

# PERFORMANCE AUDIT

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## West Allegheny School District Allegheny 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. Jerri Lynn Lippert, Superintendent  
West Allegheny School District  
P.O. Box 55  
Imperial, Pennsylvania 15126

Mr. Robert Ostrander, Board President  
West Allegheny School District  
P.O. Box 55  
Imperial, Pennsylvania 15126

Dear Dr. Lippert and Mr. Ostrander:

We have conducted a performance audit of the West Allegheny 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

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. These deficiencies are detailed in the finding in this report titled:

**The District's Failure to Implement an Adequate Internal Control System Resulted in an Overpayment of \$17,710 and an Unauditable \$3.2 Million in Transportation Reimbursements**

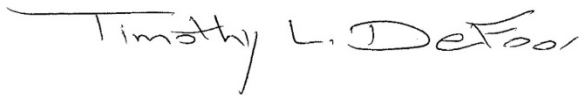
In addition, we identified internal control deficiencies in the area of bus driver requirements that were not significant but warranted the attention of District management and those charged with governance. The deficiencies were communicated to District management and those charged with governance for their consideration.

Dr. Jerri Lynn Lippert  
Mr. Robert Ostrander  
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Our audit finding and recommendations have been discussed with the District, and their response is 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 name.

Timothy L. DeFoor  
Auditor General

April 27, 2022

cc: **WEST ALLEGHENY SCHOOL DISTRICT** Board of School Directors

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## Background Information

School Characteristics 2020-21 School Year*	
County	Allegheny
Total Square Miles	61.74
Number of School Buildings	5
Total Teachers	235
Total Full or Part-Time Support Staff	136
Total Administrators	18
Total Enrollment for Most Recent School Year	3,276
Intermediate Unit Number	3
District Career and Technical School	Parkway West Career and Technology Center

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

### Mission Statement\*

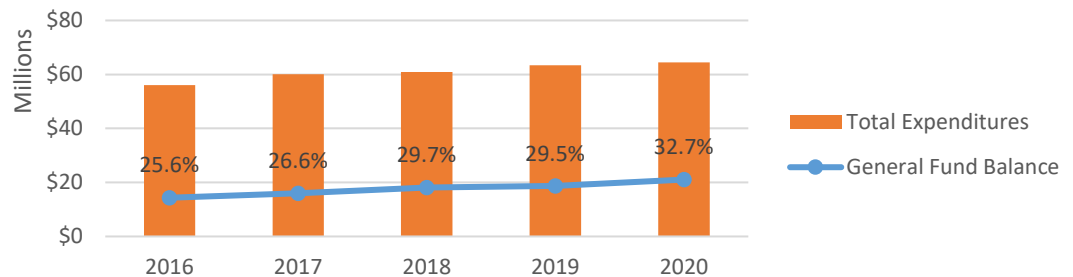
A leader in quality education, is to ensure that each student acquires the necessary knowledge and skills to be a responsible citizen, prepared for life-long learning and employment; this is accomplished by providing meaningful and personally challenging learning experiences within a safe, nurturing environment in partnership with family and community.

## Financial Information

The following pages contain financial information about the West Allegheny 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**.

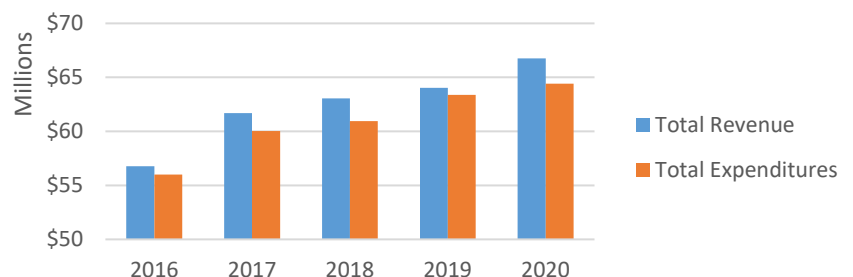
### General Fund Balance as a Percentage of Total Expenditures

	General Fund Balance
2016	\$14,343,591
2017	\$15,980,017
2018	\$18,089,572
2019	\$18,728,455
2020	\$21,069,383



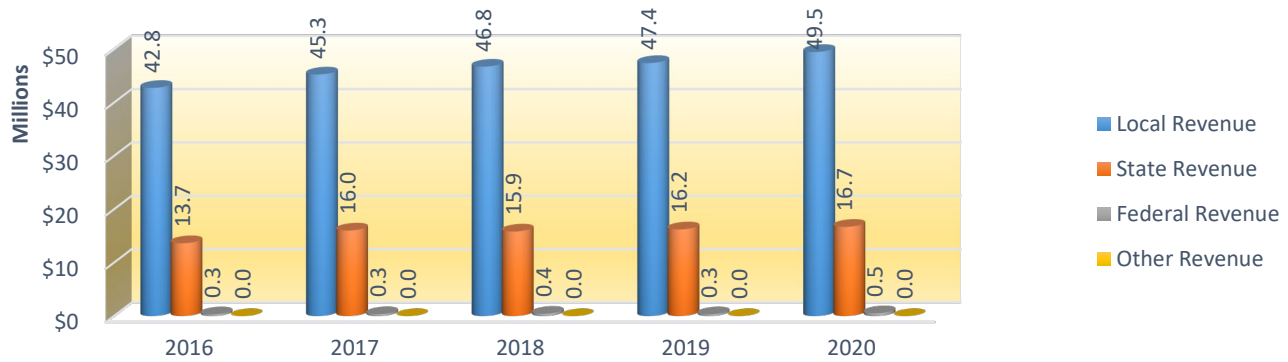
### Revenues and Expenditures

	Total Revenue	Total Expenditures
2016	\$56,764,271	\$56,000,329
2017	\$61,683,000	\$60,046,573
2018	\$63,048,697	\$60,939,143
2019	\$64,021,420	\$63,382,536
2020	\$66,758,279	\$64,417,352

