

PERFORMANCE AUDIT

Warren County School District Warren County, Pennsylvania

April 2022



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen
www.PaAuditor.gov**

**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

Mrs. Amy J. Stewart, Superintendent
Warren County School District
6820 Market Street
Russell, Pennsylvania 16345

Mr. Paul J. Mangione, Board President
Warren County School District
6820 Market Street
Russell, Pennsylvania 16345

Dear Mrs. Stewart and Mr. Mangione:

We have conducted a performance audit of the Warren County 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:

- Transportation Operations
- Bus Driver Requirements
- Nonresident Student Data

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 noncompliance and significant internal control deficiencies in the area of transportation operations and those deficiencies are detailed in the finding in this report titled:

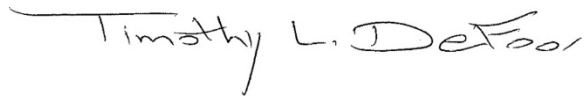
The District's Failure to Implement an Adequate Internal Control System Led to Inaccurate Transportation Data Reported to PDE Resulting in a Net \$2,133 Underpayment

Our audit finding 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 found that the District performed adequately in the areas of bus driver requirements and nonresident student data, and we did not identify any internal control deficiencies in these areas.

Mrs. Amy J. Stewart
Mr. Paul J. Mangione
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We appreciate the District's cooperation during the course of the audit.

Sincerely,

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

Timothy L. DeFoor
Auditor General

April 27, 2022

cc: **WARREN COUNTY SCHOOL DISTRICT** Board of School Directors

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Background Information

School Characteristics 2019-20 School Year*	
County	Warren
Total Square Miles	788
Number of School Buildings	9
Total Teachers	359.5
Total Full or Part-Time Support Staff	231
Total Administrators	38
Total Enrollment for Most Recent School Year	4,118
Intermediate Unit Number	5
District Career and Technical School	Warren County Area Vocational Technical School

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

Mission Statement*

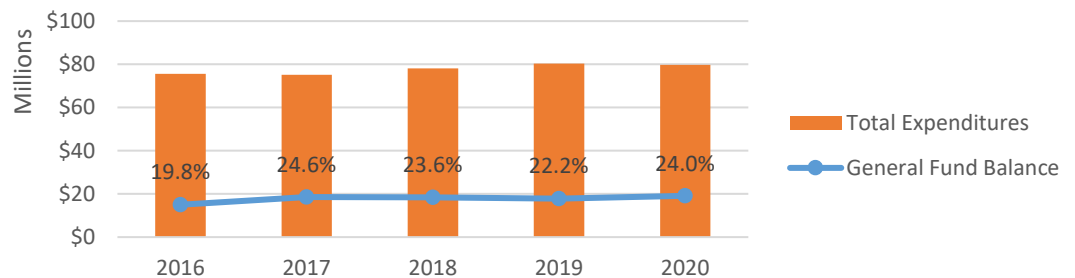
Is to support the personal and intellectual success and wellness of every student, every day.

Financial Information

The following pages contain financial information about the Warren County 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**.

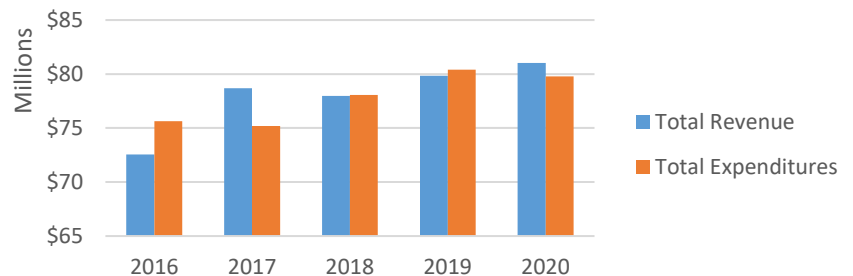
General Fund Balance as a Percentage of Total Expenditures

	General Fund Balance
2016	\$14,998,611
2017	\$18,503,685
2018	\$18,417,032
2019	\$17,853,643
2020	\$19,121,575



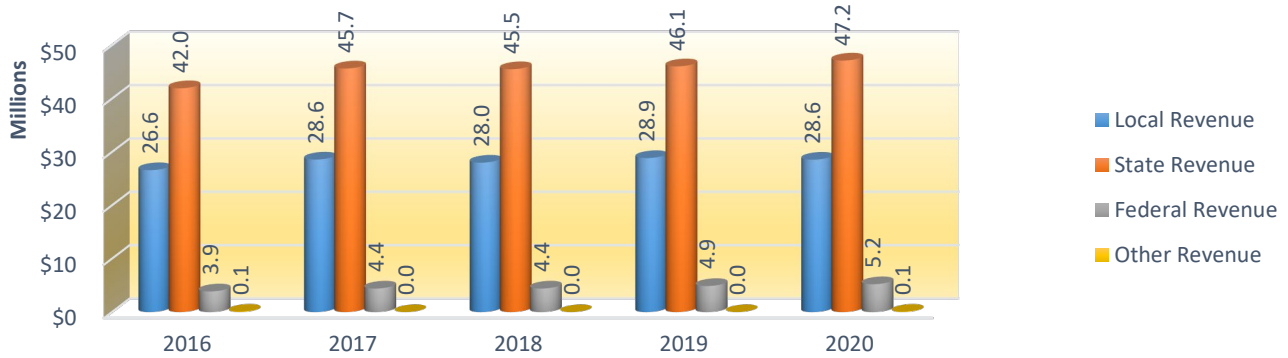
Revenues and Expenditures

	Total Revenue	Total Expenditures
2016	\$72,553,802	\$75,622,804
2017	\$78,685,447	\$75,180,372
2018	\$77,990,369	\$78,077,019
2019	\$79,837,469	\$80,400,859
2020	\$81,039,365	\$79,771,434

