

YORK COUNTY SCHOOL OF TECHNOLOGY

YORK COUNTY, PENNSYLVANIA

PERFORMANCE AUDIT REPORT

NOVEMBER 2010



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

Ms. M. Ann Rinker, Joint Operating Committee Chairperson  
York County School of Technology  
2179 South Queen Street  
York, Pennsylvania 17402

Dear Governor Rendell and Ms. Rinker:

We conducted a performance audit of the York County School of Technology (YCST) to determine its compliance with applicable state laws, regulations, contracts, grant requirements and administrative procedures. Our audit covered the period October 30, 2008 through January 28, 2010, except as otherwise indicated in the report. Additionally, compliance specific to state subsidy and reimbursements was determined for the school years ended June 30, 2008 and June 30, 2007. Our audit was conducted pursuant to 72 P.S. § 403 and in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Our audit found that the YCST complied, in all significant respects, with applicable state laws, regulations, contracts, grant requirements, and administrative procedures, except as detailed in the finding noted in this report. A summary of these results is presented in the Executive Summary section of the audit report.

Our audit finding and recommendations have been discussed with YCST's management and their responses are included in the audit report. We believe the implementation of our recommendations will improve YCST's operations and facilitate compliance with legal and administrative requirements. We appreciate the YCST's cooperation during the conduct of the audit.

Sincerely,

/s/

JACK WAGNER  
Auditor General

November 5, 2010

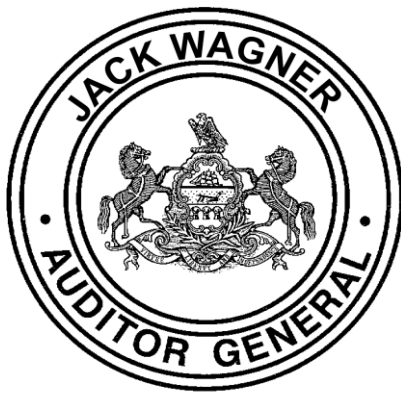
cc: **YORK COUNTY SCHOOL OF TECHNOLOGY** Joint Operating Committee Members

## **Table of Contents**

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	Page
Executive Summary .....	1
Audit Scope, Objectives, and Methodology .....	3
Findings and Observations .....	6
Finding – Certification Deficiencies .....	6
Status of Prior Audit Findings and Observations .....	8
Distribution List .....	11



## **Executive Summary**

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### **Audit Work**

The Pennsylvania Department of the Auditor General conducted a performance audit of the York County School of Technology (YCST). Our audit sought to answer certain questions regarding the school's compliance with applicable state laws, regulations, contracts, grant requirements, and administrative procedures; and to determine the status of corrective action taken by the YCST in response to our prior audit recommendations.

Our audit scope covered the period October 30, 2008 through January 28, 2010, except as otherwise indicated in the audit scope, objectives, and methodology section of the report. Compliance specific to state subsidy and reimbursements was determined for school years 2007-08 and 2006-07.

### **School Background**

According to School officials, in school year 2007-08 the YCST provided educational services to 1,415 secondary pupils and 2,067 post-secondary pupils through the employment of 112 teachers, 53 full-time and part-time support personnel, and 12 administrators. The operation, administration and management of the school are directed by a joint operating committee (JOC) which comprises 14 members from the following school districts:

Central York	South Eastern
Dallastown Area	South Western
Dover Area	Southern York County
Eastern York	Spring Grove Area

Hanover Public	West York Area
Northeastern York	York City
Red Lion Area	York Suburban

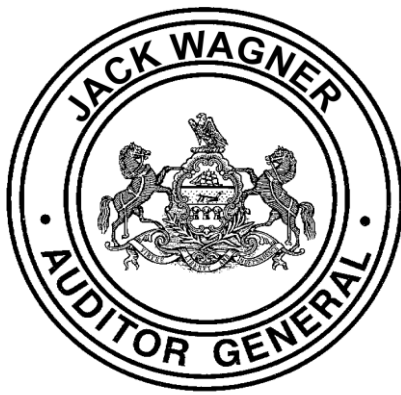
The JOC members are appointed by the individual school boards at the December meeting, each to serve a three year term. Lastly, the YCST received more than \$2.4 million in state funding in school year 2007-08.

### **Audit Conclusion and Results**

Our audit found that the YCST complied, in all significant respects, with applicable state laws, regulations, contracts, grant requirements, and administrative procedures, except for one compliance-related matter reported as a finding.

