns that would impact employment eligibility.

*No Written Review Procedures and Insufficient Monitoring Process*

The District did not have a standardized review process and ongoing monitoring procedures to ensure that all drivers, both district-employed and contracted, were properly qualified prior to and throughout employment. The lack of a standardized process and insufficient monitoring, which are important internal controls, resulted in missing documentation for both District employed and contracted drivers. While the District indicated that it had a process to review and monitor district-employed drivers, our testing procedures identified two missing PSP clearances and a driver with felony convictions potentially impacting employment eligibility being hired without a documented review process by the District.

District officials acknowledged that contracted driver records were not adequately monitored, and our review found a missing background clearance. District officials explained that the 2020-21 school year was the first year that it contracted for regular route coverage, and there are no plans to contract for transportation services beyond the current school year. Therefore, the District believed monitoring contracted driver records was less critical.

**Failure to Board Approve Contracted Drivers**

The requirement to Board approve drivers is designed to provide the public with assurances that District administration has determined that authorized drivers have the required qualifications and clearances on file **prior** to employment. The District has a process in place to Board approve District-employed drivers when they are initially hired and in the event of a change in employment (i.e., new salary amount). We found that the Board approved all District employed drivers. However, the District acknowledged that it does **not** have a process in place to approve contracted drivers. As such, none of the contracted drivers were Board approved, as required.

Criteria relevant to the finding  
(continued):

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

"The District is required by law to ensure that independent contractors and contractor employees comply with the mandatory background check requirements for criminal history and child abuse certifications, the employment history review requirement, and the arrest and conviction reporting requirements.

The Superintendent or designee shall review all information provided pursuant to this policy and determine if information is disclosed that precludes employment or continued service of an independent contractor or contractor employee."

#### **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>).

Further, see PDE's "Background Checks Portability" web site guidance regarding aligning school policies concerning background checks for employees and contractors with the provisions of the PSC and CPSL (<https://www.education.pa.gov/Educators/Clearances/FAQ/Pages/Portability.aspx#>).

## **Noncompliance with Board Policy**

During our review, we noted that District Policies No. 304, *Employment of District Staff* and No. 818, *Contracted Services*, were last revised in February 2015 and August 2018, respectively. Together these policies require that both District-employed and contracted drivers comply with the mandatory background check requirements for criminal history and a child abuse clearance. Both policies require the District to evaluate those clearances. By failing to have all required background clearances for all drivers upon our initial review, the District did not comply with its own policies.

### **Conclusion**

The District and its Board did not meet their statutory obligations to ensure that both District-employed and contracted 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 when it did not obtain, review, and monitor all required driver qualification and clearance documents. Finally, the District failed to adhere to its own 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 contractors 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 *Upper Darby School District* should:

1. Provide training on Section 111 of the PSC, as well as the relevant provisions of the CPSL, the Pennsylvania Vehicle Code, and the Pennsylvania Department of Transportation (PennDOT) regulations to staff responsible for reviewing qualifications and those tasked with maintaining up-to-date personnel files for both District employed and contracted bus and van drivers.

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 driver qualification and clearance documentation is monitored to ensure continued compliance with requirements, including the requirement to obtain updated clearances **every five years**.
- 2. Comply with all applicable laws and regulations to obtain, review, and maintain required qualifications and background clearances for all individuals that have direct contact with students, whether District-employed or contracted.
- 3. Ensure that all contracted drivers are presented to the Board for approval in a timely manner.
- 4. Implement procedures to ensure compliance with applicable Board policies.

### **Management Response**

The District provided the following response.

“The Upper Darby School District will comply with the Pennsylvania Department of Education's (PDE's) requirements and law that states, ‘...requires that all applicants for employment in public and private schools, employees of independent contractors seeking business with public and private schools, and student teacher candidates undergo background checks if they will have direct contact with students. In addition, employment history reviews must be completed for all applicants seeking employment.’ The Upper Darby School District Office of Human Resources will continue to rely on the following process and procedures:

The following three background checks are required:

- Department of Human Services Child Abuse History Clearance
- Pennsylvania State Police Request for Criminal Records Check
- Federal Criminal History Record Information (CHRI)

New Hires:

- All Board policies for hiring staff will be followed.
- In accordance with Upper Darby School District Policy 304: Employment of District Staff. A candidate will not be employed until s/he has complied with the mandatory background check requirements for criminal history and child abuse. Procedures to ensure compliance with applicable Board policies will include:
  - Mandatory training for all administrators and employees involved in the hiring process.
  - The Assistant Superintendent for Personnel and Equity and the Supervisor of Human Resources will be provided training from the District's Solicitor related to reviewing the criminal history and child abuse clearances.