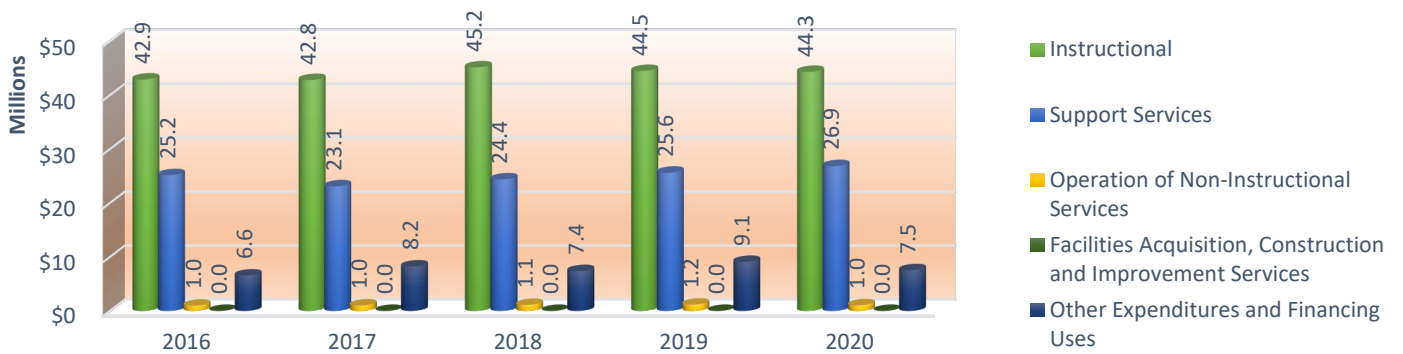


Financial Information Continued

Revenues by Source

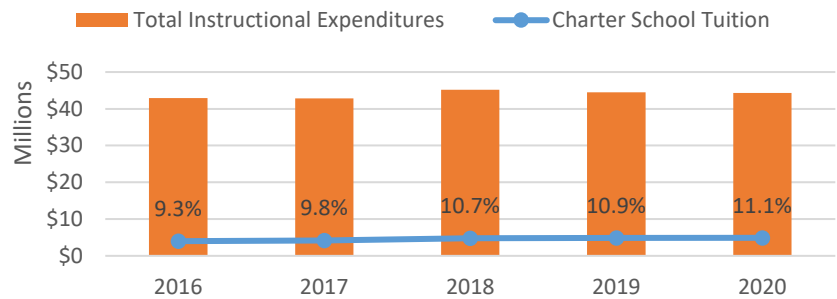


Expenditures by Function

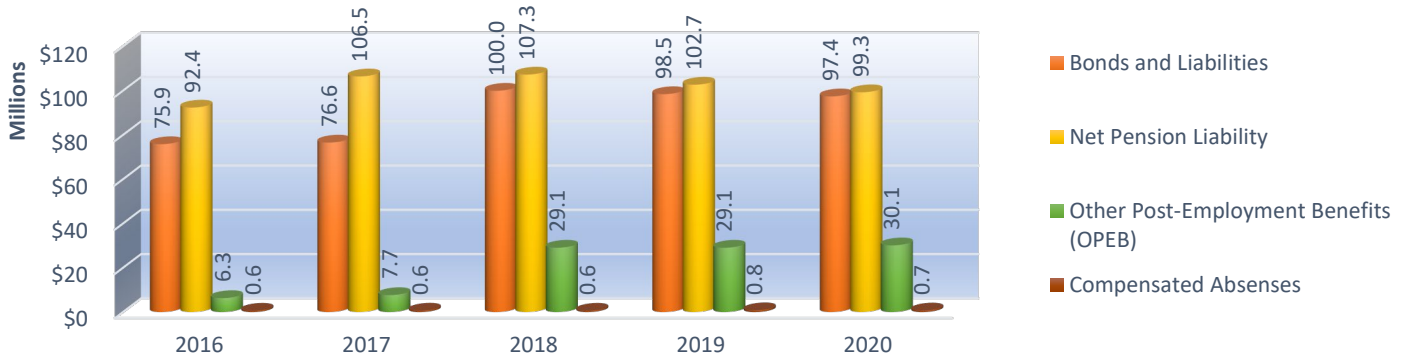


Charter Tuition as a Percentage of Instructional Expenditures

	Charter School Tuition	Total Instructional Expenditures
2016	\$3,994,191	\$42,919,979
2017	\$4,183,221	\$42,823,710
2018	\$4,815,524	\$45,172,975
2019	\$4,846,270	\$44,503,378
2020	\$4,907,529	\$44,327,750



Long-Term Debt

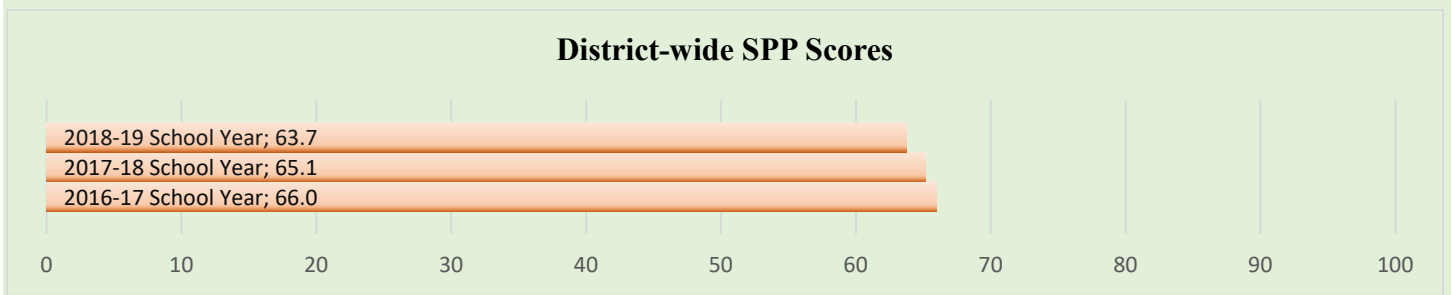


Academic Information¹

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

What is a SPP score?

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



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

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

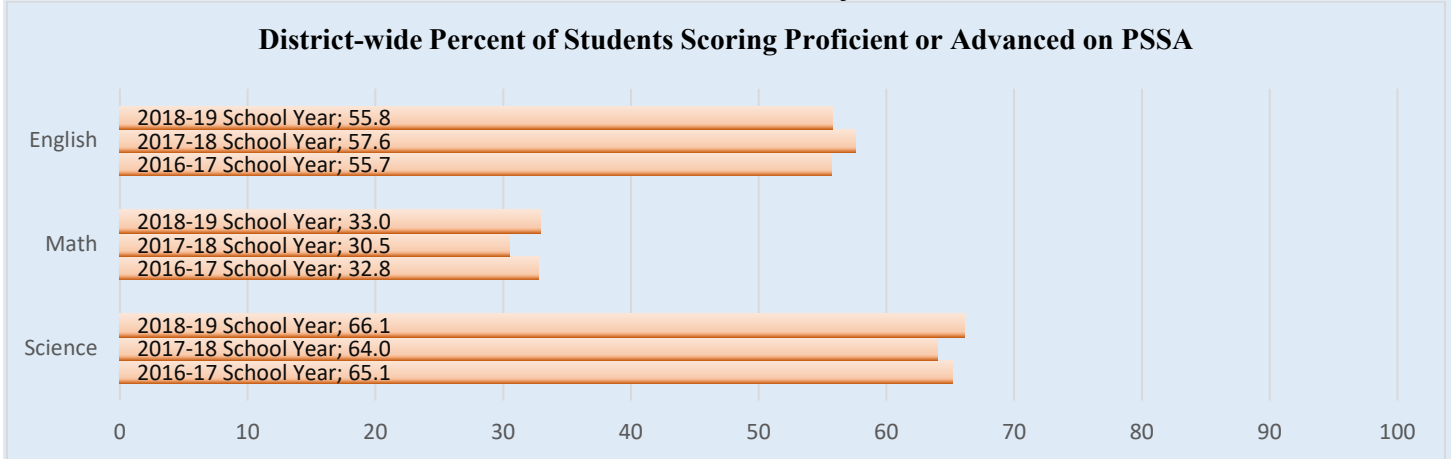
³ Graduation rates were still reported for the 2019-20 school year despite the COVID-19 pandemic.

Academic Information Continued

What is the PSSA?

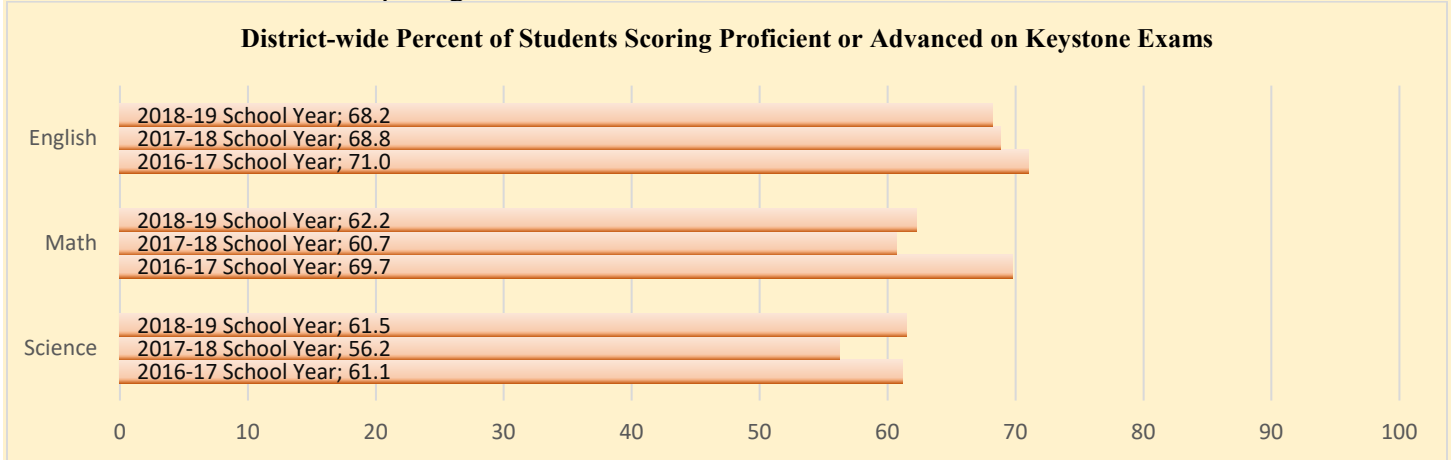
The PSSA is an annual, standardized test given across the Commonwealth to students in grades 3 through 8 in core subject areas, including English, Math and Science. The PSSAs help Pennsylvania meet federal and state requirements and inform instructional practices, as well as provide educators, stakeholders,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