**Finding: Certification Deficiencies.** Our audit found that two individuals did not hold the appropriate certificate for their assignment (see page 6).

**Status of Prior Audit Findings and Observations.** With regard to the status of our prior audit recommendations to the YCST from an audit we conducted of the 2005-06 and 2004-05 school years, we found the School had not taken appropriate corrective action in implementing our recommendations pertaining to certification (see page 8). We found that the School had taken partial corrective actions in implementing our recommendations pertaining to employing a certified substitute school nurse (see page 9) and logical access control weaknesses (see page 10).





## Audit Scope, Objectives, and Methodology

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### Scope

*What is a school performance audit?*

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

Our audit, conducted under authority of 72 P.S. § 403, is not a substitute for the local annual audit required by the Public School Code of 1949, as amended. We conducted our audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Our audit covered the period October 30, 2008 through January 28, 2010, except for the verification of professional employee certification which was performed for the period September 9, 2008 through December 3, 2009.

Regarding state subsidy and reimbursements, our audit covered school years 2007-08 and 2006-07.

While all LEAs have the same school years, some have different fiscal years. Therefore, for the purposes of our audit work and to be consistent with Department of Education (DE) reporting guidelines, we use the term school year rather than fiscal year throughout this report. A school year covers the period July 1 to June 30.

### Objectives

*What is the difference between a finding and an observation?*

Our performance audits may contain findings and/or observations related to our audit objectives. Findings describe noncompliance with a law, regulation, contract, grant requirement, or administrative procedure. Observations are reported when we believe corrective action should be taken to remedy a potential problem not rising to the level of noncompliance with specific criteria.

Performance audits draw conclusions based on an evaluation of sufficient, appropriate evidence. Evidence is measured against criteria, such as, laws, regulations, and defined business practices. Our audit focused on assessing the YCST's compliance with applicable state laws, regulations, contracts, grant requirements and administrative procedures. However, as we conducted our audit procedures, we sought to determine answers to the following questions, which serve as our objectives:

- ✓ Were professional employees certified for the positions they held?
- ✓ In areas where the School receives state subsidy and reimbursements based on pupil membership (e.g. vocational education), did it follow applicable laws and procedures?

- ✓ In areas where the School receives state subsidy and reimbursements based on payroll (e.g. Social Security and retirement), did it follow applicable laws and procedures?
- ✓ Is the School's pupil transportation department, including any contracted vendors, in compliance with applicable state laws and procedures?
- ✓ Does the School ensure that Joint Operating Committee members appropriately comply with the Public Official and Employee Ethics Act?
- ✓ Are there any declining fund balances which may impose risk to the fiscal viability of the School?
- ✓ Did the School pursue a contract buyout with an administrator and if so, what was the total cost of the buy-out, reasons for the termination/settlement, and do the current employment contract(s) contain adequate termination provisions?
- ✓ Were there any other areas of concern reported by local auditors, citizens, or other interested parties which warrant further attention during our audit?
- ✓ Is the School taking appropriate steps to ensure school safety?
- ✓ Did the School use an outside vendor to maintain its membership data and if so, are there internal controls in place related to vendor access?
- ✓ Did the School take appropriate corrective action to address recommendations made in our prior audits?

## Methodology

*What are internal controls?*

Internal controls are processes designed by management to provide reasonable assurance of achieving objectives in areas such as:

- Effectiveness and efficiency of operations;
- Relevance and reliability of operational and financial information;
- Compliance with applicable laws, regulations, contracts, grant requirements and administrative procedures.

*Government Auditing Standards* require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings, observations and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

YCST management is responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the School is in compliance with applicable laws, regulations, contracts, grant requirements, and administrative procedures. Within the context of our audit objectives, we obtained an understanding of internal controls and assessed whether those controls were properly designed and implemented.

Any significant deficiencies found during the audit are included in this report.

In order to properly plan our audit and to guide us in possible audit areas, we performed analytical procedures in the area of pupil transportation.

Our audit examined the following:

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

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

Lastly, to determine the status of our audit recommendations made in a prior audit report released on July 23, 2009, we reviewed the YCST's response to DE dated October 29, 2009. We then performed additional audit procedures targeting the previously reported matters.

## Findings and Observations

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### Finding

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*Criteria relevant to the finding:*

Section 1202 of the Public School Code provides, in part:

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

Section 2518 of the Public School Code provides, in part:

[A]ny school district, intermediate unit, area vocational-technical school or other public school in this Commonwealth that has in its employ any person in a position that is subject to the certification requirements of the Department of Education but who has not been certificated for his position by the Department of Education . . . shall forfeit an amount equal to six thousand dollars (\$6,000) less the product of six thousand dollars (\$6,000) and the district's market value/income aid ratio.