- The Assistant Superintendent for Personnel and Equity will complete the School District Employment Authorization form for each candidate after all clearances have been submitted and reviewed.
- All clearances must be submitted with the completed application through the Upper Darby School Districts online onboarding portal (TalentEd). If all of the required clearances are not provided at the time an application is submitted, a Confidential Human Resources Secretary will continue to request the clearances from the applicant during the onboarding process. No recommended hire can begin without proper clearances and a reference check.
- All new hires must complete the Arrest/Conviction Report and Certification Form (PDE 6004) that is included in the onboarding packet.
- Upon completion of the onboarding process, and if there is no record of an infraction, arrest, or conviction on any of the submitted clearances, the clearances are then entered into the District's financial system (eFinance).
- Clearance information entered into the financial system (eFinance) will include the following:
  - Employee Name
  - Clearance Type
  - Date of Issue
  - Date of Expiration
- After the information from the clearance is entered into the finance system (eFinance), the clearances along with the completed onboarding documents are submitted to the Assistant Superintendent for Personnel and Equity for approval. The signed payroll authorization form is then distributed to the payroll/business department and school/employee location.
- Each new hire will be formally approved by a Board Resolution in the Personnel Report at the next scheduled public meeting.
- The clearances are kept in a permanent personnel file located in the personnel department.
- Clearances have to be updated every five (5) years.
- If the clearances are not updated, the employee will receive (4) four automatically generated reminders from the eFinance system starting 120 days, 90 days, 60 days and 30 days prior to the expiration date.
- A compliance report is run the first week of every month.
- If an active employee's clearances are set to expire within (30) days, a letter will be sent to the employee and their supervisor from the Supervisor of Human Resources informing them of the expiration date(s).

#### Contracted Employees and Student Teacher Candidates:

- All subcontractors seeking business with the District and student teacher candidates will provide documentation of clearances to the appropriate department within the District. All staff involved in hiring of contracted employees and student teacher candidates will be provided training on the Districts onboarding of staff process and manual.
- A copy of the required clearances will be provided to the Office of Human Resources.
- If an infraction, arrest, or conviction is reported on any clearance(s), then the clearance(s) is given to the Assistant Superintendent for Personnel and Equity for further review.
- The Assistant Superintendent for Personnel and Equity will determine if the applicant is eligible to work as a contracted employee or become a student teacher. If necessary, the Assistant Superintendent for Personnel and Equity will contact the Board Solicitor for guidance and a review of clearances involving an infraction, arrest, or conviction that may prevent or terminate employment.
- If a contracted employee or student teacher candidate is found to be ineligible based on their clearances, the Assistant Superintendent for Personnel and Equity will contact the service provider and/or the sending university or college.

#### Volunteers:

- All volunteers must complete and submit their clearances, the Disclosure Statement for Volunteers, and the volunteer application to an administrator for review.
- An administrator forwards the volunteer packet (including clearances) to the Assistant Superintendent for Personnel and Equity for approval.
- If an infraction, arrest, or conviction is reported on any submitted clearance, then that clearance(s) is given to the Assistant Superintendent of Personnel and Equity for further review.
- The Assistant Superintendent for Personnel and Equity will determine if the applicant is eligible to become a volunteer. If necessary, the Assistant Superintendent of Personnel and Equity will contact the Board Solicitor for guidance and a review of clearances involving an infraction, arrest, or conviction that may prevent the opportunity to volunteer.

- If a volunteer application is denied, the Assistant Superintendent for Personnel and Equity will contact the applicant to inform them of the status of their volunteer application.
- If there is no record of an infraction, arrest, or conviction on any of the submitted clearances, then the issue date and expiration date is entered into a database that is maintained by the Confidential Secretary and monitored by the Supervisor of Human Resources.
- A copy of the approved volunteer packet is returned to the appropriate administrator and a copy of the approved volunteer approval is maintained by the Assistant Superintendent for Personnel and Equity.”

### **Auditor Conclusion**

We are pleased that the District intends to implement corrective actions to address our recommendations. Further, we continue to stress the importance of the District ensuring that its hiring policies are complied with for both district employees and contracted employees.

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

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**O**ur prior audit of the Upper Darby 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>24</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 Nonresident Student Data, Transportation Operations, Bus Driver Requirements, Administrator Separations, 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, 2016 through June 30, 2020. 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>25</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>26</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>24</sup> 72 P.S. §§ 402 and 403.

<sup>25</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>26</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	
Nonresident Student Data	Yes				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		
Administrator Separations	Yes										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, 2016 through June 30, 2020 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.

### **Nonresident Student Data**

- Did the District accurately report nonresident students to PDE? Did the District receive the correct reimbursement for these nonresident students?<sup>27</sup>
- ✓ To address this objective, we assessed the District's internal controls for obtaining, processing, and reporting of nonresident foster student data to PDE. We reviewed all 323 nonresident foster students reported to PDE as educated by the District during the 2016-17 through 2019-20 school years. We reviewed documentation to determine whether the custodial parents or guardian of the foster students were not residents of the District. We also determined whether the foster parent was a resident of the District and received a stipend for caring for the student. In addition, we determined if the District received the correct reimbursement for educating these students.

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

### **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>28</sup>
- ✓ To address this objective, we assessed the District's internal controls for obtaining, processing, and reporting regular transportation data (vehicle data) to PDE. For all vehicles used to transport District students during the 2016-17 through 2019-20 school years we requested the beginning and end-of-year odometer readings to determine if total mileage was reported correctly to PDE for each vehicle. However, the odometer readings were not available and, therefore, we could not determine

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<sup>27</sup> See 24 P.S. §§ 13-1301, 13-1302, 13-1305, 13-1306; 22 Pa. Code Chapter 11.

<sup>28</sup> See 24 P.S. § 2541(a).

if the District accurately reported mileage data to PDE and if the District was accurately reimbursed for this reported data.