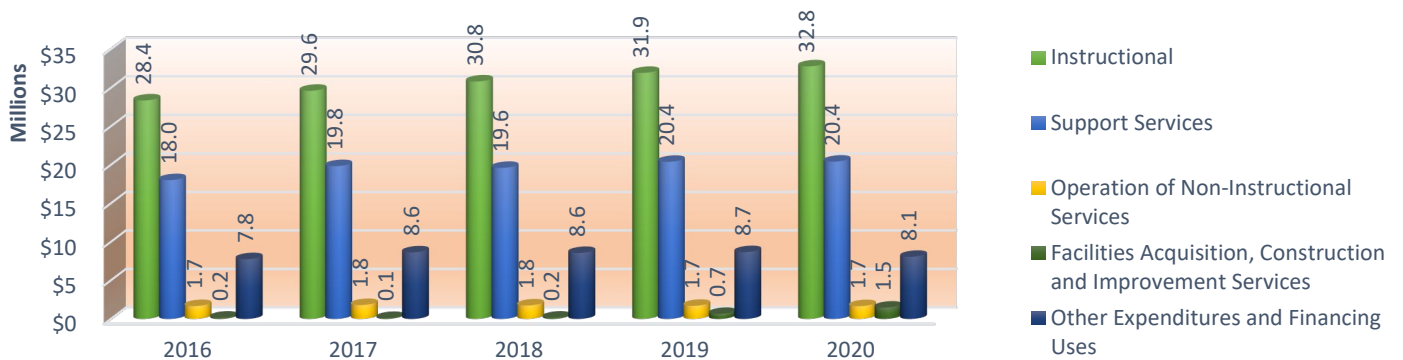


## Financial Information (Continued)

### Revenues by Source

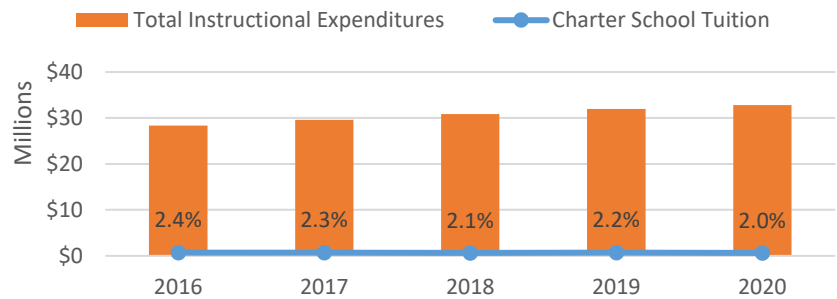


### Expenditures by Function

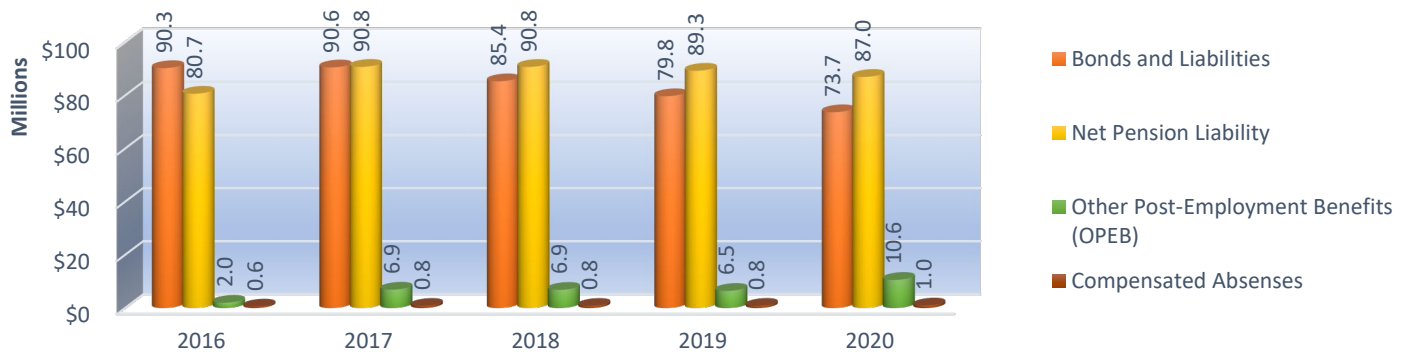


### Charter Tuition as a Percentage of Instructional Expenditures

	Charter School Tuition	Total Instructional Expenditures
2016	\$679,774	\$28,370,879
2017	\$689,856	\$29,622,014
2018	\$641,372	\$30,831,147
2019	\$688,498	\$31,946,398
2020	\$642,032	\$32,794,080



### Long-Term Debt

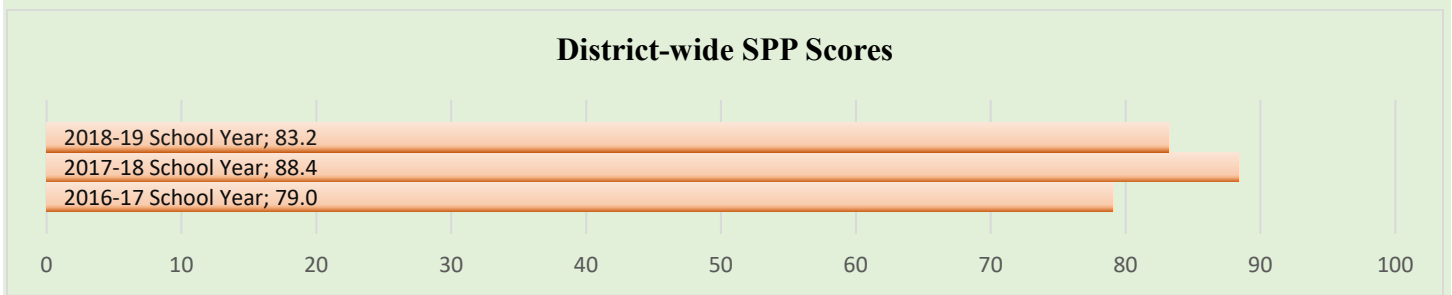


## Academic Information<sup>1</sup>

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.

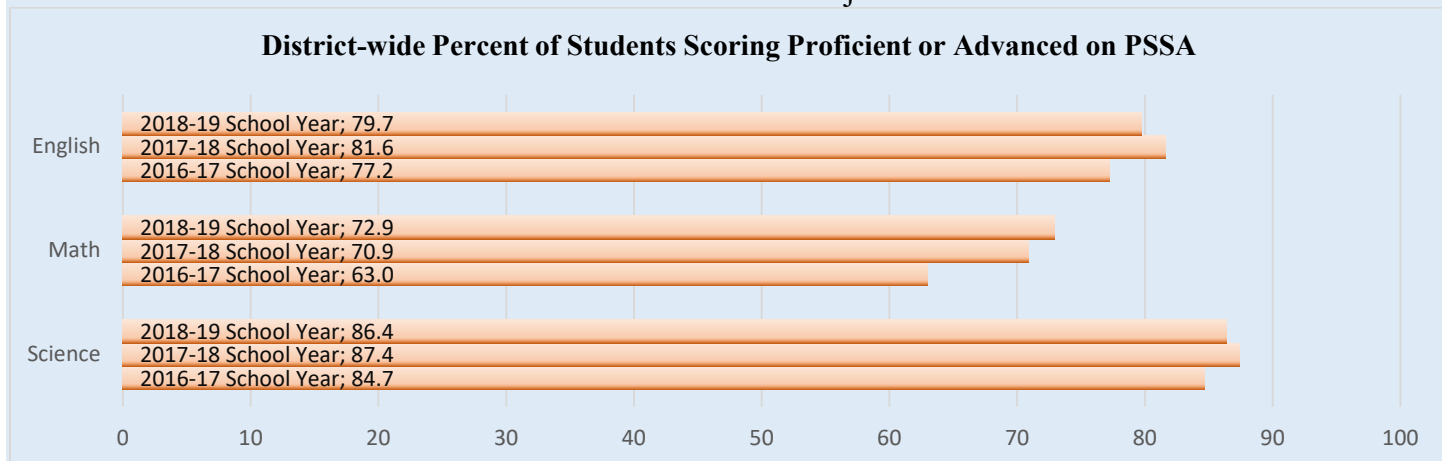
<sup>3</sup> Graduation rates were still reported for the 2019-20 school year despite the COVID-19 pandemic.