### Certification Deficiencies

Our review of professional employees' certification for the period September 9, 2008 through December 3, 2009, found the following deficiencies:

- One individual certified in Social Studies was assigned as a special education teacher; and
- One individual certified in Drafting was assigned to teach Heating Ventilation and Air Conditioning (HCAC)/Electric.

Information pertaining to these assignments and certificates was submitted to the Bureau of School Leadership and Teacher Quality (BSLTQ), Department of Education (DE), for its review. BSLTQ subsequently confirmed the deficiencies; the School is therefore subject to a subsidy forfeiture. However, the data necessary to compute the subsidy forfeiture for the 2009-10 school year was not yet available from DE at the time of our audit.

### Recommendations

The *York County School of Technology* should:

Require the individuals cited in this finding to obtain proper certification or reassign them to positions for which they are properly certified.

The *Department of Education* should:

Compute the subsidy forfeitures and recover it from the School's allocations.

### Management Response

Management stated the following:

[Individual 1] (Emergency Permit not issued as of 12/03/09)

The emergency permit application for [Individual 1] was mailed on August 27, 2009, and was logged into the PDE website August 31, 2009. The application package included a letter from Immaculata College stating that [Individual 1] was enrolled in their Special Education Certification Program. Also included was a transcript showing that she earned three credits (Orientation to Special Education). [Individual 1] was required to obtain six credits to renew her emergency permit. The letter from Immaculata also indicated that the prerequisite course [Individual 1] needs to complete her degree in Special Education was cancelled due to low enrollment. [Individual 1] does hold an Instructional I in Social Studies. The YCST [York County School of Technology] was not informed of a problem with the emergency permit application until November 18, 2009, when we received a letter from PDE. After several phone calls between the YCST and PDE, PDE determined that it would renew [Individual 1's] emergency permit for the 2009/10 school year with no additional documentation required. The application finally received approval December 3, 2009. During the first semester of the 2009/10 school year, [Individual 1] taught social studies half-time and was assigned as a resource person in mathematics classes under a mathematics certified teacher half-time. It is our contention that, since PDE renewed [Individual 1's] emergency permit application as originally submitted in August, it should have been dated as of August 1, 2009.

[Individual 2] (HVAC/Electric)  
[Individual 2] teaches architectural drafting. As part of his course, he teaches HVAC/Electric layout as it relates to architectural drafting. At no time does [Individual 2] teach theory or skills related specifically to HVAC or electricity. His course covers only the layout of HVAC and electrical schematics as they related to drafting.

**Auditor Conclusion**

As stated in the body of the finding, BSLTQ issued its final determination. The determination was issued after the preparation of management's response. BSLTQ upheld the two citations noted and deleted others that have been consequently removed from our finding and from management's response.

Any further disagreement on the part of the YCST must be addressed to DE.

## Status of Prior Audit Findings and Observations

Our prior audit of the York County School of Technology (YCST) for the school years 2005-06 and 2004-05 resulted in two reported findings and one observation. The first finding pertained to certification deficiencies, the second finding pertained to the School's failure to employ a certified substitute school nurse during the absence of the regular certified school nurse, and the observation pertained to logical access control weaknesses. As part of our current audit, we determined the status of corrective action taken by the School to implement our prior recommendations. We analyzed the YCST joint operating committee's written response provided to the Department of Education (DE), performed audit procedures, and questioned School personnel regarding the prior findings. As shown below, we found that the YCST did not implement recommendations pertaining to certification. We also found that YCST had not taken action to implement all of our recommendations related to the employment of a certified substitute school nurse during the absence of the regular certified school nurse and logical access control weaknesses.

<i>School Years 2005-06 and 2004-05 Auditor General Performance Audit Report</i>		
<i>Prior Recommendations</i>	<i>Implementation Status</i>	
<p><u><i>I. Finding No. 1:</i></u> <u><i>Certification Deficiencies</i></u></p> <ol style="list-style-type: none"> <li>1. Ensure that all professional employees have current, valid certificates.</li> <li>2. Require all professional employees to obtain the required certifications for a position before accepting appointment to that position.</li> <li>3. DE should adjust the School's allocations to recover the subsidy forfeitures of \$4,961.</li> </ol>	<p><b>Background:</b></p> <p>Our prior audit of professional employees' certification for the period September 13, 2006 through September 8, 2008, found three certification deficiencies.</p>	<p><b>Current Status:</b></p> <p>Our current audit found that one individual cited in our prior audit was reassigned to teach a subject for which they were properly certified, and two individuals without Pennsylvania certificates obtained the appropriate certificates for the 2008-09 school year. However, our current audit found two individuals who did not hold appropriate certification for their assignments (see page 6).</p> <p>DE recomputed the subsidy forfeiture using a revised aid ratio and withheld \$4,966 from YCST's June 2010 subsidy payments.</p>