- ✓ Additionally, we assessed the District’s internal controls for obtaining, processing, and reporting supplemental transportation data (nonpublic and charter school students) to PDE. We asked to review the requests for transportation for all 3,409 nonpublic school students and all 1,241 charter school students reported to PDE as transported by the District during the 2016-17 through 2019-20 school years to determine whether the District accurately reported supplemental transportation data to PDE. However, the District could not provide the necessary documents and, therefore, we could not determine the accuracy of the nonpublic and charter school student transportation data that the District reported to PDE.

**Conclusion:** The results of our procedures identified areas of noncompliance and significant internal control deficiencies related to this objective. Our results are detailed in Finding No. 2 beginning on page 13 of this report.

### **Bus Driver Requirements**

- Did the District ensure that all bus drivers transporting District students are approved by the Board of School Directors (Board) and had the required driver’s license, physical exam, training, background checks, and clearances<sup>29</sup> as outlined in applicable laws?<sup>30</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. We determined if all drivers were Board approved by the District. We selected 69 of 117 bus and van drivers transporting students as of December 6, 2021. Forty-nine drivers were selected randomly while the remaining 20 drivers were selected due to a higher risk of noncompliance.<sup>31</sup> We reviewed documentation to ensure the District complied with qualification and clearance requirements for the bus drivers selected for testing. 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 this objective. Our results are detailed in Finding No. 3 beginning on page 22 of this report.

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<sup>29</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>30</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>31</sup> Out of the 20 drivers selected due to a higher risk of noncompliance with requirements, 17 drivers were contracted by the District. The District had not contracted for drivers prior to the 2021-22 school year and District personnel indicated that those drivers may not have been adequately monitored. The remaining 3 drivers were chosen because they were not identified by the District on the initial list of 114 drivers provided to us upon request. Therefore, the combined selection of drivers is not representative of the population, and the results of this audit procedure are not, and should not be, projected to the population.



## **Administrator Separations**

- Did the District provide any individually contracted employees with excessive payments upon separation of employment? Did the District ensure all payroll wages reported to Public School Employees' Retirement System (PSERS) were appropriate and accurate?
  - ✓ To address this objective, we assessed the District's internal controls over the calculations of post-employment benefits and the processing of final payments to individually contracted administrators who separated employment with the District. We reviewed the contract, payroll reports, and leave records for one of the three individually contracted administrators who separated employment from the District during the period July 1, 2016 through November 1, 2021.<sup>32</sup> We reviewed the final payout to determine if the administrator was compensated in accordance with his contract. We also verified payments for unused leave were not reported as eligible wages to PSERS. Additionally, we reviewed board meeting minutes to verify that the Board voted to approve the dismissal of the administrator in accordance with the Public School Code.

**Conclusion:** The results of our procedures for this objective did not disclose any reportable issues and we did not identify any internal control deficiencies.

## **School Safety**

- Did the District comply with requirements in the Public School Code and the Emergency Management Code related to emergency management plans, bullying prevention, and memorandums of understanding with local law enforcement?<sup>33</sup> Also, did the District follow best practices related to physical building security and providing a safe school environment?
  - ✓ To address this objective, we reviewed a variety of documentation including, but not limited to, safety plans, training agendas, anti-bullying policies, risk and vulnerability assessment results, and memorandums of understanding with local law enforcement.

**Conclusion:** Due to the sensitive nature of school safety, the results of our review for this 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>34</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 2018-19 and 2019-20 school years. We determined if security drills were held within the first 90 days of each 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 supporting documentation.

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<sup>32</sup> The administrator selected was selected because we considered this separation to have a higher risk of non-compliance due to the presence of a negotiated separation agreement between the District and departing administrator. Therefore, the selection is not representative of the population, and the results are not, and should not be projected to that population.

<sup>33</sup> Safe Schools Act 24 P.S. § 13-1301-A *et seq.*, Emergency Management Services Code 35 Pa.C.S. § 7701.