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



What is the Keystone Exam?

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

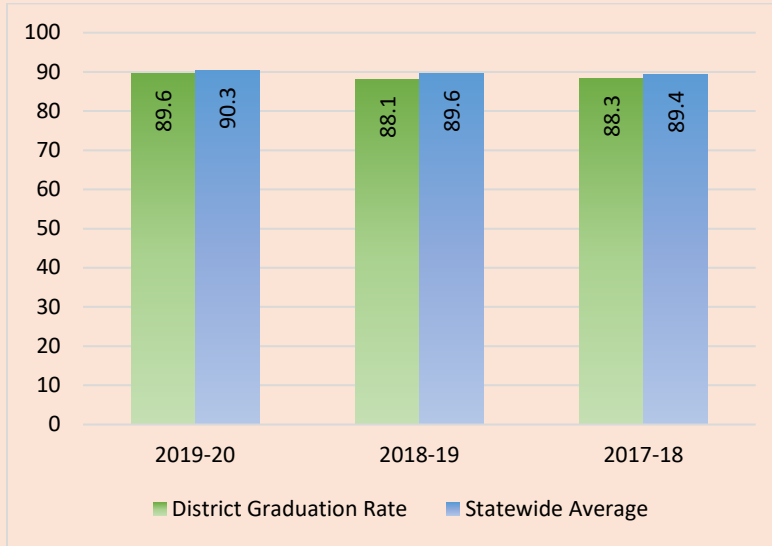


⁴ Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1). Please refer to the following link regarding further guidance to local education agencies (LEAs)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

Academic Information Continued

What is a 4-Year Cohort Graduation Rate?

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



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

Finding

Finding

The District's Failure to Implement an Adequate Internal Control System Led to Inaccurate Transportation Data Reported to PDE Resulting in a Net \$2,133 Underpayment

Criteria relevant to the finding:

Student Transportation Subsidy

Section 2541(a) of the Public School Code (PSC) states, in part: "School districts shall be paid by the commonwealth for every school year on account of pupil transportation which... have been approved by the Pennsylvania Department of Education (PDE)... 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).

Sworn Statement and Annual Filing Requirements

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

We found that the Warren County School District (District) did not implement an adequate internal control system over the input, calculation, and reporting of regular transportation data for the 2016-17 through 2019-20 school years. The failure to implement adequate internal controls led to multiple inaccuracies in the transportation data the District reported to the Pennsylvania Department of Education (PDE). Consequently, the District was overpaid a total of \$57,495 over three years of the audit period but was also underpaid \$59,628 for one year with a net result of a \$2,133 underpayment in regular transportation reimbursements over the four year period.⁶

Background

School districts receive two separate transportation reimbursement payments from PDE. The **regular** transportation reimbursement is broadly based on the number of students transported, the number of days each vehicle was used for transporting students, and the number of miles that vehicles are in service, both with and without students aboard. The **supplemental** transportation reimbursement is based on the number of nonpublic school and charter school students transported. The errors identified in this finding pertain to the District's regular transportation reimbursements.

Since the above listed components are integral to the calculation of the District's transportation reimbursement, it is essential that the District properly record, calculate, and report transportation data to PDE. Therefore, the District should have a strong system of internal control over transportation operations that should include, but not be limited to, the following:

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

⁶ The District received \$12,823,128 in total regular transportation reimbursements during the four-year audit period.

Instructions to Local Education Agencies (LEA) on how to complete the PDE-1049. The PDE-1049 is the electronic form used by LEAs to submit transportation vehicle data annually to PDE.

<http://www.education.pa.gov/Documents/Teachers-Administrators/Pupil%20Transportation/eTran%20Application%20Instructions/PupilTransp%20Instructions%20PDE%201049.pdf> (accessed 9/14/21)

Pupils Assigned – Report the greatest number of pupils assigned to ride this vehicle at any one time during the day. Report the number of pupils assigned to the nearest tenth. The number cannot exceed the seating capacity. If the number of pupils assigned changed during the year, calculate a weighted average or a sample average.

Daily Miles With - Report the number of miles per day, to the nearest tenth, that the vehicle traveled with pupils. If this figure changed during the year, calculate a weighted average or sample average.

Daily Miles Without - Report the number of miles per day, to the nearest tenth, that the vehicle traveled without pupils. If this figure changed during the year, calculate a weighted average or sample average.

Activity Run

For students who stay after the end of the school day and are transported home on an “Activity Run” sometimes referred to as a “late run” the eTran systems allows entry of this information by checking the “Activity Run” box. Three data boxes will appear to enter the “Daily Miles With”, “Daily Miles Without” and “Number of Days” for the late run service only.

It is also important to note that the Public School Code (PSC) requires that all school districts annually file a sworn statement of student transportation data of the prior and current school years with PDE in order to be eligible for transportation reimbursements. The sworn statement includes the superintendent’s signature attesting to the accuracy of the reported data. Because of this statutorily required 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.

Regular Transportation Reporting Errors

PDE requires school districts to report the number of miles per day to the nearest tenth that each vehicle travels with and without students. Districts are also required to report the number of students assigned to each vehicle. If the miles traveled and students assigned to each vehicle changes during the school year, an average must be calculated and reported. Districts are also required to report the number of days each vehicle transported students.

We conducted detailed testing of the data the District reported to PDE over the four-year period of 2016-17 through 2019-20. We found errors in all areas that we tested. More specifically, we found errors related to 53 vehicles where the District both overreported and underreported the total mileage, number of days in use, and/or the number of students transported.⁷ The District made systemic calculation and reporting errors during the audit period. For example, the District consistently miscalculated the number of miles traveled with and without students and failed to accurately calculate the average number of students transported for each vehicle. The District also reported mileage used to transport some students to a local college even though this mileage was not eligible for reimbursement.

In addition, we found that the District failed to report a total of ten vehicles used to transport students in the 2016-17, 2017-18, and 2019-20 school years.⁸ Nine of the vehicles were used to transport students to their homes after extra-curricular activities. The mileage for these trips is eligible for reimbursement, but the District did not include this mileage in its reported data. The District employee responsible for reporting the transportation data was not able to provide an explanation as to why the nine extra-curricular vehicles were not reported. The failure to report the tenth vehicle was attributed to a clerical oversight.

We summarized the errors we identified and calculated the total amount of regular transportation reimbursements that the District was overpaid/underpaid in the table below.

⁷ The District reported that it used the following number of vehicles for each school year: 161 vehicles in the 2016-17 school year; 155 vehicles in the 2017-18 school year; 159 vehicles in the 2018-19 school year; and 157 vehicles in the 2019-20 school year.

