

PERFORMANCE AUDIT

Whitehall-Coplay School District Lehigh County, Pennsylvania

September 2020



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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**EUGENE A. DEPASQUALE
AUDITOR GENERAL**

Dr. Lorie D. Hackett, Superintendent
Whitehall-Coplay School District
2940 MacArthur Road
Whitehall, Pennsylvania 18052

Mr. Wayne Grim, Board President
Whitehall-Coplay School District
2940 MacArthur Road
Whitehall, Pennsylvania 18052

Dear Dr. Hackett and Mr. Grim:

We have conducted a performance audit of the Whitehall-Coplay School District (District) for the period July 1, 2014 through June 30, 2018, 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 the appendix of this report:

- Transportation Operations
- Administrator Separations
- Bus Driver Requirements

We also evaluated the application of best practices in the area of school safety. 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 results in this report. However, we communicated the 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 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 significant internal control deficiencies in the transportation operations of the District and those deficiencies are detailed in the finding in this report titled:

The District Inaccurately Reported the Number of Nonpublic School and Charter School Students Transported Resulting in a Net Underpayment of \$1,057

We also found that the District performed adequately in the other two bulleted areas listed above and no significant internal control deficiencies were identified.

Dr. Lorie D. Hackett
Mr. Wayne Grim
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We appreciate the District's cooperation during the course of the audit.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale", with a long horizontal flourish extending to the right.

Eugene A. DePasquale
Auditor General

September 2, 2020

cc: **WHITEHALL-COPLAY SCHOOL DISTRICT** Board of School Directors

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Background Information

School Characteristics 2019-20 School Year*	
County	Lehigh
Total Square Miles	13.1
Number of School Buildings	5
Total Teachers	304
Total Full or Part-Time Support Staff	311
Total Administrators	21
Total Enrollment for Most Recent School Year	4,403
Intermediate Unit Number	21
District Career and Technical School	Lehigh Career & Technical Institute

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

Mission Statement*

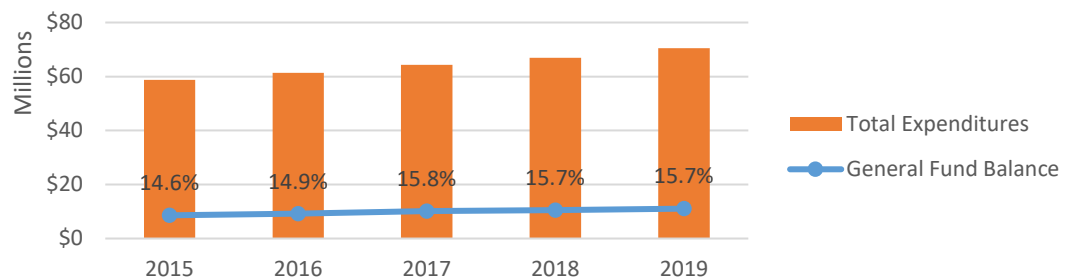
The mission of the Whitehall-Coplay School District is to serve the diverse community by providing educational opportunities designed to challenge students to strive for personal excellence and responsible citizenship.

Financial Information

The following pages contain financial information about the Whitehall-Coplay 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**.

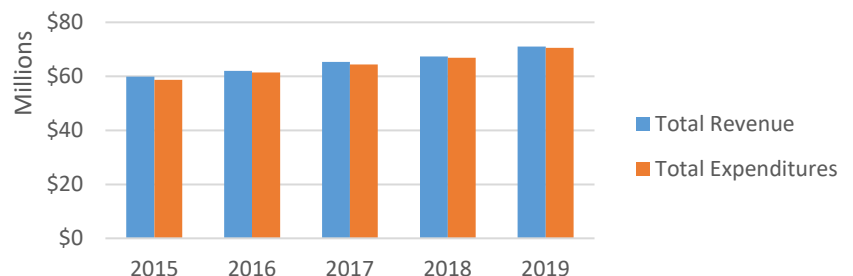
General Fund Balance as a Percentage of Total Expenditures

	General Fund Balance
2015	\$8,595,954
2016	\$9,167,224
2017	\$10,146,922
2018	\$10,535,379
2019	\$11,061,674



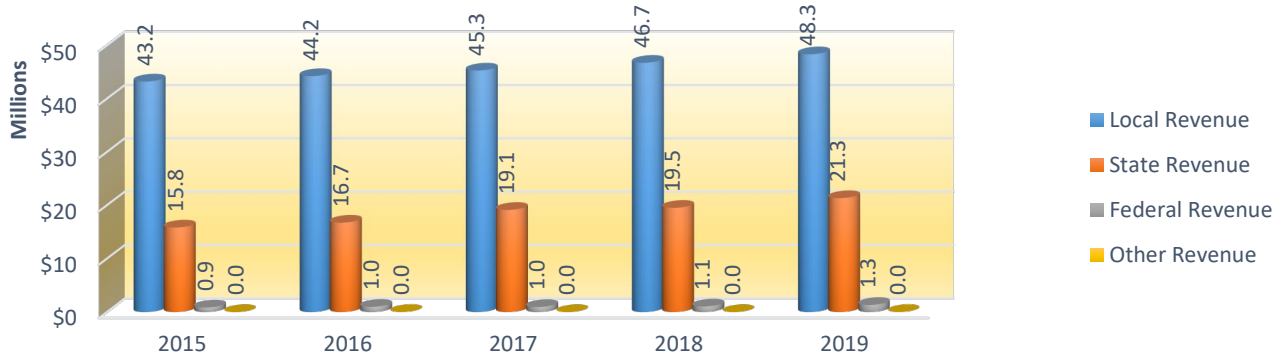
Revenues and Expenditures

	Total Revenue	Total Expenditures
2015	\$59,891,577	\$58,737,280
2016	\$61,970,156	\$61,398,886
2017	\$65,346,739	\$64,367,041
2018	\$67,308,235	\$66,919,777
2019	\$71,023,886	\$70,497,594