## Academic Information Continued

### What is the PSSA?

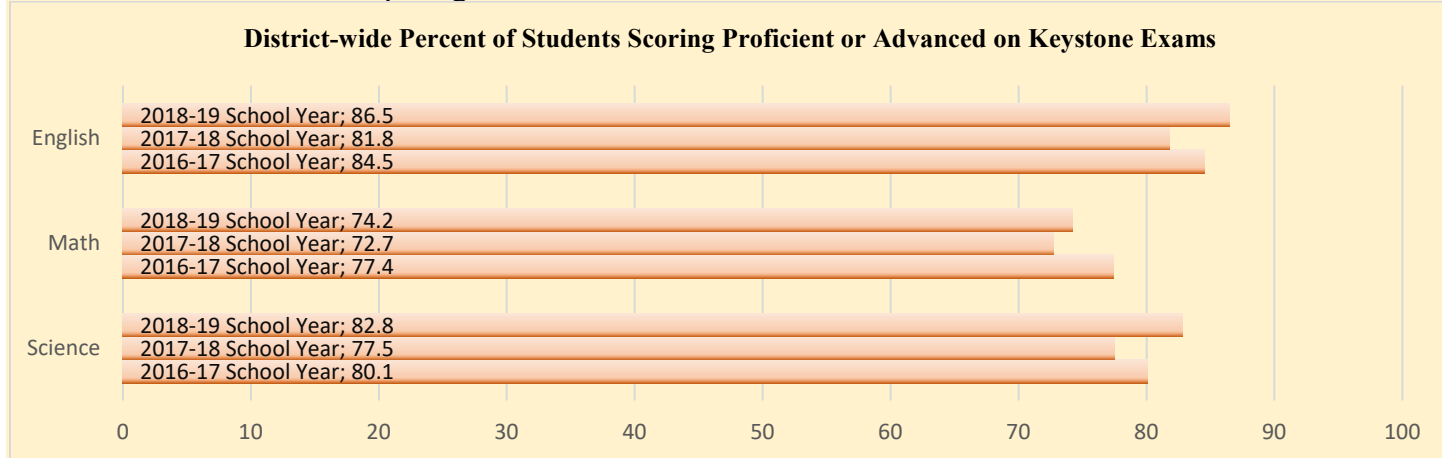
The PSSA is an annual, standardized test given across the Commonwealth to students in grades 3 through 8 in core subject areas, including English, Math and Science. The PSSAs help Pennsylvania meet federal and state requirements and inform instructional practices, as well as provide educators, stakeholders,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



### 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.



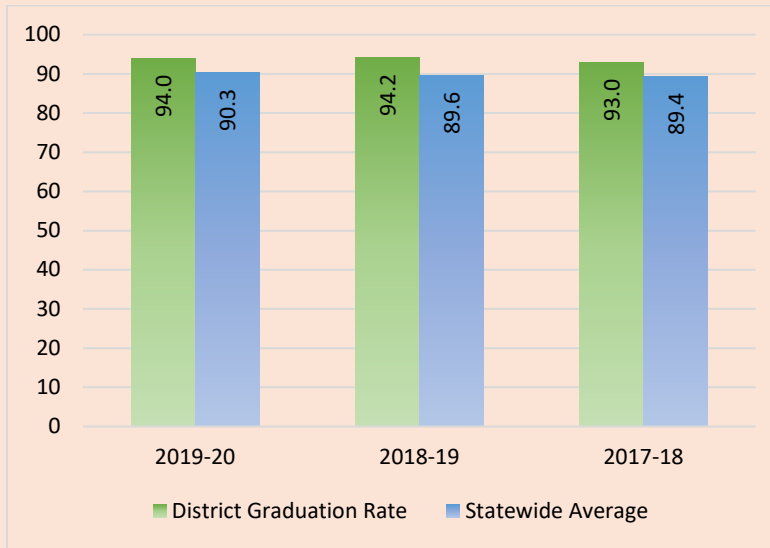
<sup>4</sup> Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1). Please refer to the following link regarding further guidance to local education agencies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

## Finding

### Finding

### The District's Failure to Implement an Adequate Internal Control System Resulted in a \$17,710 Overpayment and an Unauditable \$3.2 Million in Transportation Reimbursements

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

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

The Charter School Law, through its reference to Section 2509.3 of the Public School Code (PSC), provides for an additional, per student subsidy for the transportation of charter school students. *See* 24 P.S. § 17-1726-A(a); 24 P.S. § 25-2509.3.

The Pennsylvania Department of Education (PDE) Instructions to Local Education Agencies for Completing Transportation Forms

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

(accessed on 1/25/2022)

#### **Number of Nonpublic and Charter School Pupils Transported**

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.)

We found that the West Allegheny School District (District) did not implement an adequate internal control system over its process of calculating and reporting transportation data. Consequently, the District inaccurately reported the number of nonpublic school students it transported during the 2017-18 through 2019-20 school years which resulted in the District being overpaid \$17,710 in its supplemental transportation reimbursements.<sup>6</sup> Additionally, the District failed to retain documentation to support the regular transportation data it reported to the Pennsylvania Department of Education (PDE) during the audit period. Therefore, we could not audit the reported data and determine the accuracy of the more than \$3.2 million the District received in regular transportation reimbursements.

#### **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 to transport students, and the number of miles that vehicles are in service, both with and without students. The **supplemental** transportation reimbursement is solely based on the number of nonpublic school and charter school students transported at any time during the school year.

Since the above listed components are integral to the calculation of the District's transportation reimbursements, 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 its transportation operations that should include, but not be limited to, the following:

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

<sup>6</sup> The District received \$171,710 in supplemental transportation reimbursements for these three years. We found that the District accurately reported nonpublic school students in the 2016-17 school year.

*Criteria relevant to the finding  
(continued):*

***Number of Pupils Transported to  
Charter Schools Outside Your  
District:***

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.

**Record Retention Requirement**

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

**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.

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 for the prior and current school years with PDE in order to be eligible for transportation reimbursements.<sup>7</sup> 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 and accuracy.