⁸ The District correctly reported the vehicles used to transport students after extra-curricular activities in the 2018-19 school year.

Table

Warren County School District Transportation Data Reporting Errors					
School Year	Miles Over/(Under) Reported	Students Over/(Under) Reported	Days (Under) Reported	Vehicles Not Reported	Over/(Under) Payment ⁹
2016-17	63.3	(83.7)	(151)	1	\$8,568
2017-18	(100.9)	(223.9)	(708)	5	(\$59,628)
2018-19	109.9	10.0	-	-	\$24,974
2019-20	78.1	(150.0)	(358)	4	\$23,953
Total	150.4	(447.6)	(1,217)	10	(\$2,133)

The number and types of calculation and reporting errors that we identified led us to conclude that the employee responsible for reporting transportation data to PDE did not have a clear understanding of PDE's requirements. Furthermore, the District did not implement a review process over the reported data to help ensure the accuracy of that data.

Significant Internal Control Deficiencies

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

- Ensure that an employee other than the employee who calculated the transportation data, reviewed the data before it was reported to PDE.
- Ensure that all employees involved in the calculation and reporting of transportation data are adequately trained on PDE requirements.
- Develop comprehensive written procedures for calculating and reporting transportation data to PDE.

The internal control deficiencies led to the numerous reporting errors discussed in this finding and the resulting net \$2,133 underpayment. While the net result of the errors over the audit period was nominal, if the causes of the errors remain uncorrected, the impact on future reimbursements could be substantial. The scope of the errors discussed in this finding demonstrate the importance of strong internal controls over the transportation data reporting process.

Future Reimbursement Adjustment: We provided PDE with reports detailing the transportation errors for the 2016-17 through 2019-20 school

⁹ The District was overpaid in the 2016-17 and 2019-20 school years despite underreporting both days and students in those school years. This occurred because PDE's transportation reimbursement formula is determined by a cost allowance that is established for each vehicle reported to PDE. Despite more total errors reported by the District for days and students, more vehicles had errors in the mileage reported and that led to the cumulative overpayment.

years. We recommend that PDE adjust the District's future transportation reimbursement amount to account for the \$2,133 that we identified as an underpayment.

Recommendations

The *Warren County School District* should:

1. Develop and implement an internal control system over its regular and supplemental transportation operations. The internal control system should include, but not be limited to, the following:
 - All personnel involved in regular and supplemental transportation data reporting are trained on PDE's reporting requirements.
 - A review of transportation data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.
 - Comprehensive written procedures are developed to ensure accurate reporting of the regular and supplemental transportation data.
2. Review the transportation data reported to PDE for the 2020-21 school year to determine if similar errors were made and, if necessary, submit a revised report to PDE.

The *Pennsylvania Department of Education* should:

3. Adjust the District's future transportation subsidy to resolve the \$2,133 net underpayment in regular transportation reimbursements.

Management Response

District management provided the following response:

“The District acknowledges that some calculation errors did occur during the audit period as stated above and strives to always have sound and adequate internal controls to avoid any miscalculations when reporting data to PDE for subsidy reimbursement. Nonetheless, we do understand that over time some of our internal controls may have not kept up with the demands of the Transportation Subsidy reporting. Over the course of the 9 month audit, the audit staff went through each and every bus run (—80 per day for 177 days/year) and van run (—60 per day for 177 days/year) for the time period audited and it was determined that such inadequacies of internal controls resulted in an underpayment of the State to the District in the net amount of \$2,133. During the period shown on the Table, the District received subsidy in the amount of over \$12.8 million. The total error rate on subsidy resulted in a .017% error rate.

“The District transports students over 1.7 million miles per year while using 80 buses and 60 vans each and every day to cover the 788 square miles that our district encompasses. Over the course of the period recognized in the Table, the District transported students a cumulative 7,020,519 miles. The cumulative Miles Over/(under) of 150.4 miles, as reported in the Table referenced in the audit, equates to an aggregate error rate of .00214%. The main cause of this error was due to the transportation of our Amish communities that have multiple schools in which children are delivered to meet their desired educational needs. The remainder was due to transportation that was reported for subsidy of our dual enrollment students. The District acknowledges this error and will increase segregation of duties, complete comprehensive written procedures, and undertake additional PDE training on reporting requirements to mitigate this error.

“The District also did not report correctly the Students Over/(under) for the years identified in the Table. The District (under) reported students by (447.6) students as compared to the Total Students over this time period of 2,936,856. This equated to an error rate of .015%. This error was a result of the many "multi-trip" runs that the District implements to reduce costs to both the district and the resulting subsidy from PDE. The District acknowledges this error and will increase segregation of duties, complete comprehensive written procedures, and undertake additional PDE training on reporting requirements to mitigate this error.

“Both the Days (under) Reported and Vehicles Not Reported items in the Table were caused by the District not reporting "Late Bus Runs" that the District utilizes to transport students home after school. These late bus runs are the result of extra-curricular activities, including enrichment programs that benefit student's educational experiences at the District. The Days (under) Reported for the audit period resulted in 1,217 days not being reported out of a possible 104,301 Total Vehicle Days. This error rate equated to a 1.170% error rate. The District acknowledges this error and will increase segregation of duties, complete comprehensive written procedures, and undertake additional PDE training on reporting requirements to mitigate this error.

“Over the course of the audit period, the District was reimbursed over \$12.8 million. We acknowledge that audit staff unearthed some reporting errors that resulted in PDE owing the District a net \$2,133. The District fully intends to further review, document and implement comprehensive written procedures. Furthermore, the district will review all areas where segregation of duties and training on PDE reporting requirements will mitigate future reporting errors.”

Auditor Conclusion

We are encouraged that the District has agreed to implement corrective actions to address all of our recommendations. The implementation of internal controls will help the District to accurately calculate and report transportation data to PDE going forward.

Status of Prior Audit Findings and Observations

Our prior audit of the Warren County School District resulted in no findings or observations.

Appendix A: Audit Scope, Objectives, and Methodology

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

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

Our audit focused on the District's effectiveness and/or compliance with applicable statutory provisions and related regulations in the areas of Bus Driver Requirements, Transportation Operations, Nonresident Student Data 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.¹¹ *Standards for Internal Control in the Federal Government* (also known as and hereafter referred to as the Green Book), issued by the Comptroller General of the United States, provides a framework for management to establish and maintain an effective internal control system. The Department of the Auditor General used the Green Book as the internal control analysis framework during the conduct of our audit.¹² The Green Book's standards are organized into five components of internal control. In an effective system of internal control, these five components work together in an integrated manner to help an entity achieve its objectives. Each of the five components of internal control contains principles, which are the requirements an entity should follow in establishing an effective system of internal control. We illustrate the five components and their underlying principles in Figure 1 on the following page.

¹⁰ 72 P.S. §§ 402 and 403.

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

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

Figure 1: Green Book Hierarchical Framework of Internal Control Standards

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

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

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

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

Figure 2 – Internal Control Components and Principles Identified as Significant

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

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

Objectives/Scope/Methodology

In order to properly plan our audit and to guide us in selecting objectives, we reviewed pertinent laws and regulations, the District's annual financial reports, annual General Fund budgets, and the independent audit reports of the District's basic financial statements for the July 1, 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.