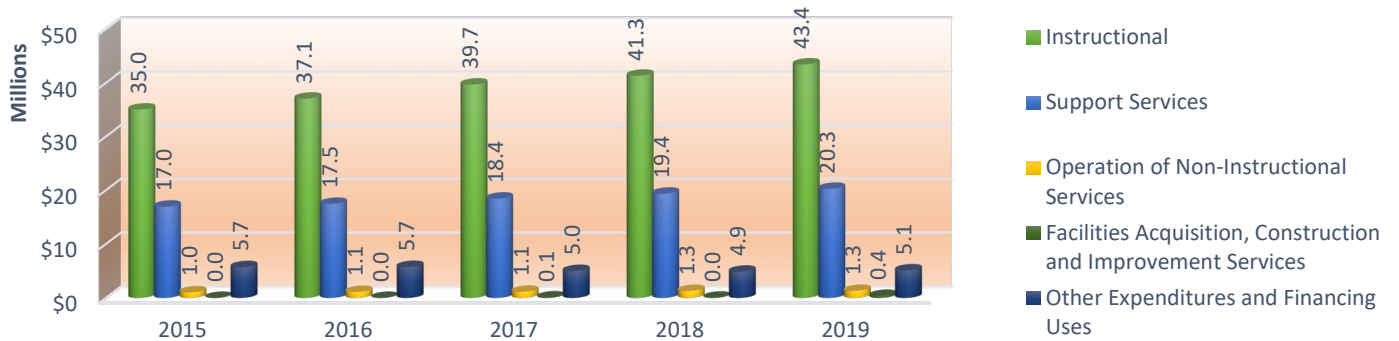


Financial Information Continued

Revenues by Source

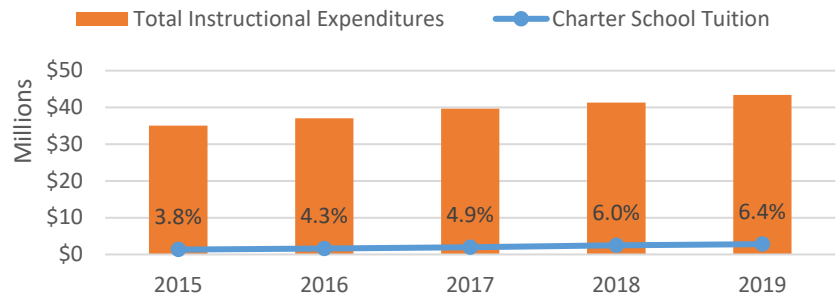


Expenditures by Function

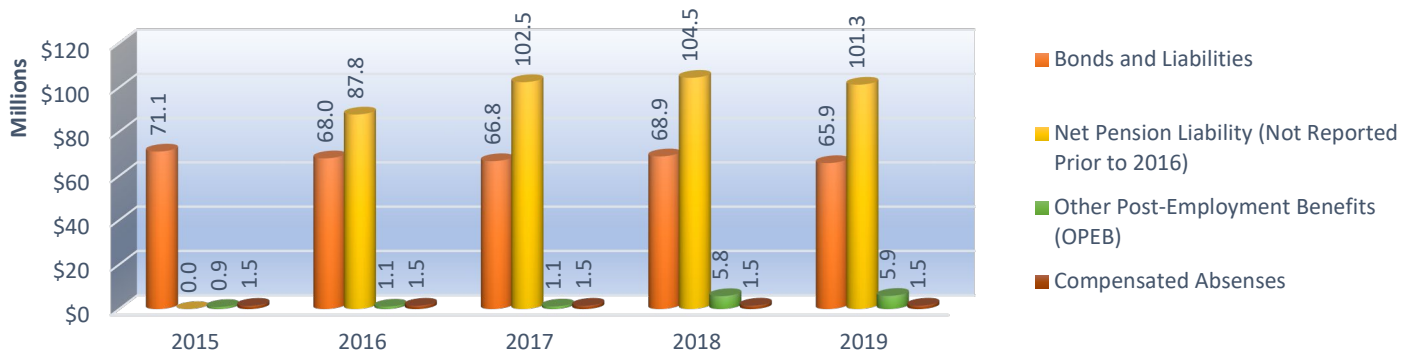


Charter Tuition as a Percentage of Instructional Expenditures

	Charter School Tuition	Total Instructional Expenditures
2015	\$1,319,440	\$35,036,732
2016	\$1,595,794	\$37,069,269
2017	\$1,937,417	\$39,698,047
2018	\$2,472,404	\$41,342,684
2019	\$2,800,845	\$43,441,274



Long-Term Debt

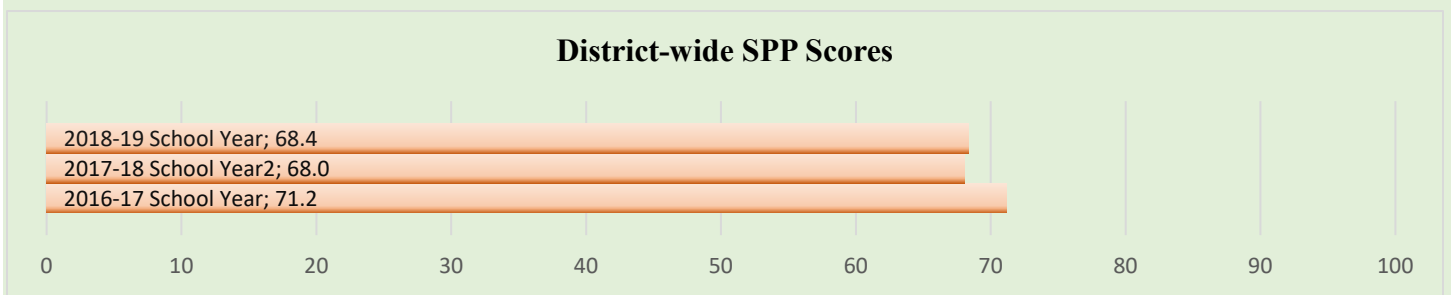


Academic Information

The graphs on the following pages present the District-wide School Performance Profile (SPP) scores, Pennsylvania System of School Assessment (PSSA) scores, Keystone Exam results, and 4-Year Cohort Graduation Rates for the District obtained from PDE's data files for the 2016-17, 2017-18, and 2018-19 school years.¹ 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.²



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

² PDE started issuing a SPP score for all public school buildings beginning with the 2012-13 school year. For the 2014-15 school year, PDE only issued SPP scores for high schools taking the Keystone Exams as scores for elementary and middle scores were put on hold due to changes with PSSA testing. PDE resumed issuing a SPP score for all schools for the 2015-16 school year.