**Supplemental Transportation Reporting Errors**

The PSC requires school districts to provide transportation service to students who reside in its district and who attend a charter or nonpublic school, and it provides for a reimbursement of \$385 for each nonpublic school student transported by the district.<sup>8</sup>

We reviewed the nonpublic school student transportation data that the District reported to PDE and found that the District made reporting errors in three of the four school years during the audit period. The reporting errors are detailed in Table No. 1 below.

**Table No. 1**

West Allegheny School District Supplemental Transportation Reporting Errors		
School Year	(A)  Number of Nonpublic Students Over/(Under) Reported <sup>9</sup>	[A x \$385]  Over/(Under) Payment
2017-18	(1)	\$ (385)
2018-19	5	\$ 1,925
2019-20	42	\$16,170
<b>Total</b>	<b>46</b>	<b>\$17,710</b>

Every school year, the District should obtain a written request to transport each nonpublic school student from the parent/guardian. The District must maintain this documentation as support for the number of students it reports to PDE for the supplemental reimbursement calculation. Without this documentation, the District cannot include these students in its total number of students transported as reported to PDE.

<sup>7</sup> See 24 P.S. § 25-2543.

<sup>8</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>9</sup> The District reported the following total number of nonpublic school students transported for each school year: 133 in the 2017-18 school year, 132 in the 2018-19 school year, and 177 in the 2019-20 school year.

*Criteria relevant to the finding (continued):*

**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).

**Non-reimbursable Students**

Non-reimbursable students are elementary students who reside within 1.5 miles of their elementary school and secondary students who reside within 2 miles of their secondary school. Non-reimbursable students do not include special education students or students who reside on routes determine by Pennsylvania Department of Transportation (PennDOT) to be hazardous. See 24 P.S. § 25-2541(b)(1).

**Hazardous Route Students**

Elementary students who reside within 1.5 miles of their elementary school and secondary students who reside within 2 miles of their secondary school and who reside in areas where the road or traffic conditions are such that walking constitutes a hazard to the safety of the child when so certified by PennDOT. See 24 P.S. § 25-2541(c)(1)-(2).

The primary reason the District was overpaid supplemental transportation reimbursements was due to the District inaccurately reporting students who were transported to special education facilities as nonpublic school students. In addition, the District erroneously reported one student twice because that student was transported to different schools during that school year. Furthermore, the District failed to count one nonpublic student who had a request for transportation and was identified on the nonpublic list of students and that error resulted in a \$385 underpayment in the 2017-18 school year.

**Unauditable Regular Transportation Reimbursement of Over \$3.2 Million**

As previously stated, the regular transportation reimbursement is based on several components that are reported by a school district to PDE for use in calculating the district's annual reimbursement amount. PDE requires school districts to report the number of days a vehicle is in service and the number of students assigned to each vehicle, as well as the miles per day, to the nearest tenth, that each vehicle travels with and without students. If the number of students assigned and/or mileage changes during the school year, the District is required to calculate an average and report this data.

The District utilized a contractor to provide transportation services for its students during the audit period. The District was unable to provide supporting documentation for the number of students transported and the number of days students were transported. Even though the District had appropriate documentation to support the reported number of miles traveled, without documentation to support the reported number of students and days transported, we were unable to verify the accuracy of the reported data and determine the appropriateness of the more than \$3.2 million the District received in transportation reimbursements. The District attributed the failure to retain appropriate supporting documentation to the fact that the District changed transportation software during the audit period. District officials stated that the required supporting documentation was lost during the software change.

Our cursory review of the mileage reported by the District showed errors, and our review of the other reported data disclosed more potential irregularities that warranted further review. For example, as shown in Table No. 2 below, the District reported transporting more students and using one additional vehicle in the 2019-20 school year as compared to the 2018-19 school year; however, the District received \$33,295 less in reimbursement for the 2019-20 school year.

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 state, in part:

“Annually, each school district entitled to reimbursement on account of pupil transportation shall provide in a format prescribed by the Secretary of Education, data pertaining to pupil transportation for the prior and current school year . . . . The Department of Education may, for cause specified by it, withhold such reimbursement, in any given case, permanently, or until the school district has complied **with the law or regulations** of the State Board of Education.” (Emphasis added.) See 24 P.S. § 25-2543.

**Table No. 2**

West Allegheny School District Transportation Data Reported to PDE			
School Year	Reported Number of Students Transported	Reported Number of Vehicles	Total Regular Reimbursement Received
2016-17	3,469	66	\$ 823,833
2017-18	3,449	68	\$ 845,368
2018-19	3,479	64	\$ 815,808
2019-20	3,517	65	\$ 782,513
<b>Total</b>	<b>13,914</b>	<b>263</b>	<b>\$3,267,522</b>

#### Insufficient Training Resulted in Errors in Reporting the Number of Students Eligible for Reimbursement

Students transported fall into multiple reporting categories including, but not limited to, students transported and eligible for reimbursement due to residing on a public hazardous walking route as determined by the Pennsylvania Department of Transportation (PennDOT) and students transported who are not eligible for reimbursement. Elementary students residing within 1.5 miles of their respective school or secondary students residing within 2 miles of their school are not eligible to be reported as reimbursable unless the student resides on a PennDOT determined hazardous walking route.

During our review of the transportation data that the District reported to PDE, we noted that the District reported zero students transported who resided on a hazardous route and zero students transported who were non-reimbursable. Reporting zero students in these categories is unusual because it would indicate that no students who lived within 1.5 miles of their respective elementary school or within 2 miles of their respective secondary school received transportation from the District. District officials confirmed that it transports all students who live in the District regardless of how far they live away from the school. We questioned District officials about this reporting and found that the employee responsible for collecting and reporting transportation data was not properly trained on the PDE reporting requirements and did not know that the District had to obtain hazardous walking route determination documentation from PennDOT.

#### Significant Internal Control Deficiencies

Our review revealed that the District did not have an adequate internal control system over the process of obtaining, calculating, and reporting

regular and supplemental transportation data to PDE. Specifically, we found that the District did not do the following:

- Ensure that all of the employees involved in the calculation and reporting of transportation data were adequately trained on the documentation required to be obtained and retained to support the data reported for the regular transportation reimbursements.
- Ensure that an employee, other than the employee responsible for inputting and reporting regular transportation data, has reviewed the data before it was submitted to PDE.
- Develop detailed written procedures for accurately categorizing and reporting transportation data to PDE and obtaining and maintaining appropriate supporting documentation.

Future Reimbursement Adjustment: We provided PDE with reports detailing the supplemental transportation data reporting errors for the 2017-18 through 2019-20 school years. We recommend that PDE adjust the District's future transportation reimbursement amounts by the \$17,710 that we identified as the net overpayment.