Transportation Operations

- Did the District ensure compliance with applicable laws and regulations governing transportation operations, and did the District receive the correct transportation reimbursement from the Commonwealth?¹³
 - ✓ To address this objective, we assessed the District's internal controls for obtaining, processing, and reporting transportation data to PDE. We obtained PDE's Summary of Individual Vehicle Data report and selected all 632 vehicles used to transport District students during the 2016-17 through 2019-20 school years. For each vehicle, we reviewed odometer readings, student rosters, vehicle invoices, and school calendars to determine if sample averages for mileage and students were accurately calculated and reported correctly to PDE.
 - ✓ Additionally, we assessed the District's internal controls for obtaining, categorizing, and reporting supplemental transportation data to PDE. We reviewed documentation to determine the accuracy of all 471 nonpublic school students and all 346 charter school students reported to PDE for the 2016-17 through 2019-20 school years.

Conclusion: The results of our procedures identified areas of noncompliance and significant internal control deficiencies related to this objective. Our results are detailed in the Finding beginning on page 6 of this report.

¹³ See 24 P.S. § 25-2541(a).

Bus Driver Requirements

- Did the District ensure that all bus drivers transporting District students are approved by the Board of School Directors (Board) and had the required driver's license, physical exam, training, background checks, and clearances¹⁴ as outlined in applicable laws?¹⁵ Also, did the District adequately monitor driver records to ensure compliance with the ongoing five-year clearance requirements and ensure it obtained updated licenses and health physical records as applicable throughout the school year?
 - ✓ To address this objective, we assessed the District's internal controls for reviewing, maintaining, and monitoring required bus driver qualifications documents. We determined if all drivers were approved by the District's Board. We selected 42 of the 196 contracted drivers transporting District students as of September 7, 2021.¹⁶ We reviewed documentation to ensure the District complied with the qualification and clearance requirements for those drivers. We also determined if the District had monitoring procedures to ensure that all drivers had updated clearances, licenses, and physicals.

Conclusion: The results of our procedures did not identify any reportable issues or any internal control deficiencies.

Nonresident Student Data

- Did the District accurately report nonresident students to PDE? Did the District receive the correct reimbursement for these nonresident students?¹⁷
 - ✓ To address this objective, we assessed the District's internal controls for obtaining, processing, and reporting nonresident foster student data to PDE. We selected all 30 nonresident foster students reported to PDE as educated by the District during the 2016-17 through 2019-20 school years. We reviewed documentation to confirm that the custodial parents or guardian of the foster students were not residents of the District. We also confirmed that 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 the education of these students.

Conclusion: The results of our procedures did not identify any reportable issues or any internal control deficiencies.

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

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

¹⁶ We randomly selected 19 drivers, and the other 23 drivers selected were chosen due to being identified by the transportation contractor as transporting students but not identified by the District as a driver. Therefore, the selection of items in total was not representative of the population; accordingly, the results of this audit procedure are not, and should not be, projected to the population.

¹⁷ See 24 P.S. §§ 13-1301, 13-1302, 13-1305, 13-1306; 22 Pa. Code Chapter 11.

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?¹⁸ 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 safety plans, training schedules, anti-bullying policies, after action reports, memorandums of understanding, and the results of risk and vulnerability assessments. We also interviewed District officials to assess whether the District has implemented basic safety practices.

Conclusion: Due to the sensitive nature of school safety, the results of our review 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?¹⁹ 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 reviewed the fire and emergency drills held at the nine school buildings to determine whether they were conducted as required for the 2018-19 and 2019-20 school years. We determined if a security drill was held within the first 90 days of the school year for each building in the District and if monthly fire drills were conducted in accordance with requirements. We also obtained the *Accuracy Certification Statements* that the District filed with PDE and compared the dates reported to the supporting documentation.

Conclusion: The results of our procedures for the fire and security drill objective did not disclose any reportable issues.

¹⁸ Safe Schools Act 24 P.S. § 13-1301-A *et seq.*, Emergency Management Services Code 35 Pa.C.S. § 7701.

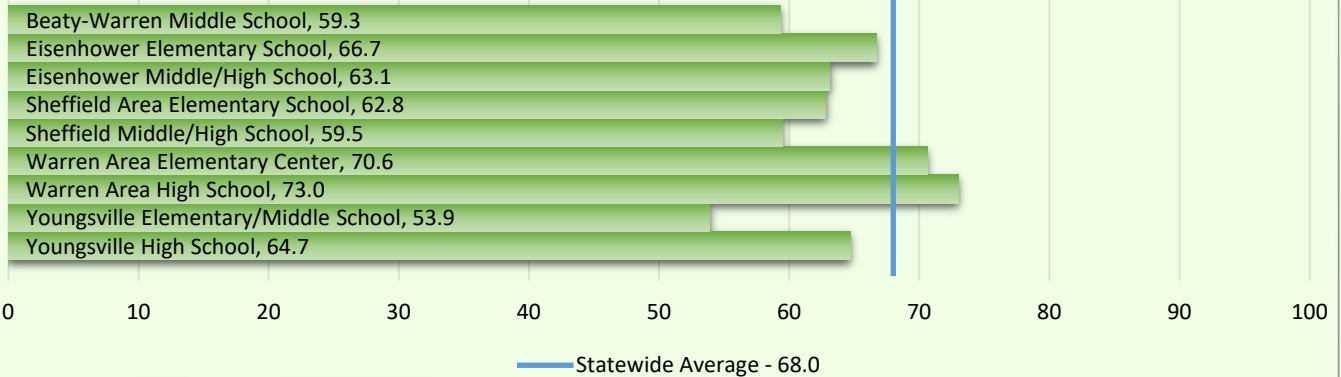
¹⁹ Public School Code (Fire and Security Drills) 24 P.S. § 15-1517.

Appendix B: Academic Detail

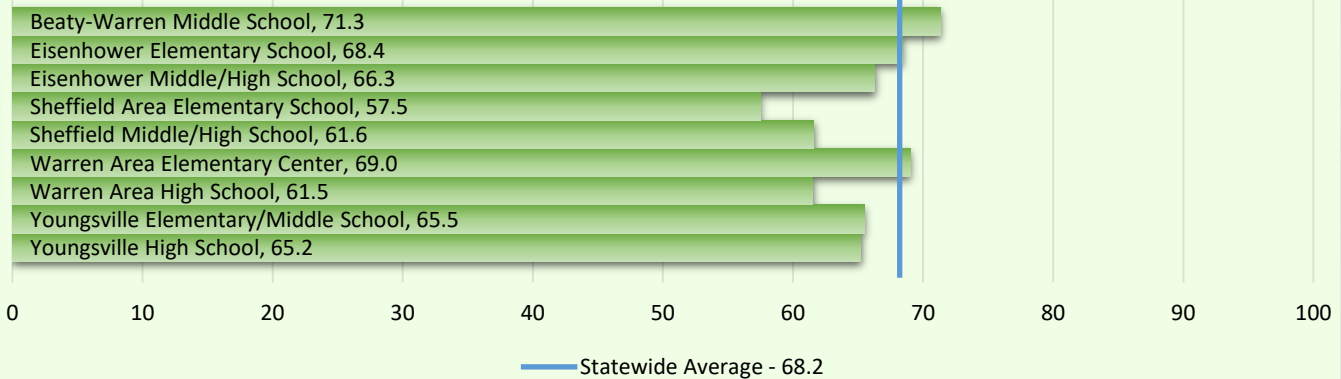
Benchmarks noted in the following graphs represent the statewide average of all public school buildings in the Commonwealth that received a score in the category and year noted.²⁰ Please note that if one of the District's schools did not receive a score in a particular category and year presented below, the school will not be listed in the corresponding graph.²¹