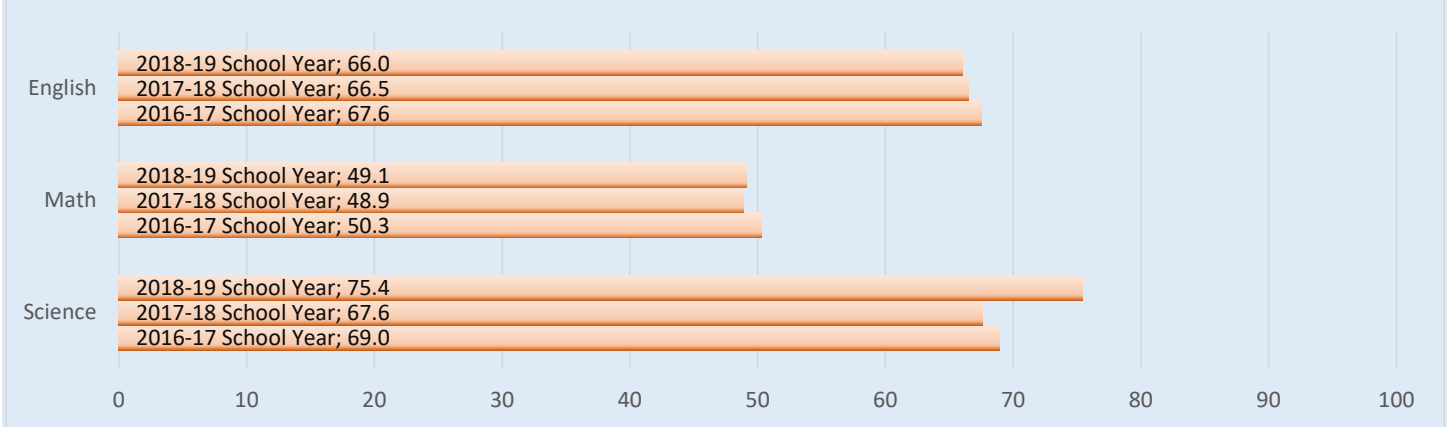
Academic Information Continued

What is the PSSA?

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

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

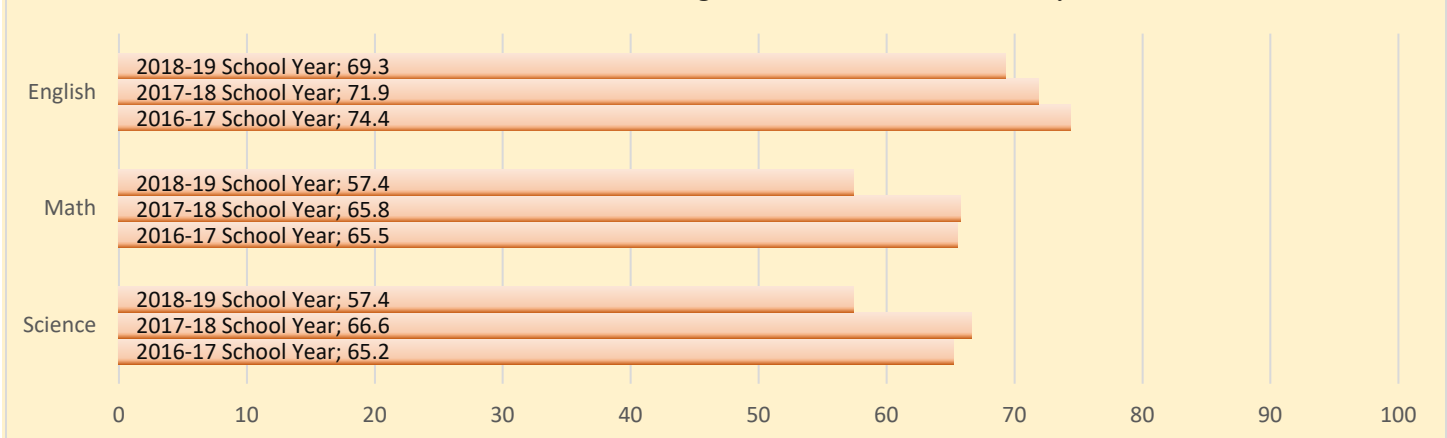
District-wide Percent of Students Scoring Proficient or Advanced on PSSA



What is the Keystone Exam?

The Keystone Exam measures student proficiency at the end of specific courses, such as Algebra I, Literature, and Biology. The Keystone Exam was intended to be a graduation requirement starting with the class of 2017, but that requirement has been put on hold until the 2020-21 school year.³ In the meantime, the exam is still given as a standardized assessment and results are included in the calculation of SPP scores. The Keystone Exam is scored using the same four performance levels as the PSSAs, and the goal is to score Proficient or Advanced for each course requiring the test.

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

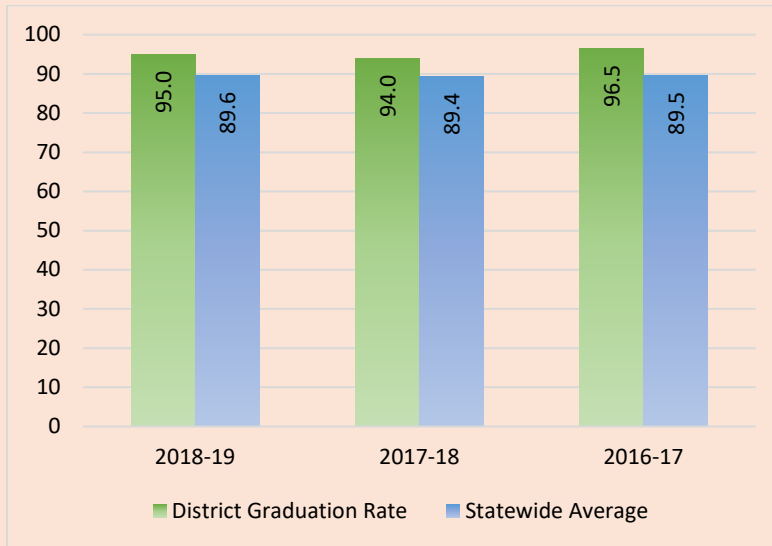


³ Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1).