## **Recommendations**

The *West Allegheny School District* should:

1. Develop and implement an internal control system governing the process for reporting accurate regular and supplemental transportation data to PDE. The internal control system should include, but not be limited to, the following:
  - All personnel involved in inputting, categorizing, and reporting transportation data are trained on PDE's reporting requirements including the supporting documentation necessary to be obtained and retained.
  - Clear and concise written procedures are developed to document the regular and supplemental transportation data collection, categorization, and reporting process.
  - 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 vehicle data is obtained, reviewed, and retained in accordance with PSC requirements. Record retention procedures should be documented and staff should be trained on these procedures.
3. Perform an annual reconciliation of written requests for transportation to the list of nonpublic school students to help ensure accuracy prior to reporting data to PDE.

*The Pennsylvania Department of Education* should:

4. Adjust the District's future allocations to resolve the \$17,710 overpayment to the District.

### **Management Response**

District management provided the following response:

“The District inaccurately reported the number of nonpublic school students it transported during the 2017-18 through 2019-20 school years, which resulted in the District being overpaid \$17,710 in its supplemental transportation reimbursements.

“The main point of concern was the 2019 -2020 school year where we transitioned clerical reporting to Monark and did not complete adequate checks and balances on their understanding of the necessary reports which we then submitted without verification.

“The District will hold a meeting each August with the Transportation Service Provider (TSP) to review all requests for nonpublic transportation. All requests will be filed at the West Allegheny School District Office and an interactive spread sheet will be maintained and reviewed at quarterly or monthly meetings to review changes based on enrollment and/or ridership.

“There will be three positions responsible for review and sign-off prior to final submission and Superintendent sign-off. They will include TSP site manager, District Transportation Secretary and District Assistant Superintendent.

“The District failed to retain documentation to support the regular transportation data it reported to Pennsylvania Department of Education (PDE) during the audit period. Therefore, we could not audit the reported data and determine the accuracy of the more than \$3.2 million received in regular transportation reimbursements.

“The West Allegheny School District transitioned from ProSoft to Skyward and was operating under the belief that ProSoft historical transportation data would be accessible. It was not until the audit that we identified that our historical transportation data was no longer accessible. As such we will back-up our transportation data records each June to ensure appropriate record retention. This task will be addressed by the Transportation Secretary and our Technology Service Provider. It will be reviewed by the Assistant Superintendent.

“Develop and implement an internal control system governing the process for reporting accurate regular and supplemental transportation data to PDE. The internal control system should include, but not be limited to, the following:

“A meeting will be held with the owner of our TSP and our Superintendent or designee, during the meeting we will review the audit findings and develop procedures for the TSP to collect and report data to the District. The data will include: Yearly hazardous route students (McKee, Wilson, High School, Middle School)  
Yearly non-reimbursable students (Donaldson)  
Yearly Nonpublic students and request letters  
Monthly days transported reports  
Monthly student rosters  
Monthly mileage reports  
All monthly reports will be aligned to VIN #s

“Training will be provided for the TSP employee(s) that will be responsible for providing the following data to the District: Yearly hazardous route students (McKee, Wilson, High School, Middle School)  
Yearly non-reimbursable students (Donaldson)  
Yearly Nonpublic students and request letters  
Monthly days transported reports  
Monthly student rosters  
Monthly mileage reports  
All monthly reports will be aligned to VIN #s

“All yearly reports will be developed in August, updated during monthly District/TSP transportation meetings and reviewed by the District Transportation Secretary and Assistant Superintendent prior to final signature and submission by the Superintendent.

“All monthly reports will be reviewed monthly, entered by the District Transportation Secretary and by the Assistant Superintendent.

“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.

“The TSP employee(s) responsible for supplying data, the District Transportation Secretary, and the Assistant Superintendent will be trained on inputting, categorizing, and reporting transportation data based on PDE's requirements.

“Clear and concise written procedures are developed to document the regular and supplemental transportation data collection, categorization, and reporting process.

“Attached you will find the forms that the District has developed to track all applicable data related to transportation. All forms will be reviewed at



the monthly TSP/District transportation meetings for completeness, accuracy and necessary updates and revisions.

“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.

“All submitted forms will be reviewed by TSP site director, the District Transportation Secretary, and the Assistant Superintendent prior to final approval and submission by the Superintendent.

“Ensure that complete supporting documentation for all vehicle data is obtained, reviewed, and retained in accordance with PSC requirements. Record retention procedures should be documented, and staff should be trained on these procedures.

“The TSP employee(s) responsible for supplying data, the District Transportation Secretary, will undergo the necessary training to ensure all documentation is properly filed and the files will be reviewed on a yearly basis by the Assistant Superintendent for accuracy.

“Perform an annual reconciliation of written requests for transportation to the list of nonpublic school students to help ensure accuracy prior to reporting data to PDE.

“As outlined above nonpublic rosters will be built and reviewed in August of each school year, they will be updated as needed at the monthly TSP/District transportation meeting and reconciled by the District Transportation Secretary prior to approval by the Assistant Superintendent before submission.”

### **Auditor Conclusion**

We are pleased to note that the District plans to address all three of our recommendations. We reiterate the importance of the District retaining all documentation that supports the transportation data reported to PDE.

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

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

Our audit focused on the District's effectiveness and/or compliance with applicable statutory provisions and related regulations in the areas of Transportation Operations, Bus Driver Requirements, and School Safety, including fire and security drills. The audit objectives supporting these areas of focus are explained in the context of our methodology to achieve the objectives in the next section. Overall, our audit covered the period July 1, 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>11</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>12</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>10</sup> 72 P.S. §§ 402 and 403.

<sup>11</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>12</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>	
<b>1</b>	Demonstrate commitment to integrity and ethical values
<b>2</b>	Exercise oversight responsibility
<b>3</b>	Establish structure, responsibility, and authority
<b>4</b>	Demonstrate commitment to competence
<b>5</b>	Enforce accountability
<b>Risk Assessment</b>	
<b>6</b>	Define objectives and risk tolerances
<b>7</b>	Identify, analyze, and respond to risks
<b>8</b>	Assess fraud risk
<b>9</b>	Identify, analyze, and respond to change

Principle	Description
<b>Control Activities</b>	
<b>10</b>	Design control activities
<b>11</b>	Design activities for the information system
<b>12</b>	Implement control activities
<b>Information and Communication</b>	
<b>13</b>	Use quality information
<b>14</b>	Communicate internally
<b>15</b>	Communicate externally
<b>Monitoring</b>	
<b>16</b>	Perform monitoring activities
<b>17</b>	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**

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

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

## **Objectives/Scope/Methodology**

In order to properly plan our audit and to guide us in selecting objectives, we reviewed pertinent laws and regulations, the District's annual financial reports, annual General Fund budgets, and the independent audit reports of the District's basic financial statements for the July 1, 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?<sup>13</sup>
  - ✓ To address this objective, we assessed the District's internal controls for obtaining, inputting, processing, and reporting supplemental transportation data (nonpublic school and charter school students) to PDE. We reviewed individual "requests for transportation" for all 563 nonpublic school students and all 5 charter school students reported to PDE as transported by the District during the four-year audit period to determine whether these students were accurately reported to PDE.
  - ✓ Additionally, we assessed the District's internal controls for obtaining, inputting, processing, and reporting regular transportation data to PDE. We reconciled the reported days, mileage and number of students transported for all 263 vehicles reported as transporting students on the PDE-2518 (*Summary of Individual Vehicle Data for Contracted Service*) to the District created summary weighted average calculations for all vehicles reported for the 2016-17 through 2019-20 school years.<sup>14</sup> We requested vehicle odometer readings, student rosters, school calendars, and vehicle invoices for all 263 vehicles used to transport District students during the 2016-17 through 2019-20 school years. However, the District could not provide the required supporting documentation needed to verify the accuracy of reported days and/or number of students reported for all 263 vehicles. Therefore, we were unable to determine the appropriateness of the regular transportation reimbursement the District received from PDE for the audit period.