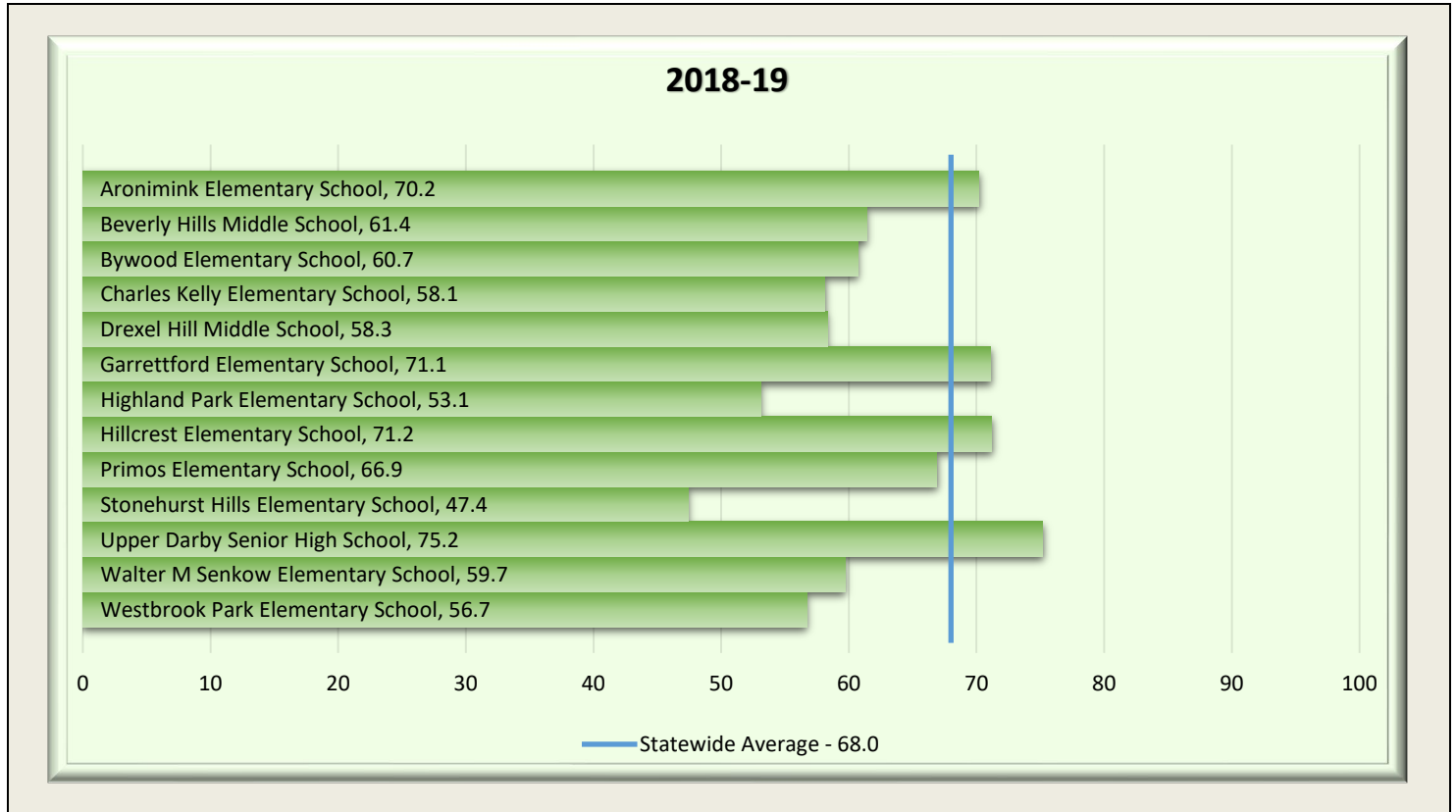
<sup>34</sup> Public School Code (Fire and Security Drills) 24 P.S. § 15-1517.

**Conclusion:** The results of our review of the fire and security drill data did not identify and reportable issues.

## 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>35</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>36</sup>

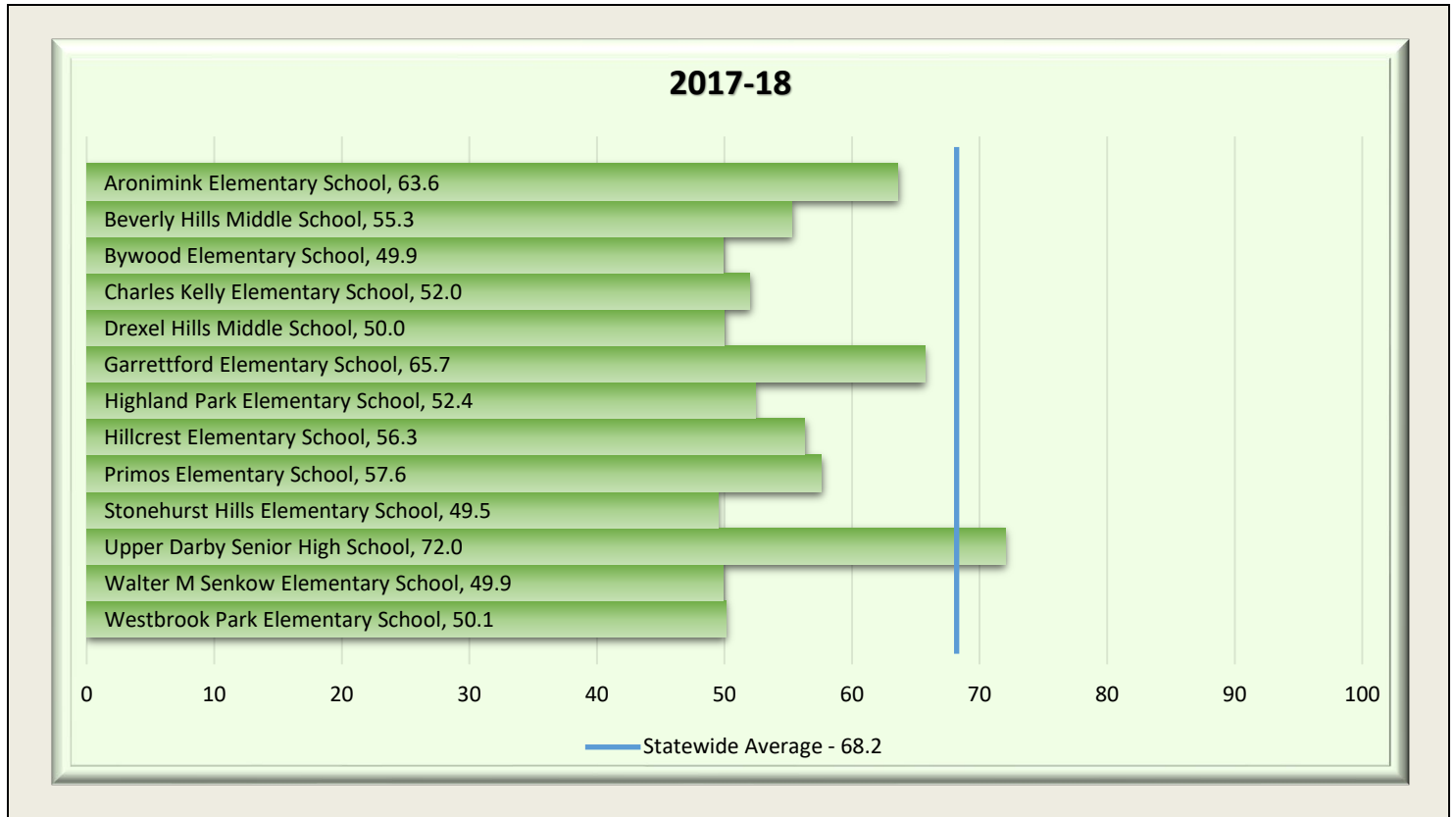
### SPP School Scores Compared to Statewide Averages