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.⁴



⁴ PDE also calculates 5-year and 6-year cohort graduation rates. Please visit PDE's website for additional information:
<http://www.education.pa.gov/Data-and-Statistics/Pages/Cohort-Graduation-Rate-.aspx>

Finding

Finding

The District Inaccurately Reported the Number of Nonpublic School and Charter School Students Transported Resulting in a Net Underpayment of \$1,057

Criteria relevant to the finding:

Supplemental Transportation Subsidy for Public Charter School and Nonpublic School Students

The Charter School Law (CSL), 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.

Section 1726-A(a) of the CSL addresses the transportation of charter school students in that: “[s]tudents who attend a charter school located in their school district of residence, a regional charter school of which the school district is a part or a charter school located outside district boundaries at a distance not exceeding ten (10) miles by the nearest public highway shall be provided free transportation to the charter school by their school district of residence on such dates and periods that the charter school is in regular session whether or not transportation is provided on such dates and periods to students attending schools of the district. . . .”

The Whitehall-Coplay School District (District) inaccurately reported the number of nonpublic school and charter school students transported by the District. As a result, the District was underpaid a net total of \$1,057 in transportation reimbursements from the Pennsylvania Department of Education (PDE) for the 2014-15, 2015-16, 2016-17, and 2017-18 school years.

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 based solely on the number of nonpublic school and charter school students transported. The deficiencies identified in this finding pertain to errors in reporting supplemental transportation reimbursement data; however, the errors in reporting this data affected the District’s regular transportation reimbursement received for the 2014-15 school year. The supplemental transportation reporting errors led to the total number of students transported changing and this change, coupled with the District’s aid ratio in the 2014-15 school year, led to the District being overpaid in regular transportation reimbursement.⁵

According to the Public School Code (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.⁶ The PSC requires school districts to provide transportation services to students who reside in its district and who attend a nonpublic school or a charter school, and it provides for a reimbursement from the Commonwealth of \$385 for each nonpublic school student transported by the district. This reimbursement was made applicable to the transportation

⁵ Aid Ratio is a measure of local wealth that has been used in several education funding formulas for decades. The measure has a scale of 0.15 to 1, and it reflects the general wealth of the school district based on a school district’s total market value and personal income per student in comparison to the state total market value and personal income per student. A school district with a low aid ratio is relatively wealthy while a high aid ratio reflects low local wealth. <https://www.pasbo.org> (accessed June 23, 2020).

⁶ *See* Section 922.1-A(b) (relating to “Definitions”) of the PSC, 24 P.S. § 9-922.1-A(b).

*Criteria relevant to the finding
(continued):*

Section 1726-A(a) of the CSL further provides for districts to receive a state subsidy for transporting charter school students both within and outside district boundaries in that: “[d]istricts providing transportation to a charter school outside the district and, for the 2007-2008 school year and each school year thereafter, districts providing transportation to a charter school within the district shall be eligible for payments under section 2509.3 for each public school student transported.”

of charter school students pursuant to an equivalent provision in the Charter School Law, which refers to Section 2509.3 of the PSC.⁷

It is also important to note that the PSC requires that all school districts annually file a sworn statement of student transportation data for the prior and current school years with PDE in order to be eligible for the transportation subsidies. Further, the sworn statement of student transportation data should not be filed with the state Secretary of Education unless the data has been double-checked for accuracy by personnel trained on PDE’s reporting requirements. The District did annually file this statement for each school year discussed in our finding. An official signing a sworn statement must be aware that by submitting the transportation data to PDE, he/she is asserting that the information is true and that they have verified evidence of accuracy.⁸

The following table illustrates the District’s supplemental transportation reimbursement errors and the resulting net underpayment.

Whitehall-Coplay School District Supplemental Transportation Reimbursement Reporting Errors				
School Year	Nonpublic School Students Over Reported	Charter School Students (Under)/Over Reported	Net Number of Students (Under)/Over Reported	Supplemental Reimbursement (Underpayment)/Overpayment ⁹
2014-15	31	(36)	(5)	(\$1,925)
2015-16	24	(11)	13	\$5,005
2016-17	3	1	4	\$1,540
2017-18	1	(16)	(15)	(\$5,775)
Total	59	(62)	(3)	(\$1,155)

*Criteria relevant to the finding
(continued):*

Section 2509.3 of the PSC provides that each school district shall receive a supplemental transportation payment of \$385 for each nonpublic school student transported. This payment provision is also applicable to charter school students through Section 1726-A(a) of the CSL. See 24 P.S. § 17-1726-A(a); 24 P.S. § 25-2509.3.

As previously mentioned, the District’s supplemental transportation reimbursement reporting errors resulted in a regular transportation reimbursement error for the 2014-15 school year. The District was overpaid \$98 in regular transportation reimbursement due to a combination of the number of students transported and the District’s aid ratio that was solely present during that specific year of the audit period. The net result of the supplemental transportation reimbursement errors noted in the table above and the regular transportation reimbursement overpayment for the 2014-15 school year was an underpayment to the District of \$1,057.

⁷ See 24 P.S. § 17-1726-A(a) which refers to 24 P.S. § 25-2509.3. A charter school is an independent public school and educates public school students within the applicable school district. See 24 P.S. § 17-1703-A (relating to “Definitions”).

⁸ Please note that while a sworn statement is different from an affidavit, in that a sworn statement is not typically signed or certified by a notary public but are, nonetheless, taken under oath. See <https://legaldictionary.net/sworn-statement/> (accessed October 28, 2019).

⁹ Calculated by multiplying the ‘Net Number of Students (Under)/Over Reported’ by \$385.

*Criteria relevant to the finding
(continued):*

Student Transportation Subsidy

The PSC provides that school districts receive a transportation subsidy for most students who are provided transportation. Section 2541 (relating to payments on account of pupil transportation) of the PSC specifies the transportation formula and criteria. *See* 24 P.S. § 25-2541.

Total Students Transported

Section 2541(a) of the PSC states, in part: “School districts shall be paid by the commonwealth for every school year on account of pupil transportation which, and the means and contracts providing for which, have been approved by the Department of Education, 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...” *See* 24 P.S. § 25-2541(a)

Sworn Statement and Annual Filing Requirement

Section 2543 of the PSC 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. *See* 24 P.S. § 25-2543.