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<sup>13</sup> See 24 P.S. § 25-2541(a).

<sup>14</sup> The District reported the following number of vehicles for each school year: 66 vehicles in the 2016-17 school year, 68 in the 2017-18 school year, 64 in the 2018-19 school year, and 65 in the 2019-20 school year.

- ✓ Finally, we assessed the District’s internal controls for identifying, categorizing, and reporting reimbursable students who reside on a hazardous walking route and non-reimbursable students. We obtained and reviewed the Pennsylvania Department of Transportation (PennDOT) approved hazardous walking routes applicable during the audit to determine if the District accurately reported students who were provided transportation and lived within 1.5 miles of their elementary school and 2 miles of their secondary school.<sup>15</sup> Since the District could not provide lists of students who should have been classified as eligible or not eligible for reimbursement based on PennDOT approved walking routes, we were unable to determine the monetary effect on the District’s regular transportation reimbursement.

**Conclusion:** The results of our procedures identified areas of noncompliance and significant internal control deficiencies related to this objective. Those results are detailed in the Finding beginning on page 6 of this audit 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>16</sup> as outlined in applicable laws?<sup>17</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 approved by the District’s Board. We selected all 65 drivers who transported District students as of January 14, 2022. 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 licenses, clearances, and physicals.

**Conclusion:** The results of our procedures did not identify any reportable issues; however, we did identify internal control deficiencies that were not significant to our objective but warranted the attention of District management and those charged with governance. The deficiencies were communicated to District management and those charged with governance for their consideration.

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<sup>15</sup> As noted in the finding, the District transported all students who lived in the District. Since the District reported zero students transported who resided on a hazardous route and zero students transported who were non-reimbursable, students who lived within 1.5 miles of an elementary school and 2 miles of a secondary school were not accurately reported to PDE.

<sup>16</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>17</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.

## **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>18</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 safety plans, school climate surveys, anti-bullying policies, and memorandums of understanding with 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>19</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 District's fire and security drill records for all five District school buildings to determine whether drills 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 and if monthly fire drills were conducted in accordance with requirements. We also obtained the *Accuracy Certification Statement* that the District filed with PDE and compared the dates reported to the supporting documentation.

**Conclusion:** The results of our procedures did not disclose any reportable issues.

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

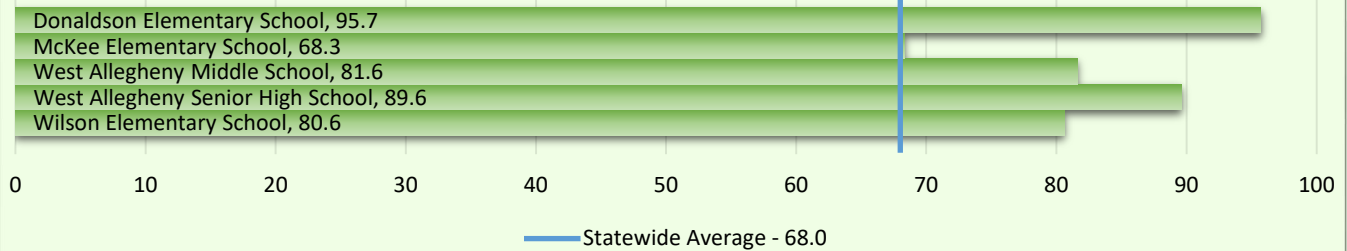
<sup>19</sup> Public School Code (Fire and Security Drills) 24 P.S. § 15-1517.

## Appendix B: Academic Detail

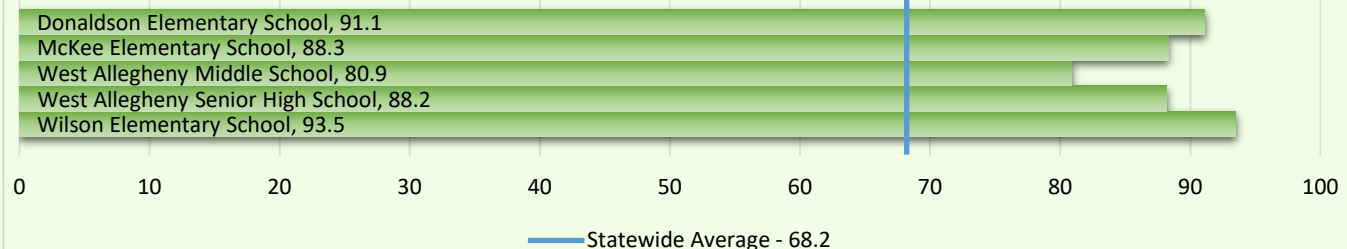
Benchmarks noted in the following graphs represent the statewide average of all public school buildings in the Commonwealth that received a score in the category and year noted.<sup>20</sup> Please note that if one of the District's schools did not receive a score in a particular category and year presented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