SPP School Scores Compared to Statewide Averages

2018-19



2017-18

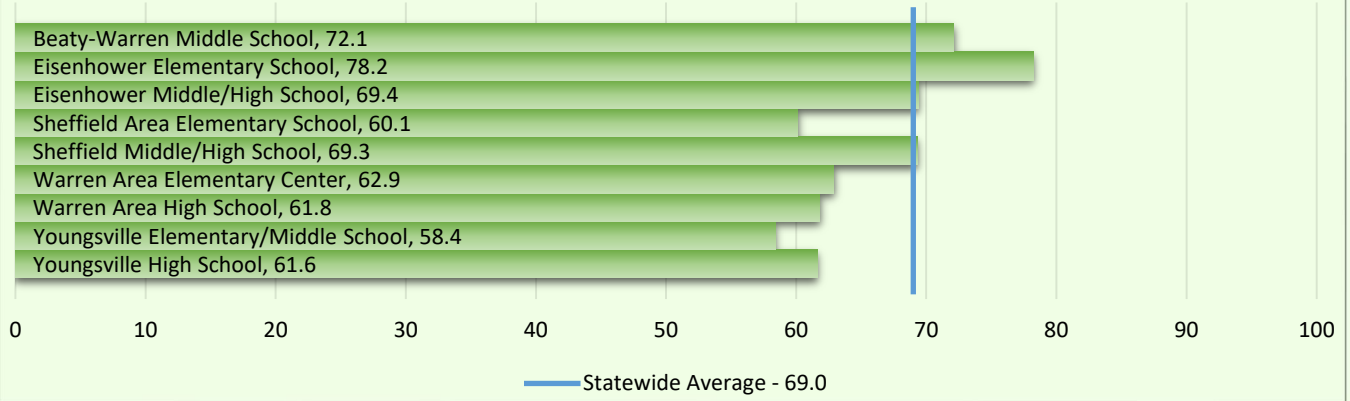


²⁰ Statewide averages were calculated by our Department based on individual school building scores for all public schools in the Commonwealth, including district schools, charters schools, and cyber charter schools.

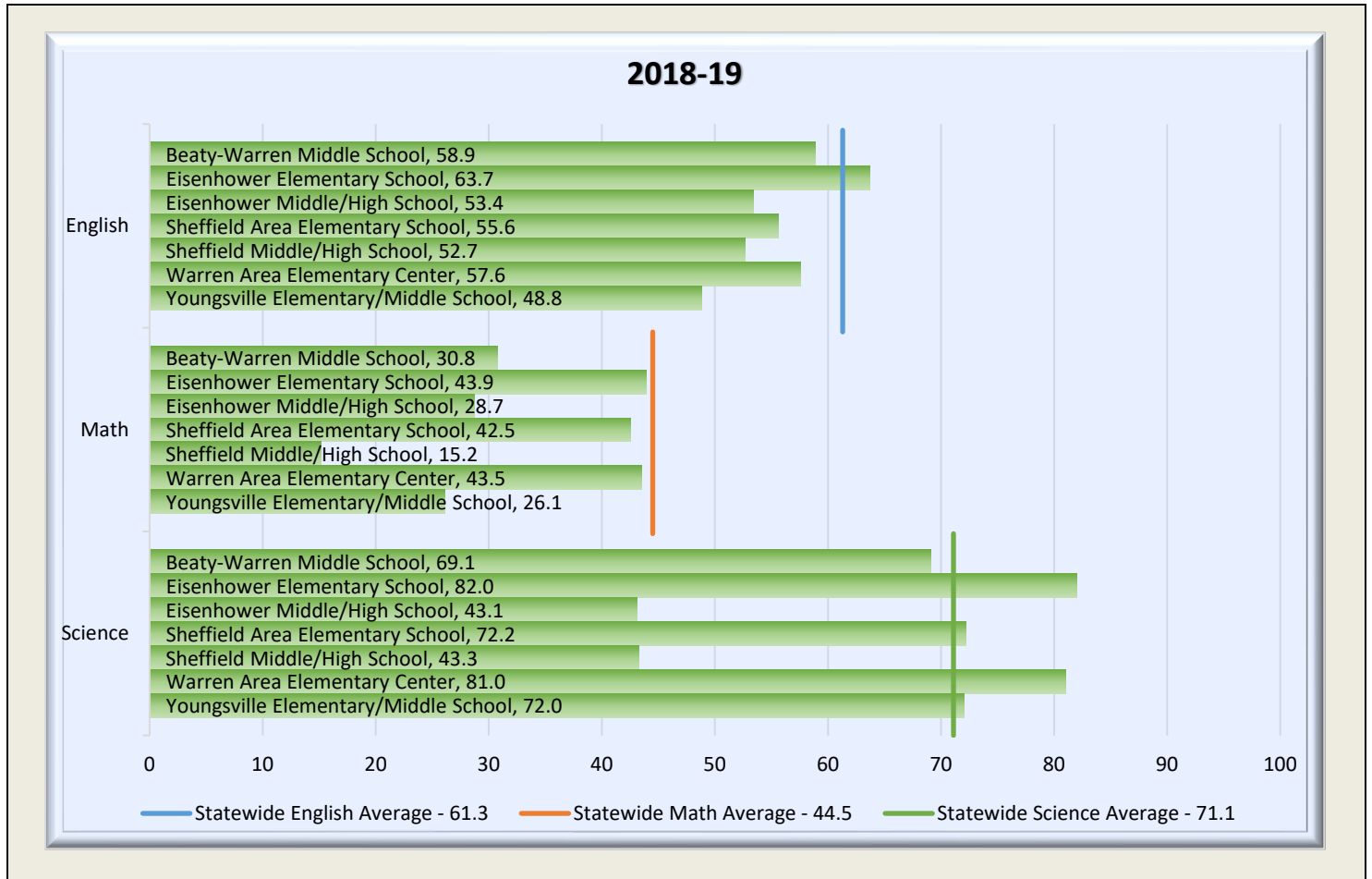
²¹ PDE's data does not provide any further information regarding the reason a score was not published for a specific school. However, readers can refer to PDE's website for general information regarding the issuance of academic scores.

SPP School Scores Compared to Statewide Averages (continued)