For each year of the audit period, the District was unable to provide a listing of nonpublic school and charter school students that agreed to the totals reported to PDE. In fact, the District did not retain a complete list of nonpublic school or charter school students reported as transported to PDE during the audit period. The District re-created the annual lists after we requested this information to support the supplemental transportation reimbursements received by the District.

We obtained supporting documentation for the number of nonpublic school and charter school students reported to PDE and found that the District over reported nonpublic school students because some students had more than one request for transportation and, therefore, were counted more than once. Some students’ parents sent more than one completed request for transportation to the District and District officials did not review received requests to ensure there were no duplicates. Double reporting for nonpublic school students occurred more frequently during the 2014-15 and 2015-16 school years when compared to the 2016-17 and 2017-18 school years. Furthermore, during the 2014-15 through 2016-17 school years, the District inaccurately reported a special education student placed in a program outside the District as a nonpublic school student.

The District under reported the number of charter school students during the 2014-15, 2015-16, and 2017-18 school years. The primary reason for the under reporting during these years was that the District failed to report charter school students who were not transported for the entire school year. This error was not made during the 2016-17 school year despite the same District official reporting this data during each year of the audit period. District officials were unable to explain this inconsistency in reporting transportation data. It is important to note that if a district transports a nonpublic school or charter school student for at least one day of a school year then the district is eligible for reimbursement for that student.

The District was reliant solely on one District staff member to compile and report nonpublic school and charter school students during the audit period. Additionally, the District did not have a process in place to reconcile nonpublic school and charter school students transported to individual requests for transportation. This was especially evident when the District did not retain an annual listing of nonpublic and charter school students reported to PDE as transported by the District. A reconciliation process of this nature and a second level of review of the data could have helped the District identify inaccurate data prior to submitting that data to PDE.

Furthermore, the District did not have written administrative procedures for how to report transportation data, and specifically did not have procedures for the reporting of nonpublic and charter school students transported.

*Criteria relevant to the finding
(continued):*

Section 2543 of the PSC, which is entitled, “Sworn statement of amount expended for reimbursable transportation; payment; withholding” of the PSC 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. . . . 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.” Ibid.

PDE has established a Summary of Students Transported form (PDE-2089) and relevant instructions specifying how districts are to report nonpublic and charter school students transported to and from school.

Number of Nonpublic School Pupils Transported

Enter the total number of resident NONPUBLIC school pupils 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.)

It is essential that the District accurately report transportation data to PDE and retain the documentary support for this reported transportation data. Further, the sworn statement of student transportation data should not be filed with the state Secretary of Education unless the data has been double checked for accuracy by personnel trained on PDE’s reporting requirements.

We provided PDE with reports detailing the nonpublic and charter school student reporting errors we identified for the four school years from 2014-15 through 2017-18. PDE requires these reports to verify the underpayment to the District. The District’s future transportation subsidies should be adjusted by the amount of the underpayment.

Recommendations

The *Whitehall-Coplay School District* should:

1. Ensure that all personnel responsible for reporting transportation data are trained with regard to PDE’s reporting guidelines for nonpublic school and charter school students.
2. Develop and implement written procedures regarding the collection, computing, and reporting of transportation data. Ensure these procedures specifically address maintaining rosters of nonpublic school and charter school students as well as supporting documentation.
3. Develop and implement a written procedure to have a knowledgeable District official—other than the employee who prepares the transportation reports—conduct a comprehensive review of the transportation data prior to submission to PDE and ensure that this procedure includes reconciling requests for transportation to nonpublic school and charter school student rosters.
4. Review the lists of nonpublic school and charter school students preliminarily submitted for the 2018-19 school year, and if errors are found, submit revised reports to PDE.

The *Pennsylvania Department of Education* should:

5. Adjust the District’s future allocations to resolve the \$1,057 underpayment to the District.

Management Response

District management provided the following response:

“The School District acknowledges the errors that occurred when reporting the number of nonpublic school and charter school students

transported on the annual transportation report. Written procedures regarding the collection, computing and reporting of transportation data will be developed. Transportation staff will be trained on the procedures. The transportation reports will be completed by the Transportation Secretary. The Supervisor of Transportation Services will review the data and transportation reports prior to them being submitted.”

Auditor Conclusion

We are pleased that the District intends to implement written procedures governing transportation data reporting. We encourage the District to provide appropriate training to all employees involved in transportation data collection and reporting. Consistent with our recommendation, we again encourage the District to review transportation data reported for the 2018-19 school year. We will evaluate the District’s corrective actions during the next audit.

Status of Prior Audit Findings and Observations

Our prior audit of the Whitehall-Coplay School District resulted in no findings or observations.

Appendix A: Audit Objectives, Scope 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 Transportation Operations, Administrator Separations, 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, 2014 through June 30, 2018. 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 contain 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.

During the planning phase of 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		
Transportation	Yes							X	X		X		X	X	X	X	X	
Bus Drivers	Yes										X		X			X	X	
Administrator Separations	No																	
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 2014-15 through 2017-18 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, inputting, processing, and reporting transportation data to PDE. We then randomly selected 10 of 56 vehicles used to transport District students during the 2017-18 school year.¹⁴ For each vehicle

¹³ See PSC 24 P.S. §§ 13-1301, 13-1302, 13-1305, 13-1306; State Board of Education’s regulations 22 Pa. Code Chapter 11.

¹⁴ While representative selection is a required factor of audit sampling methodologies, audit sampling methodology was not applied to achieve this test objective, accordingly, the results of this audit procedure are not, and should not be, projected to the population.

tested, we obtained and reviewed odometer readings, bus rosters, and school calendars. We verified that the District accurately calculated and reported sample average data to PDE.

Additionally, we obtained and reviewed the individual requests for transportation for all 1,216 nonpublic school students and for all 481 charter school students reported to PDE as transported by the District during the four-year audit period and compared those requests to the data reported to PDE.

Conclusion: The results of our procedures identified significant internal control deficiencies related to the reporting of nonpublic and charter school students to PDE. Our results are detailed in the finding beginning on page 6 of this report.