<p><u>II. Finding No. 2: School Failed to Employ a Certified Substitute School Nurse in the Absence of the Regular Certified School Nurse in Violation of Certification Regulations</u></p> <ol style="list-style-type: none"> <li>1. Contact the Bureau of School Leadership and Teacher Quality (BSLTQ) and obtain written guidance as to what must be done during the absence of the full-time school nurse to comply with certification regulations.</li> <li>2. Contact the Department of Health (DH) and obtain written guidance as to what must be done during the absence of the full-time school nurse to comply with the requirements of Public School Code (PSC) Section 14-1410.</li> <li>3. Based on the written directives received from BSLTQ and DH, comply with certification regulations and provisions of PSC Section 14-1410 to ensure that a certified school nurse provides nurse services.</li> <li>4. DE should provide written guidance to the School as to what must be done during the absence of the full-time school nurse to comply with certification requirements and take steps necessary to ensure the School complies with the written guidance it provides to the School.</li> </ol>	<p><b>Background:</b></p> <p>Our prior audit found that for the period September 27, 2006 through October 15, 2008, the full-time certified school nurse was absent 13 times; seven of these absences were half-days. This was the third consecutive audit that we had cited this issue. The School’s administration covered three of these absences with a certified substitute school nurse. On the other ten days, when no certified substitute school nurse was available, the nurse’s office was closed except for emergencies. In the case of an emergency, the supervisor of the School’s Licensed Practical Nursing program, a Registered Nurse, was to be contacted.</p> <p>As noted in our prior audit, we were advised by personnel from BSLTQ that, in the absence of the full-time school nurse, YCST must employ a certified substitute school nurse.</p>	<p><b>Current Status:</b></p> <p>Our current audit found that for the period between October 16, 2008 and December 7, 2009 the full-time certified school nurse was absent 12 times. Only 2 of the 12 absences were covered with a certified substitute school nurse.</p> <p>However, as of December 8, 2009, the School had three substitute school nurses on staff who hold certification as school nurses. This should eliminate the use of uncertified school nurses in the future. Based on the results of our audit we concluded that YCST did take corrective action.</p>
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<p>5. DH should provide written guidance to the School as to what must be done during the absence of the full-time school nurse to comply with the requirements of PSC Section 14-1410.</p>		
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<p><u>III. Observation: Logical Access Control Weaknesses</u></p> <ol style="list-style-type: none"> <li>1. Require all users to change passwords on a regular basis (i.e., every 30 days).</li> <li>2. Use passwords that are a minimum length of eight characters and include alpha, numeric and special characters.</li> <li>3. Change the settings on the system to automatically log the user off after a period of inactivity (i.e., 60 minutes).</li> <li>4. Maintain a password history of approximately ten passwords.</li> </ol>	<p><b>Background:</b></p> <p>Our prior audit found that YCST had certain weaknesses in logical access controls. We found that YCST did not have system parameter settings in place to require all users to change their passwords on a regular basis, use passwords that are a minimum length of eight characters and include alpha, numeric and special characters, log off the system after a period of inactivity, and maintain a password history.</p>	<p><b>Current Status:</b></p> <p>Our current audit found that School personnel had changed the system settings for its student information and grading system to automatically log the user off after a period of inactivity. However, School personnel determined that a period of three hours was needed for their purposes. This does not meet the 60 minute maximum recommended for best practice.</p> <p>Our current audit also found that the other recommendations had not yet been implemented.</p> <p>Therefore, we again recommend that School personnel put the recommended parameter settings into place.</p>
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## **Distribution List**

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This report was initially distributed to the school's superintendent of record, the joint operating committee, our website address at [www.auditorgen.state.pa.us](http://www.auditorgen.state.pa.us), and the following:

The Honorable Edward G. Rendell  
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The Honorable Thomas E. Gluck  
Acting Secretary of Education  
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The Honorable Robert M. McCord  
State Treasurer  
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Harrisburg, PA 17120

Senator Jeffery Piccola  
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Senator Andrew Dinniman  
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