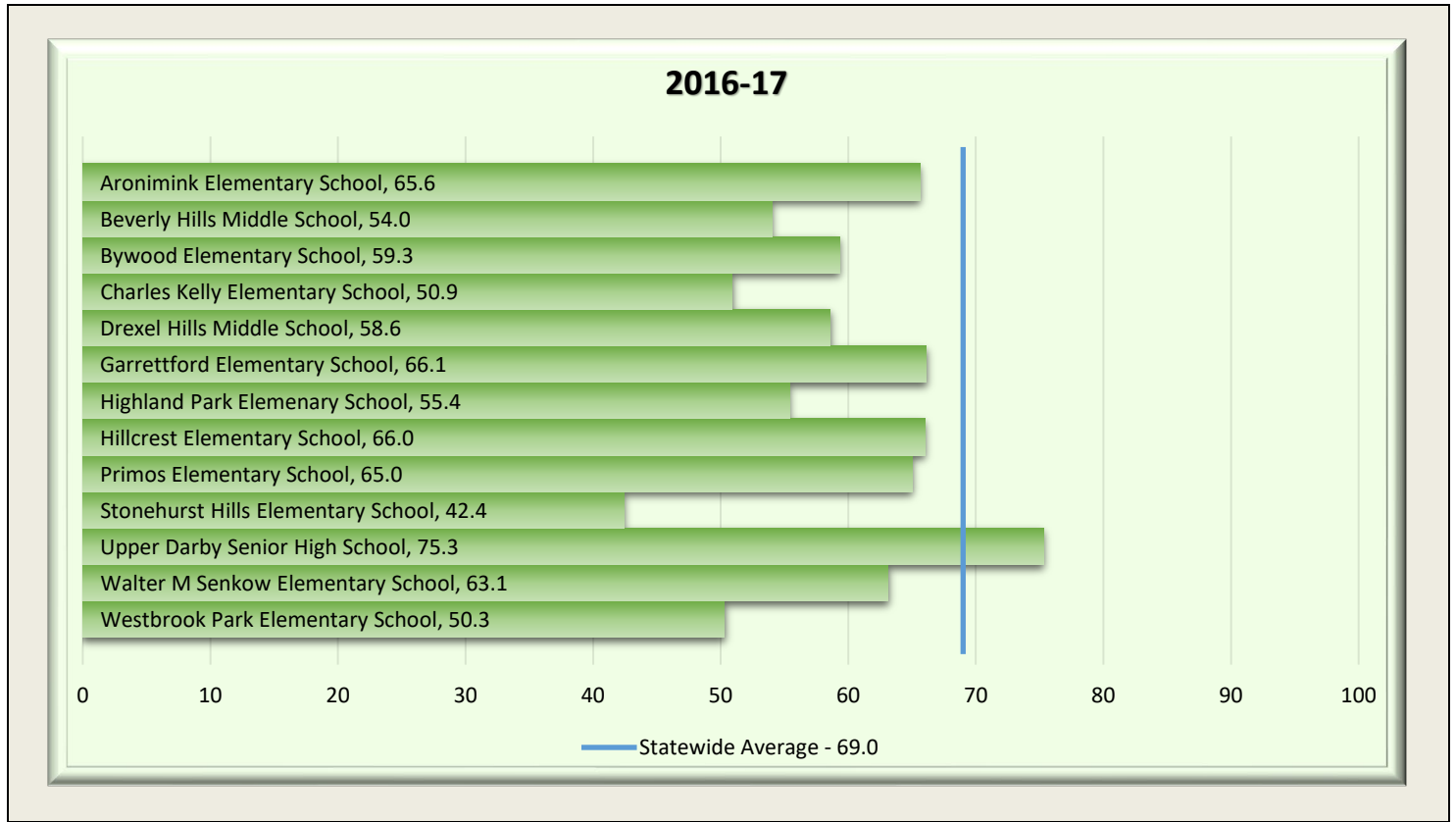
<sup>35</sup> Statewide averages were calculated by our Department based on individual school building scores for all public schools in the Commonwealth, including district schools, charters schools, and cyber charter schools.

<sup>36</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.