Administrator Separations

- Did the District compensate all individually contracted employees who separated employment from the District in accordance with their contract, and did the employment contract(s) comply with the Public School Code¹⁵ and Public School Employees' Retirement System (PSERS) guidelines?
 - ✓ To address this objective, we reviewed the contract, board policies, and leave and payroll records for the only individually contracted administrator who separated employment with the District during the period July 1, 2014 through February 4, 2020. We reviewed the final payouts to determine that they were calculated correctly. We verified that leave payouts were not reported as eligible wages to PSERS. We also verified the reason for the separation was made public through the board meeting minutes.¹⁶

Conclusion: The results of our procedures for this objective did not disclose any reportable issues.

Bus Driver Requirements

- Did the District ensure that all bus drivers transporting District students are board approved and had the required driver's license, physical exam, training, background checks, and clearances¹⁷ as outlined in applicable laws?¹⁸ Also, did the District adequately monitor driver records to ensure compliance with the ongoing five-year clearance requirements and ensure it obtained updated licenses and health physical records as applicable throughout the school year?
 - ✓ To address this objective, we assessed the District's internal controls for reviewing, maintaining, and monitoring the required bus driver qualification documents. We determined if all drivers were board approved by the District. We randomly selected 10 of the 59 bus drivers transporting District students as of March 2, 2020, and reviewed documentation to determine if the District complied with the requirements for bus drivers' qualifications and clearances.¹⁹ We also

¹⁵ PSC 24 P.S. § 10-1073(e)(2)(v).

¹⁶ Required for all superintendent and assistant superintendent contracts signed or renewed from the date of September 12, 2012, forward.

¹⁷ 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.

¹⁸ 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*.

¹⁹ While representative selection is a required factor of audit sampling methodologies, audit sampling methodology was not applied to achieve this test objective, accordingly, the results of this audit procedure are not, and should not be, projected to the population.

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 significant internal control deficiencies required to be reported. In addition, our procedures related to this objective did not disclose any reportable issues.

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, memorandums of understanding with local law enforcement?²⁰ 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, risk and vulnerability assessments, anti-bullying policies, safety committee meeting minutes, and memorandums of understanding with local law enforcement.

Conclusion: Due to the sensitive nature of school safety, the results of our review for this portion of the 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.²¹

➤ Did the District comply with the fire and security drill requirements of Section 1517 of the Public School Code?²² Also, did the District accurately report the dates of drills to PDE and maintain supporting documentation to evidence the drills conducted and reported to PDE?

- ✓ To address this objective, we obtained and reviewed the fire and security drill records for the 2018-19 school year. 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 Statement* that the District filed with PDE and compared the dates reported to the supporting documentation.

Conclusion: The results of our procedures for this portion of the objective did not disclose any reportable issues.

²⁰ Safe Schools Act 24 P.S. § 13-1301-A *et seq.*, Emergency Management Services Code 35 Pa.C.S. § 7701.

²¹ Other law enforcement agencies include the Pennsylvania State Police, the Attorney General's Office, and local law enforcement with jurisdiction over the District's school buildings.

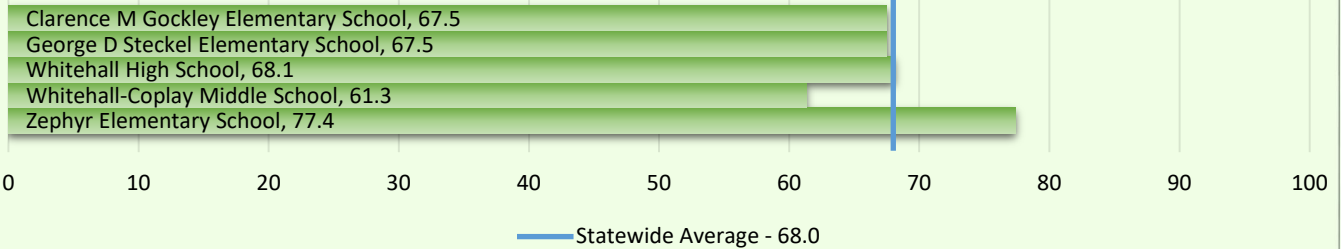
²² PSC (Fire and Security Drills) 24 P.S. § 15-1517.

Appendix B: Academic Detail by School Building

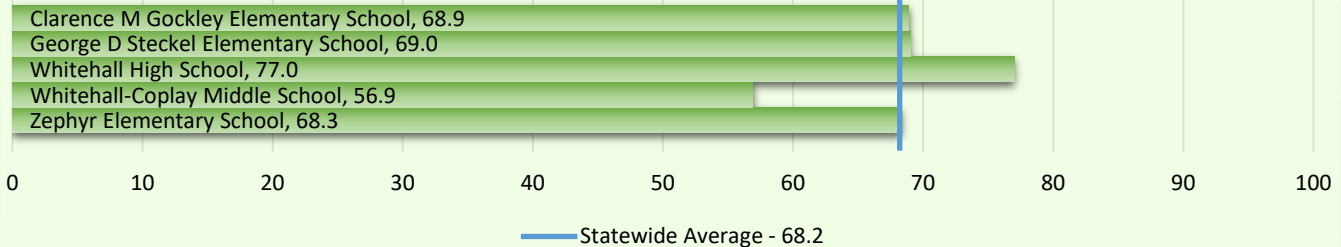
Benchmarks noted in the following graphs represent the statewide average of all public school buildings in the Commonwealth that received a score in the category and year noted.²³ Please note that if one of the District's schools did not receive a score in a particular category and year presented below, the school will not be listed in the corresponding graph.²⁴