### SPP School Scores Compared to Statewide Averages

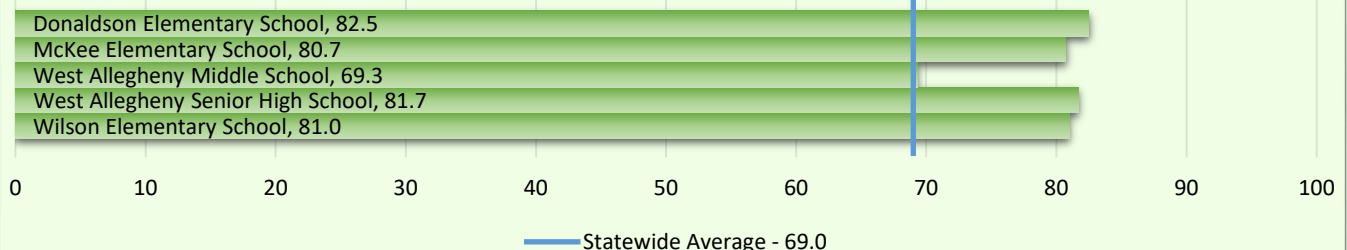
#### 2018-19



#### 2017-18



#### 2016-17



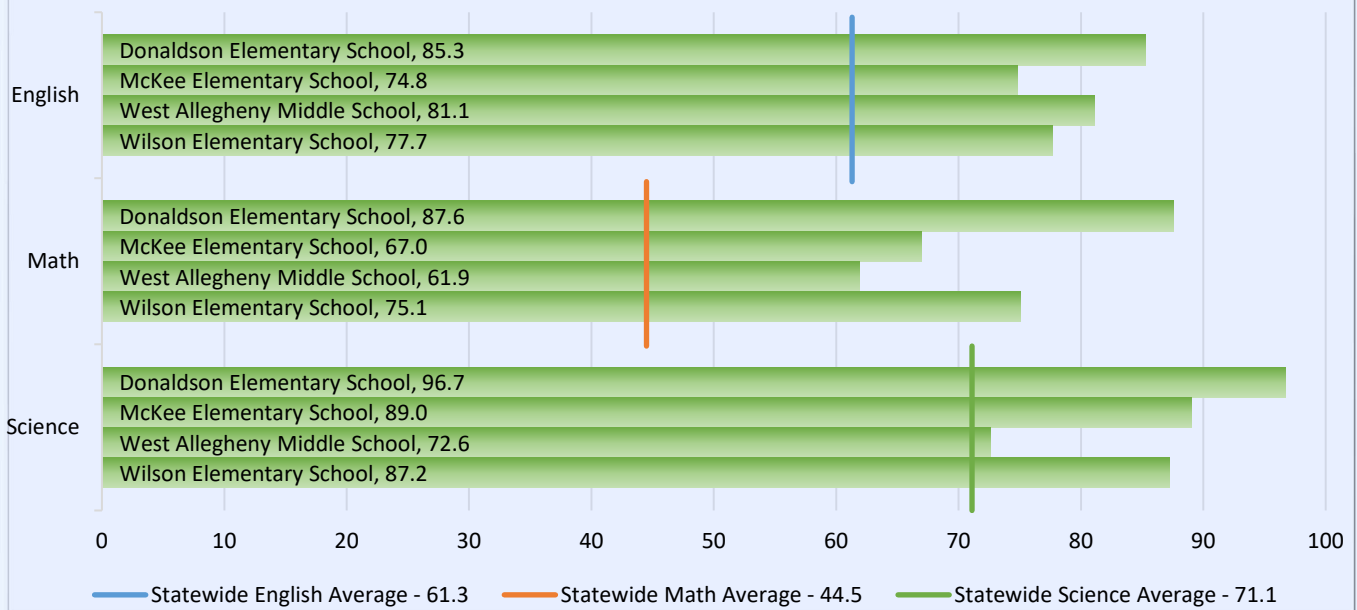
<sup>20</sup> Statewide averages were calculated by our Department based on individual school building scores for all public schools in the Commonwealth, including district schools, charters schools, and cyber charter schools.