**SPP School Scores  
Compared to Statewide Averages (continued)**

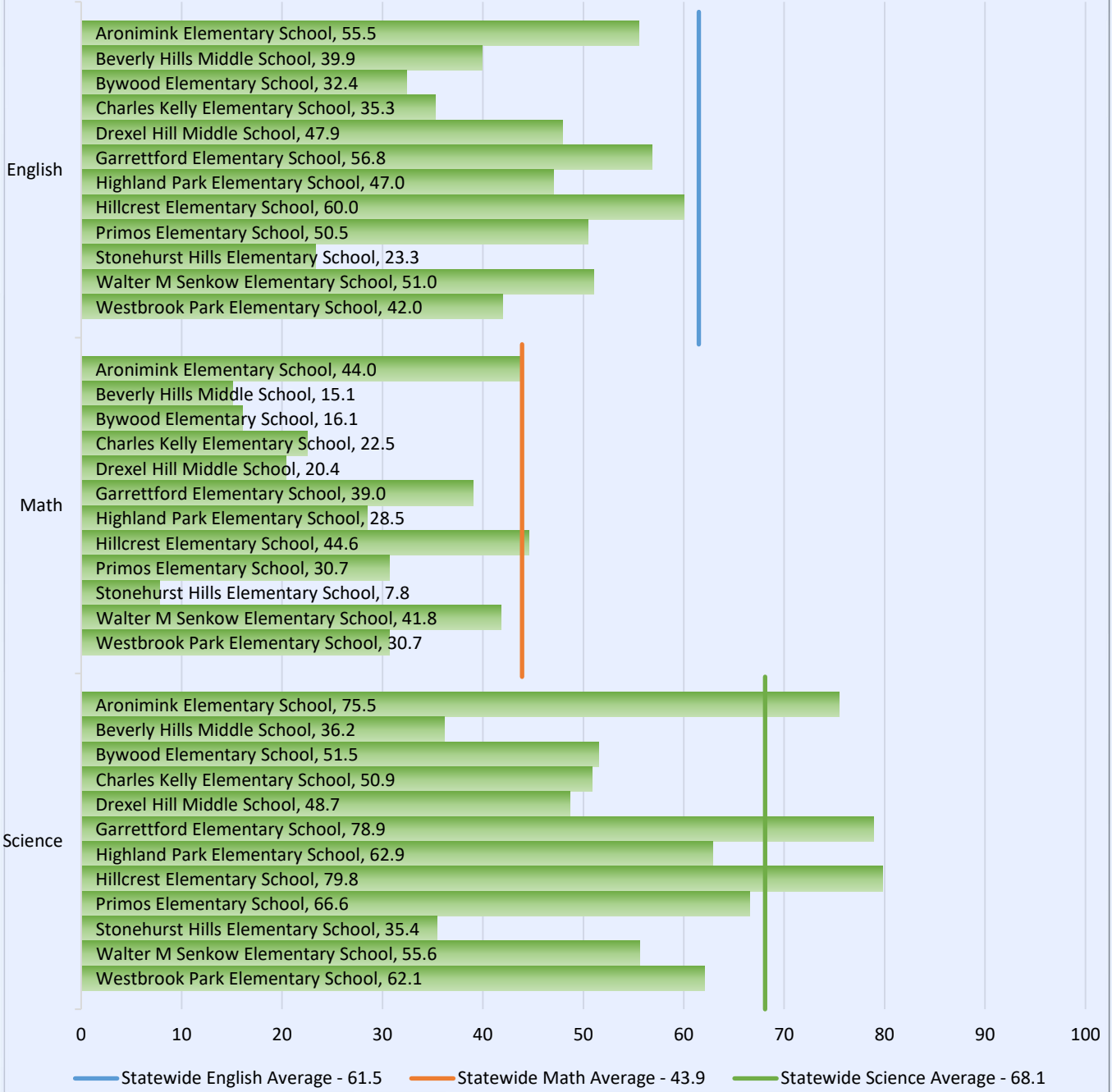


**SPP School Scores  
Compared to Statewide Averages (continued)**

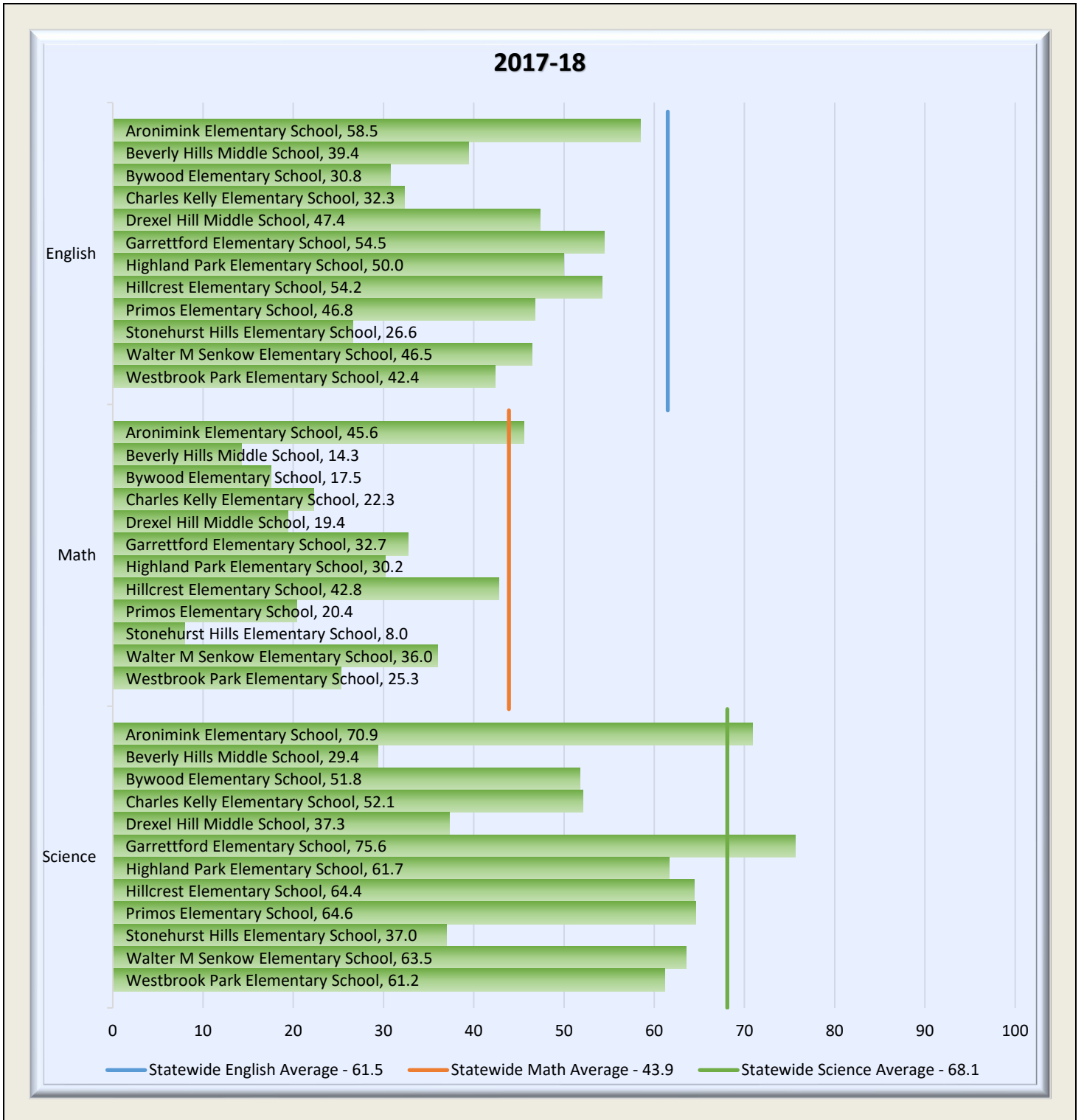


**PSSA Advanced or Proficient Percentage  
School Scores Compared to Statewide Averages**

**2018-19**

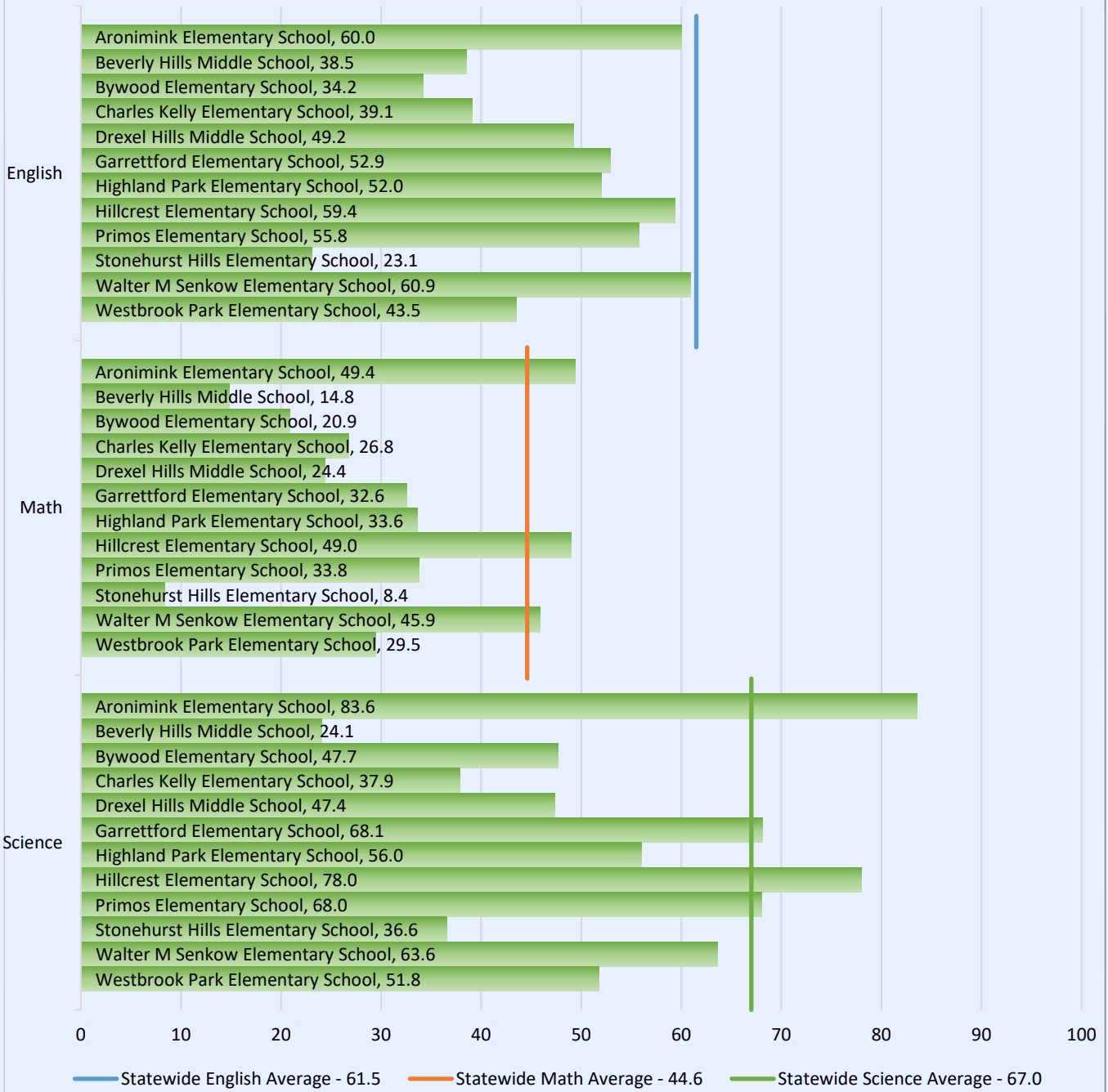


**PSSA Advanced or Proficient Percentage  
School Scores Compared to Statewide Averages (continued)**