SPP School Scores Compared to Statewide Averages

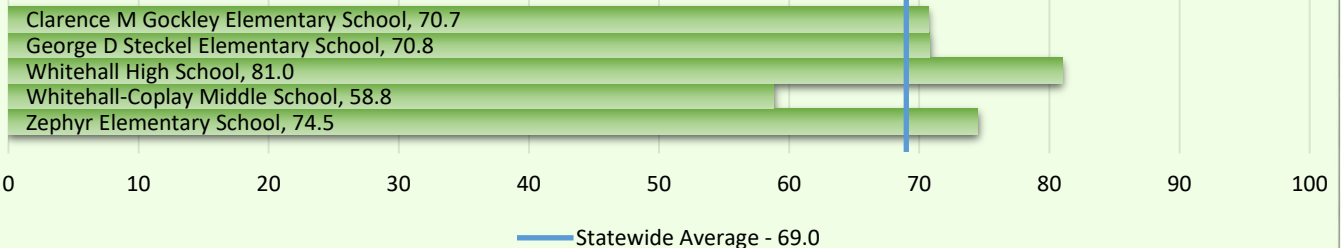
2018-19



2017-18



2016-17

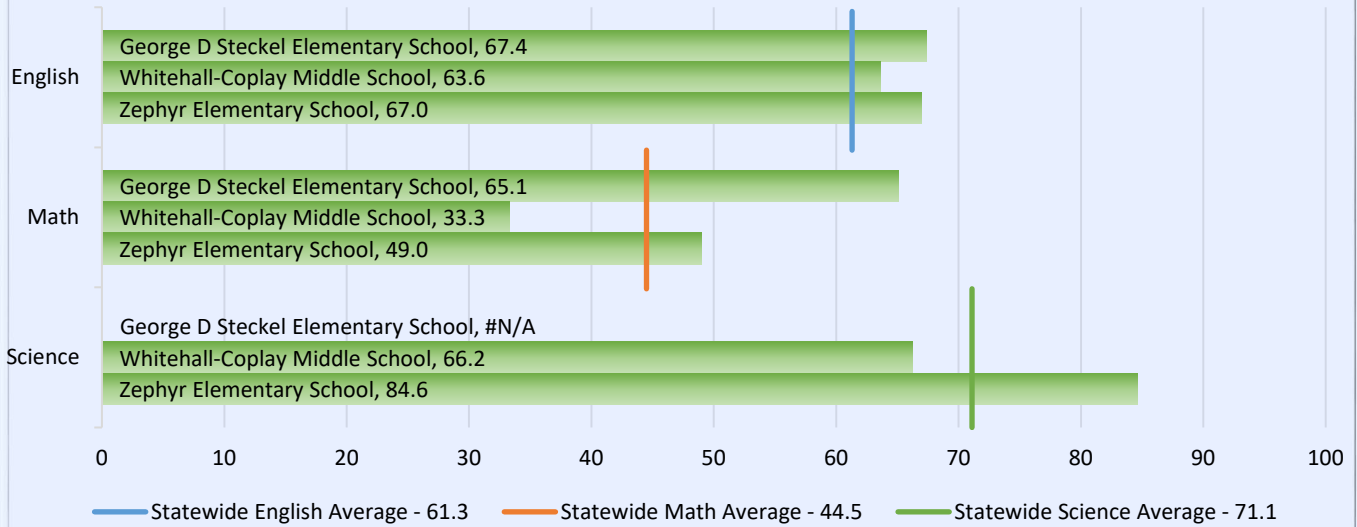


²³ Statewide averages were calculated by our Department based on individual school building scores for all public schools in the Commonwealth, including district schools, charters schools, and cyber charter schools.

²⁴ 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.

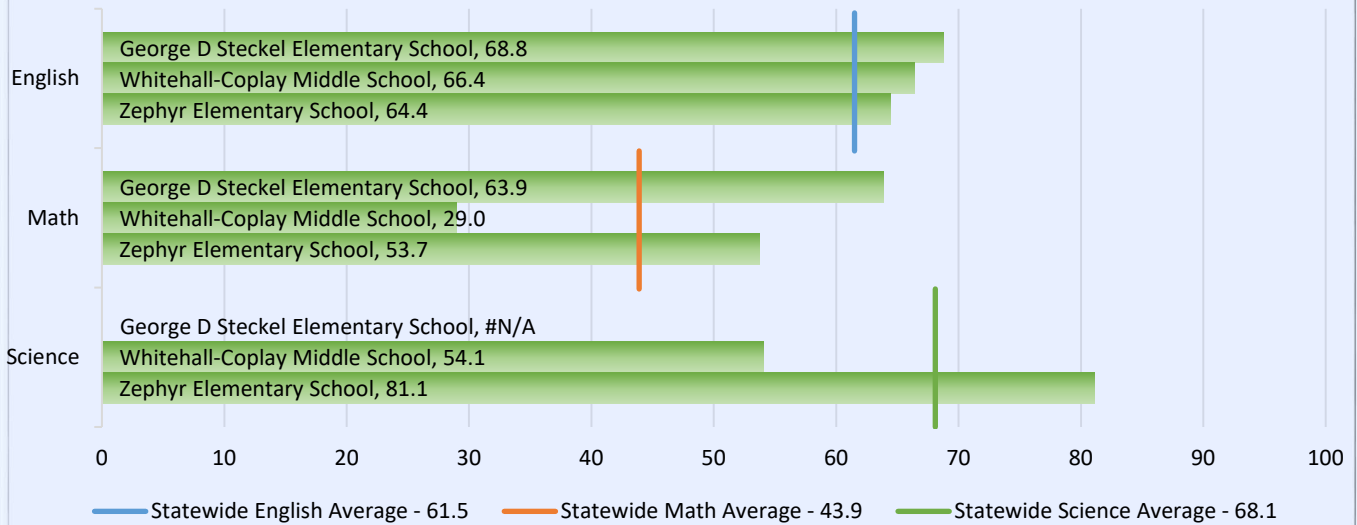
PSSA Advanced or Proficient Percentage School Scores Compared to Statewide Averages