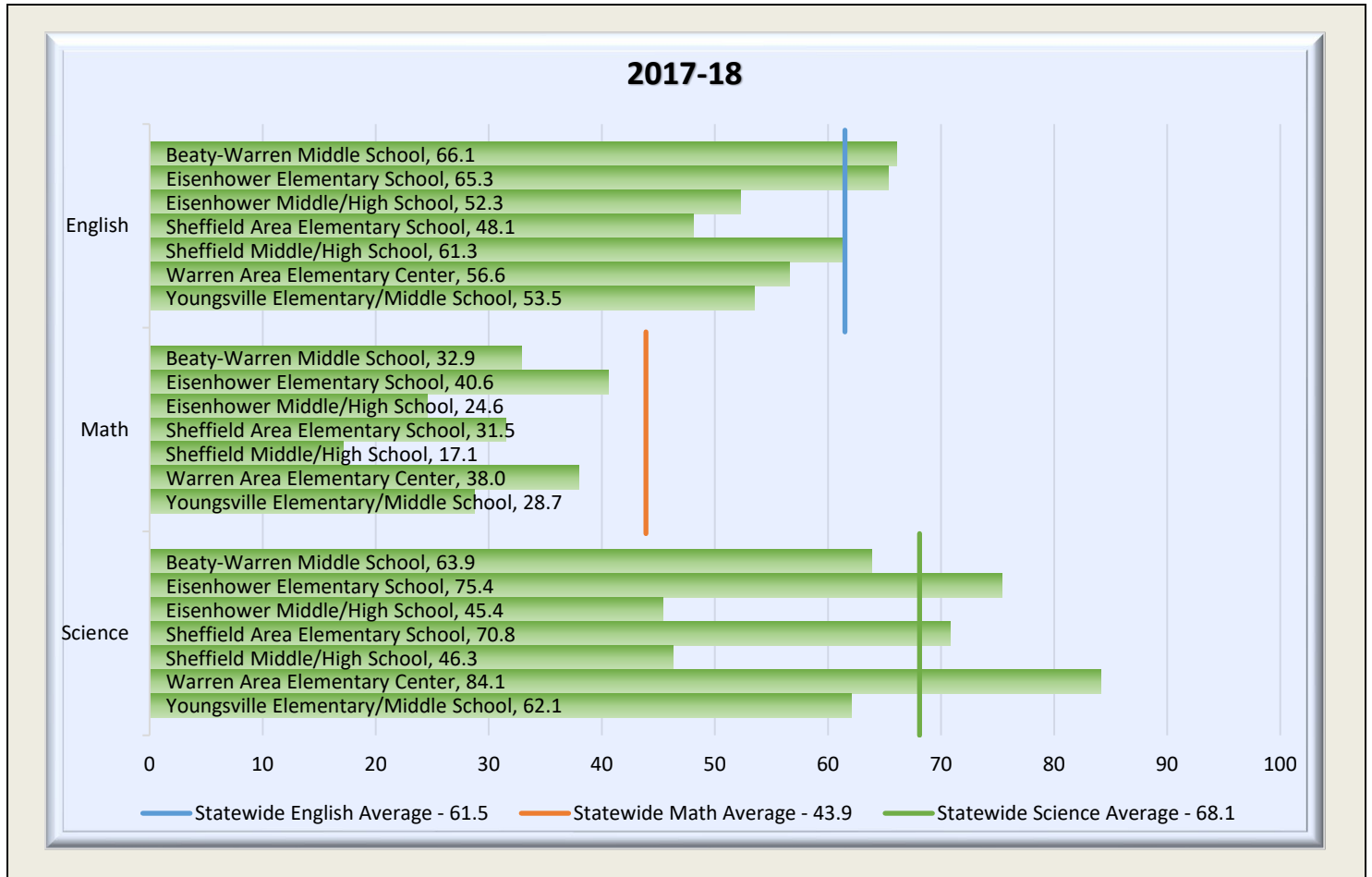
2016-17



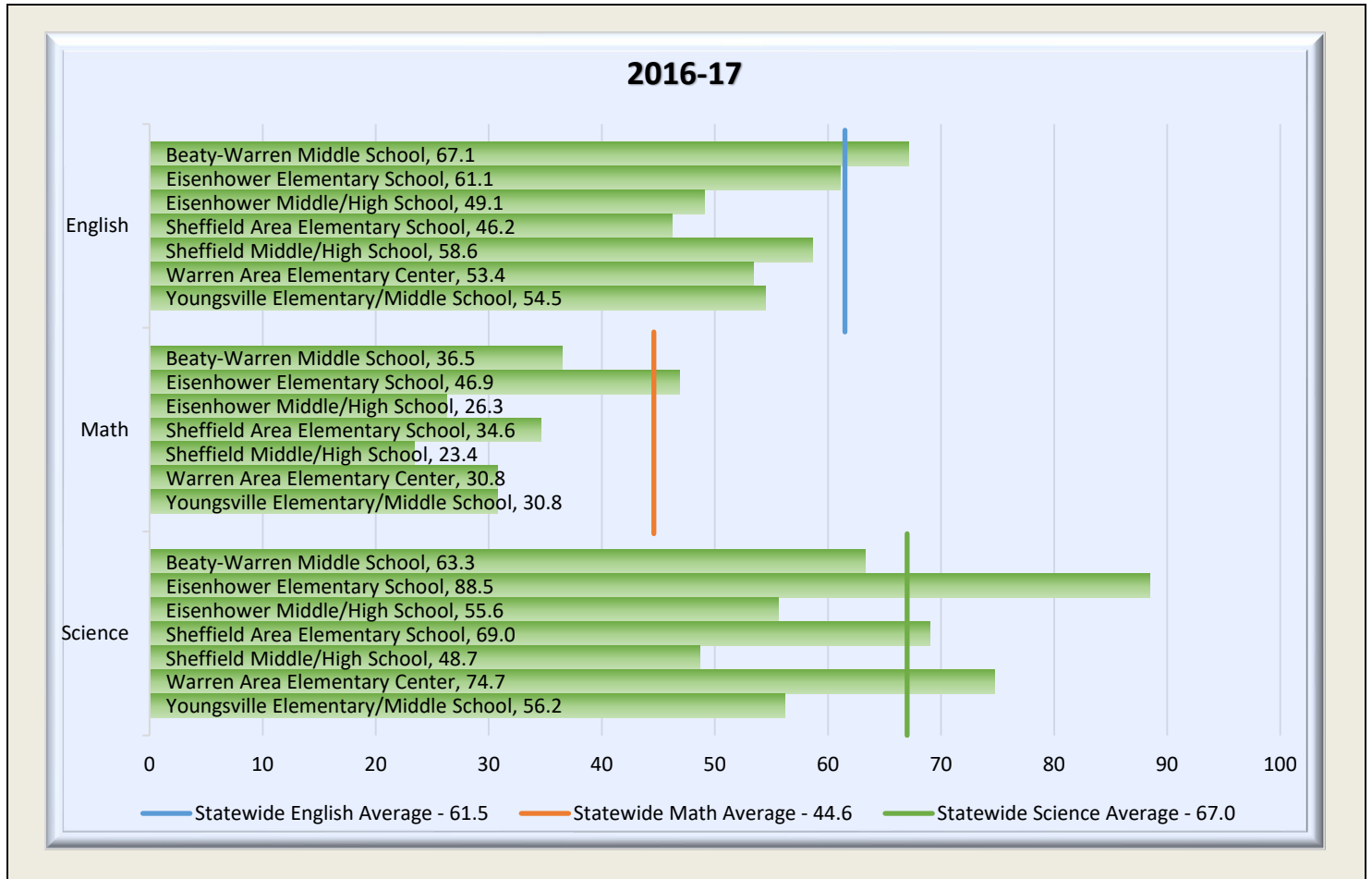
**PSSA Advanced or Proficient Percentage
School Scores Compared to Statewide Averages**