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

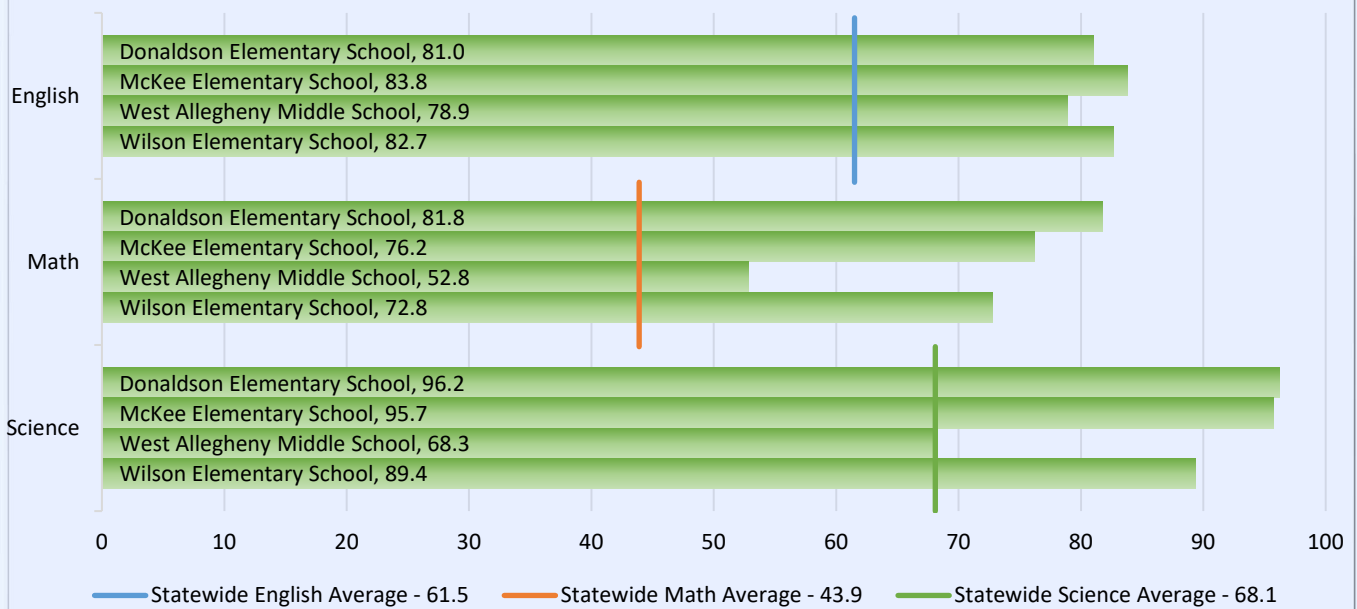


## PSSA Advanced or Proficient Percentage School Scores Compared to Statewide Averages

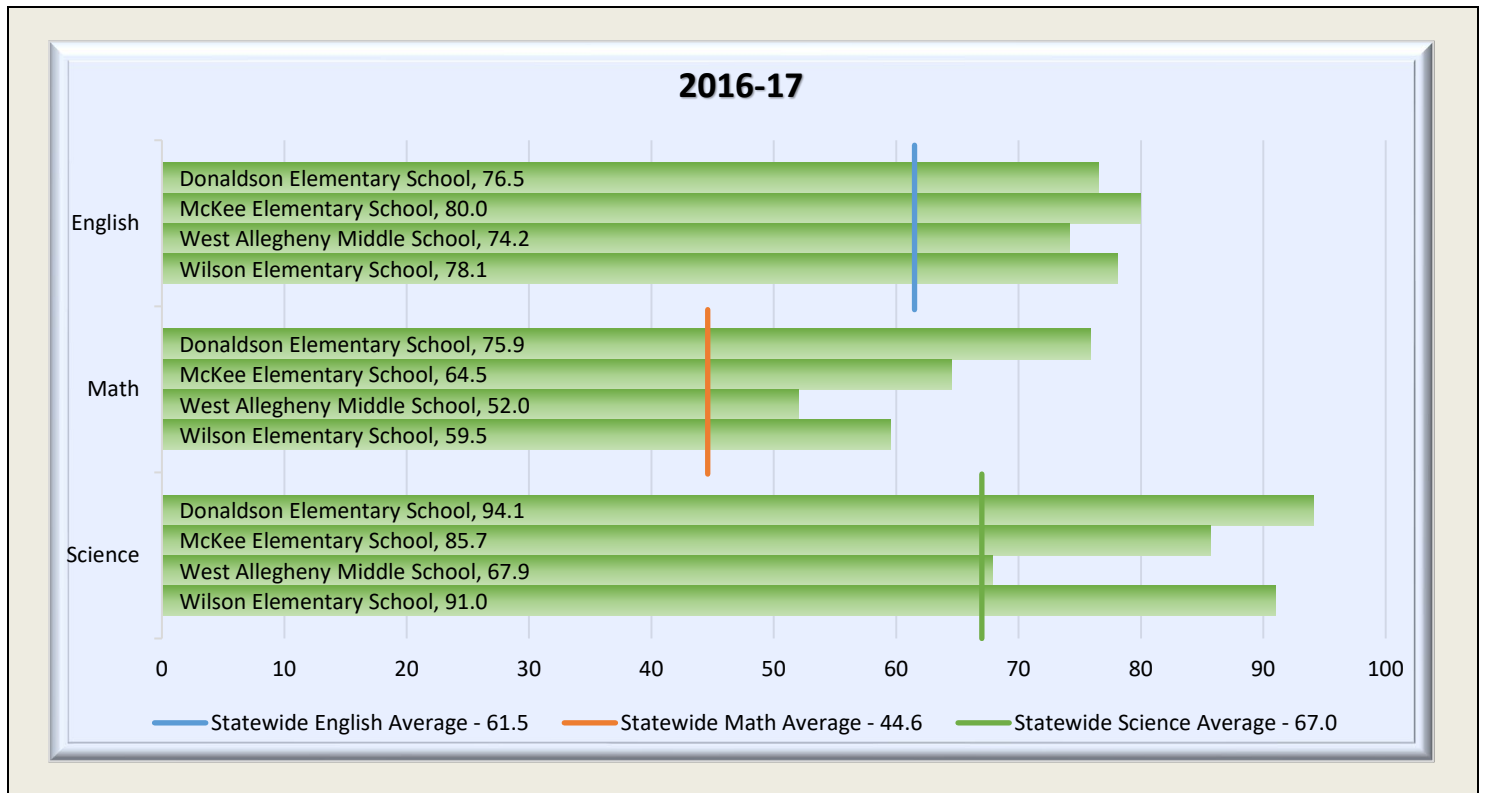
**2018-19**



**2017-18**

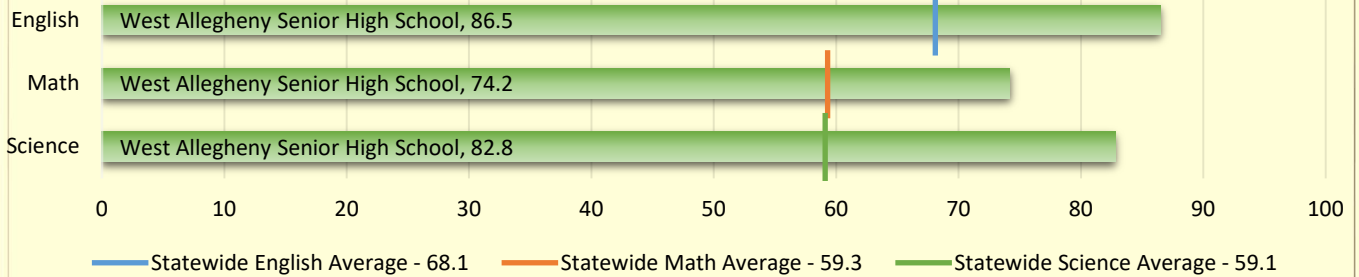


**PSSA Advanced or Proficient Percentage  
School Scores Compared to Statewide Averages (continued)**

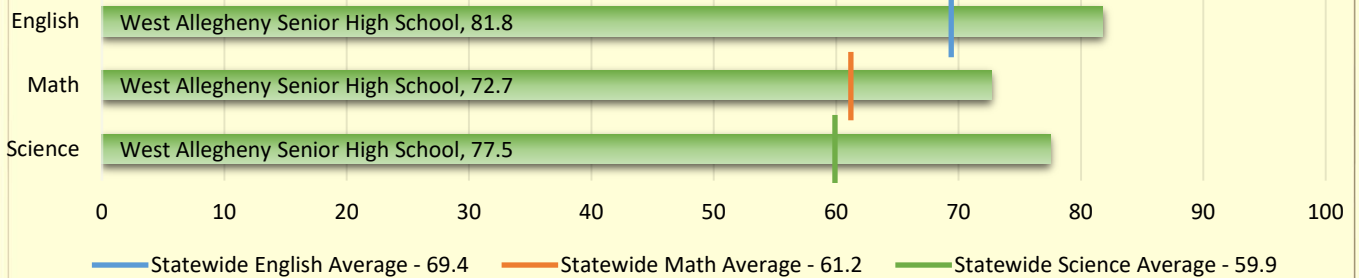


## Keystone Advanced or Proficient Percentage School Scores Compared to Statewide Averages

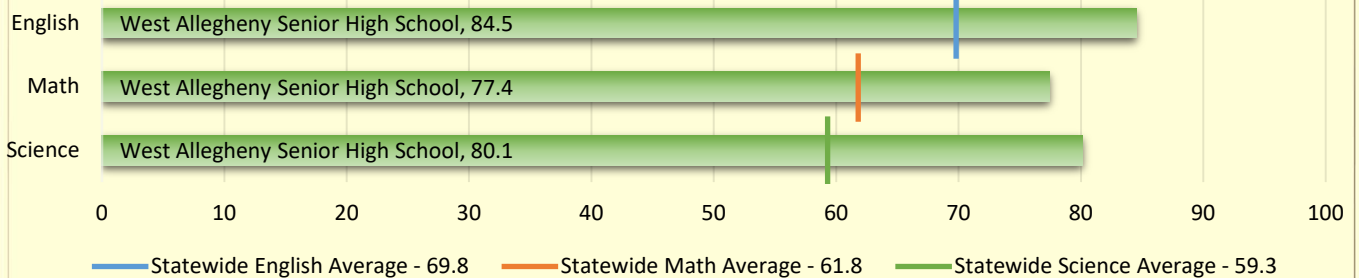
### 2018-19



### 2017-18



### 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:

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