2018-19



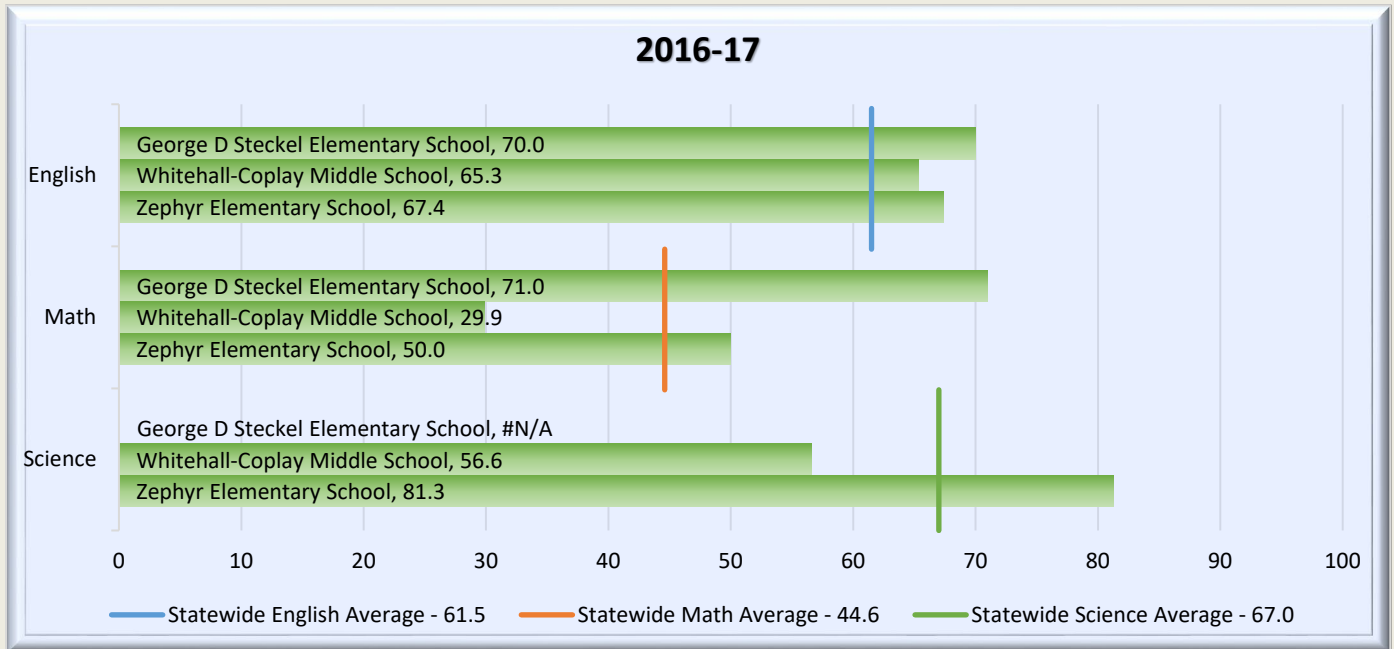
#N/A: The George D Steckel Elementary School is a grades 2 and 3 school; therefore, Science PSSAs are not administered to this school's students.

2017-18



#N/A: The George D Steckel Elementary School is a grades 2 and 3 school; therefore, Science PSSAs are not administered to this school's students.

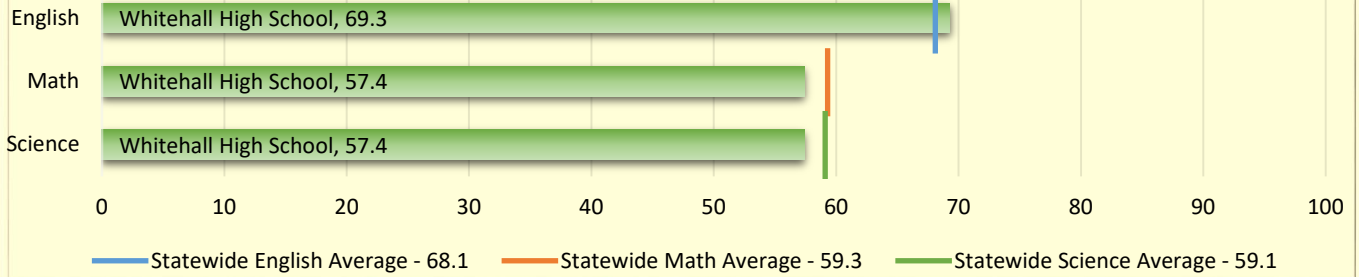
**PSSA Advanced or Proficient Percentage
School Scores Compared to Statewide Averages (continued)**



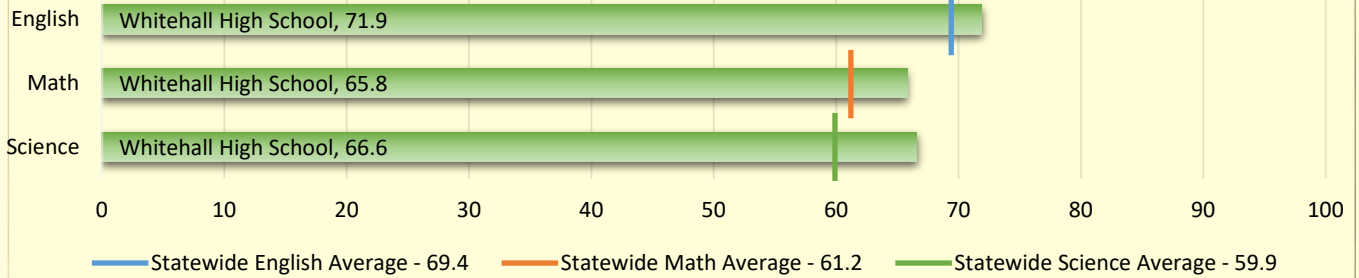
#N/A: The George D Steckel Elementary School is a grades 2 and 3 school; therefore, Science PSSAs are not administered to this school's students.

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

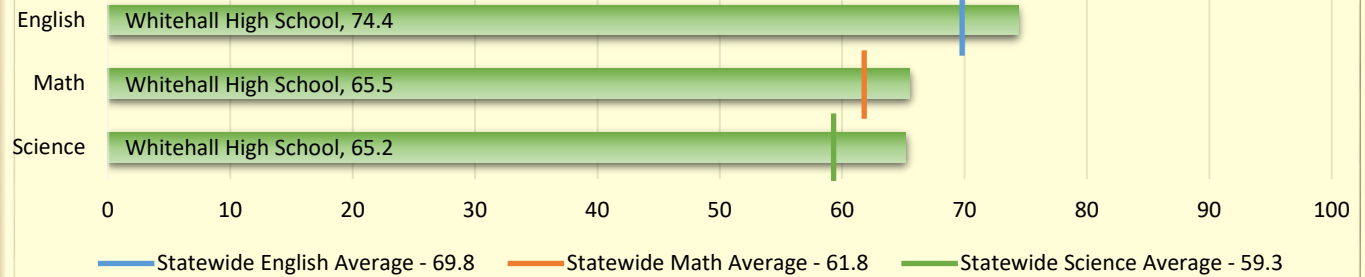
2018-19



2017-18



2016-17



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