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

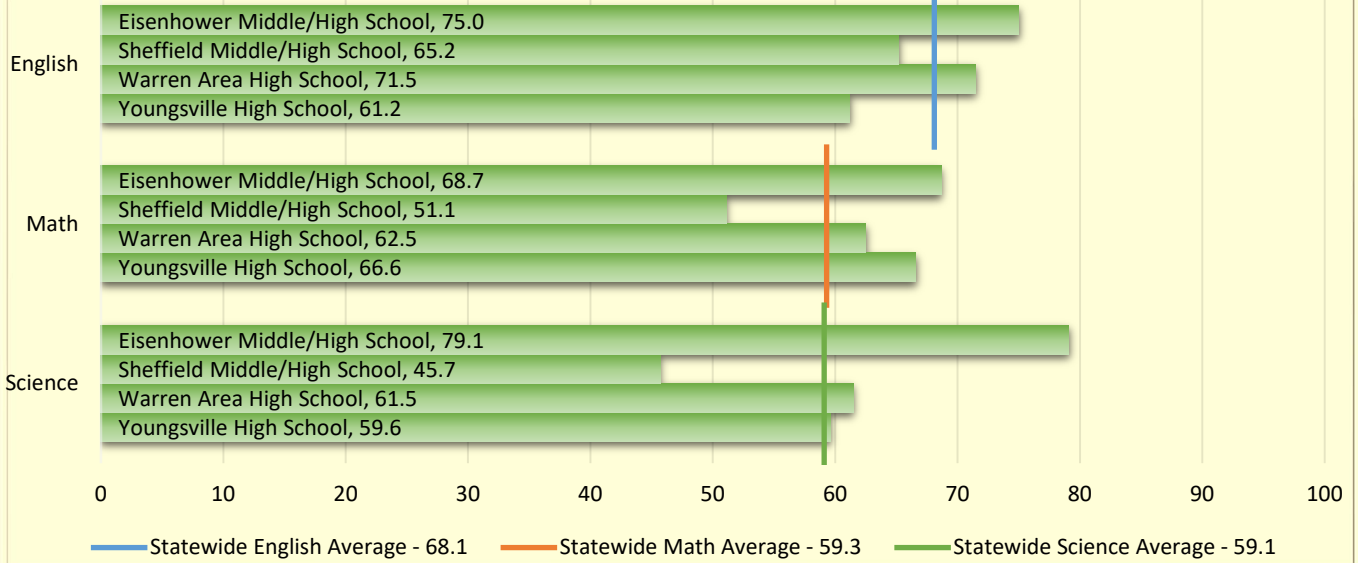


**PSSA Advanced or Proficient Percentage
School Scores Compared to Statewide Averages (continued)**

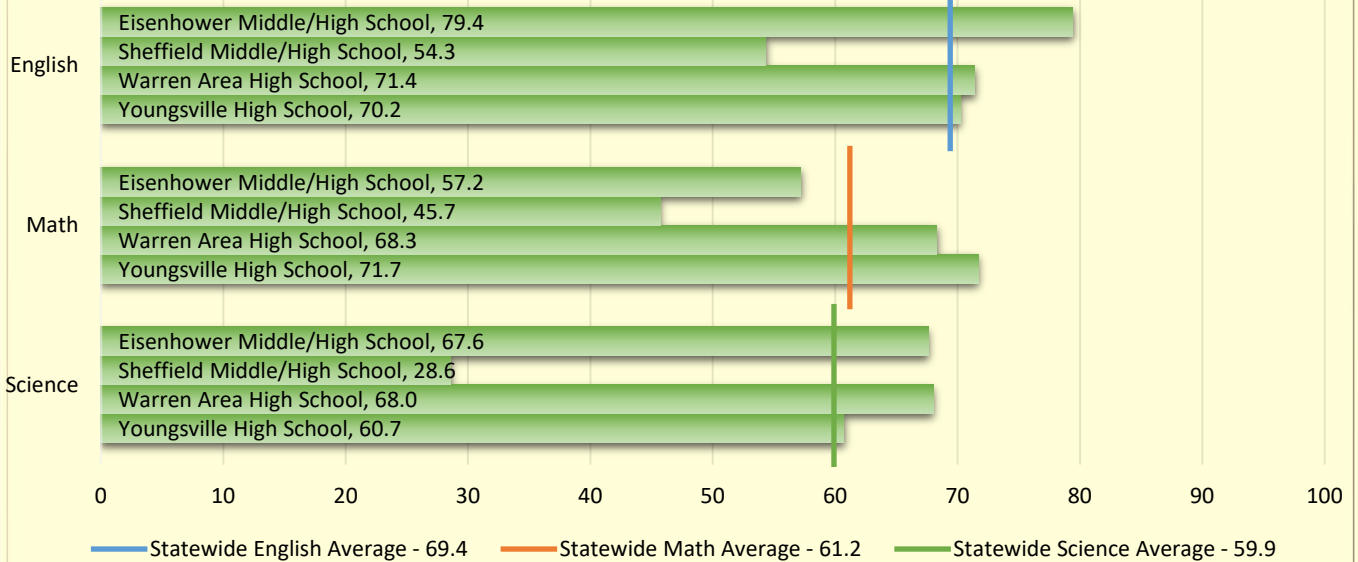


**Keystone Advanced or Proficient Percentage
School Scores Compared to Statewide Averages**

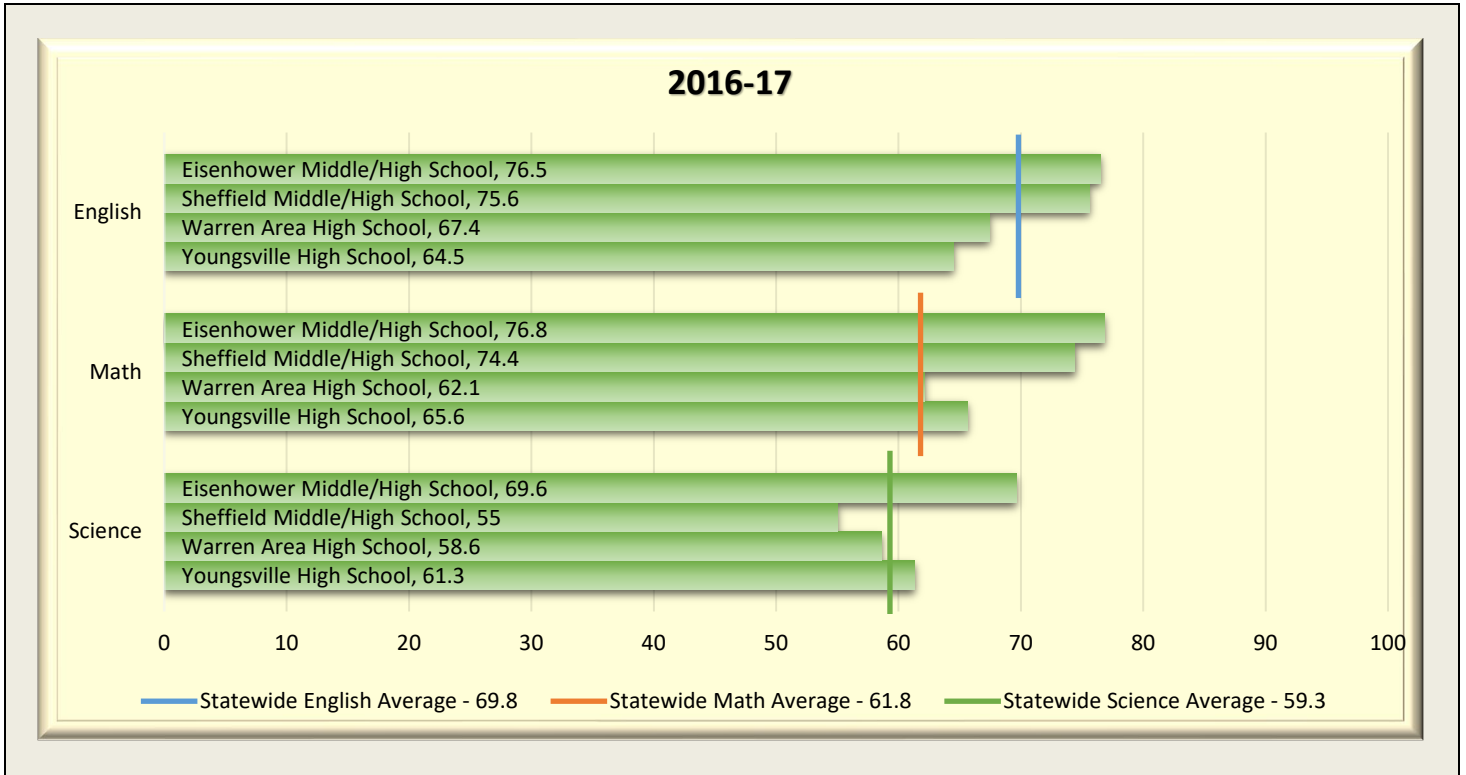
2018-19



2017-18



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



Distribution List

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

Ms. Jessica Sites
Director
Bureau of Budget and Fiscal Management
Pennsylvania Department of Education
4th Floor, 333 Market Street
Harrisburg, PA 17126

Dr. David Wazeter
Research Manager
Pennsylvania State Education Association
400 North Third Street - Box 1724
Harrisburg, PA 17105

Mr. Nathan Mains
Executive Director
Pennsylvania School Boards Association
400 Bent Creek Boulevard
Mechanicsburg, PA 17050

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