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

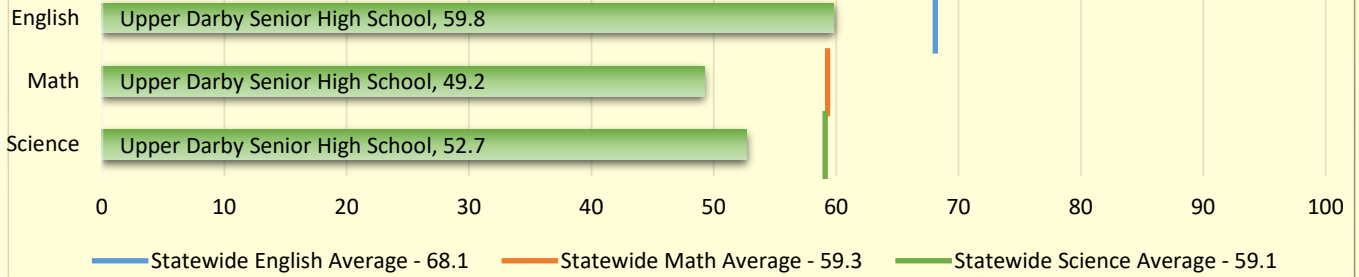
**2016-17**



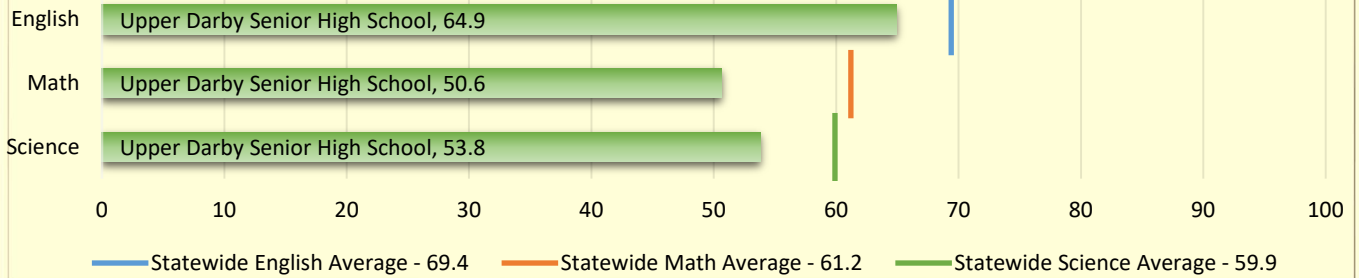


## Keystone Advanced or Proficient Percentage School Scores Compared to Statewide Averages

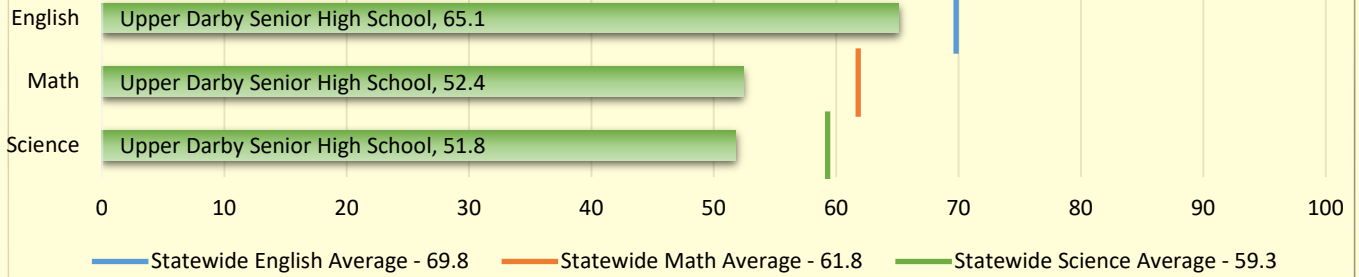
### 2018-19



### 2017-18



### 2016-17



## **Distribution List**

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This report was initially distributed to the Superintendent of the District, the Board of School Directors, and the following stakeholders:

**The Honorable Tom W. Wolf**  
Governor  
Commonwealth of Pennsylvania  
Harrisburg, PA 17120

**The Honorable Noe Ortega**  
Secretary of Education  
1010 Harristown Building #2  
333 Market Street  
Harrisburg, PA 17126

**The Honorable Stacy Garrity**  
State Treasurer  
Room 129 - Finance Building  
Harrisburg, PA 17120

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