

LIMITED PROCEDURES ENGAGEMENT

Greencastle-Antrim School District Franklin County, Pennsylvania

April 2018



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE
AUDITOR GENERAL

Dr. Kendra K. Trail, Superintendent
Greencastle-Antrim School District
500 East Leitersburg Street
Greencastle, Pennsylvania 17225

Mr. James Winslow, Board President
Greencastle-Antrim School District
500 East Leitersburg Street
Greencastle, Pennsylvania 17225

Dear Dr. Trail and Mr. Winslow:

We conducted a Limited Procedures Engagement (LPE) of the Greencastle-Antrim School District (District) to determine its compliance with certain relevant state laws, regulations, policies, and administrative procedures (relevant requirements). The LPE covers the period July 1, 2012, through June 30, 2016, except for any areas of compliance that may have required an alternative to this period. The engagement was conducted pursuant to authority derived from Article VIII, Section 10 of the Constitution of the Commonwealth of Pennsylvania and The Fiscal Code (72 P.S. §§ 402 and 403), but was not conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

As we conducted our LPE procedures, we sought to determine answers to the following questions, which serve as our LPE objectives:

- Did the District have documented board policies and administrative procedures related to the following?
 - Internal controls
 - The Right-to-Know Law
 - The Sunshine Act
 - Transportation Operations
- Were the policies and procedures adequate and appropriate, and have they been properly implemented?
- Did the District comply with the relevant requirements in the Right-to-Know Law and the Sunshine Act?

- Did the District correctly calculate and report transportation data to the Pennsylvania Department of Education, and did the District receive the correct amount of transportation reimbursement? (24 P.S. §§ 13-1301, -1302, -1305, -1306; PA Code Title 22, Chap. 11)

Our engagement found that the District properly implemented policies and procedures for the areas mentioned above and complied, in all significant respects, with relevant and legal requirements except as detailed in the finding in this report.

The finding and our related recommendations have been discussed with the District's management, and their responses are included in the findings and observations section of this letter. We believe the implementation of our recommendations will improve the District's operations and facilitate compliance with legal, administrative requirements, and best practices. We appreciate the District's cooperation during the conduct of the engagement.

Sincerely,



Eugene A. DePasquale
Auditor General

April 10, 2018

cc: **GREENCASTLE-ANTRIM SCHOOL DISTRICT** Board of School Directors

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Background Information

School Characteristics 2015-16 School Year ^A	
County	Franklin
Total Square Miles	95
Resident Population^B	18,889
Number of School Buildings	4
Total Teachers	181
Total Full or Part-Time Support Staff	104
Total Administrators	14
Total Enrollment for Most Recent School Year	3,026
Intermediate Unit Number	12
District Vo-Tech School	Franklin County CTC

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

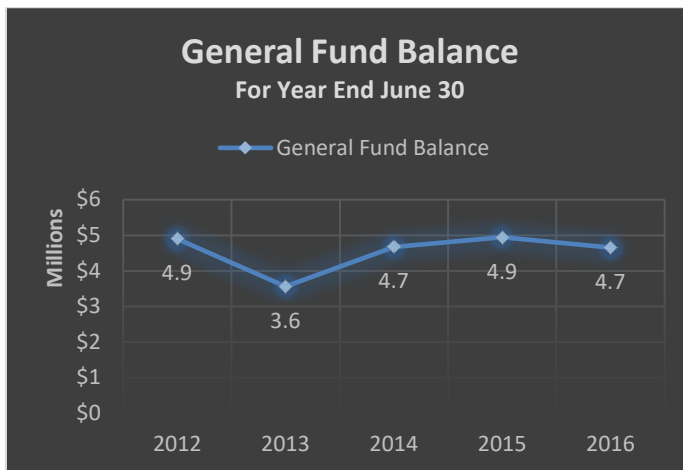
B - Source: United States Census
<http://www.census.gov/2010census>.

Mission Statement^A

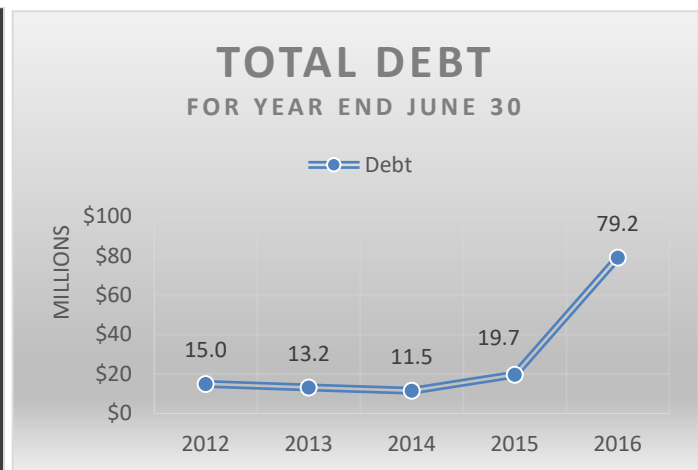
To create and provide opportunities for students to become lifelong learners and productive citizens.

Financial Information

The following pages contain financial information about the Greencastle-Antrim School District (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**.

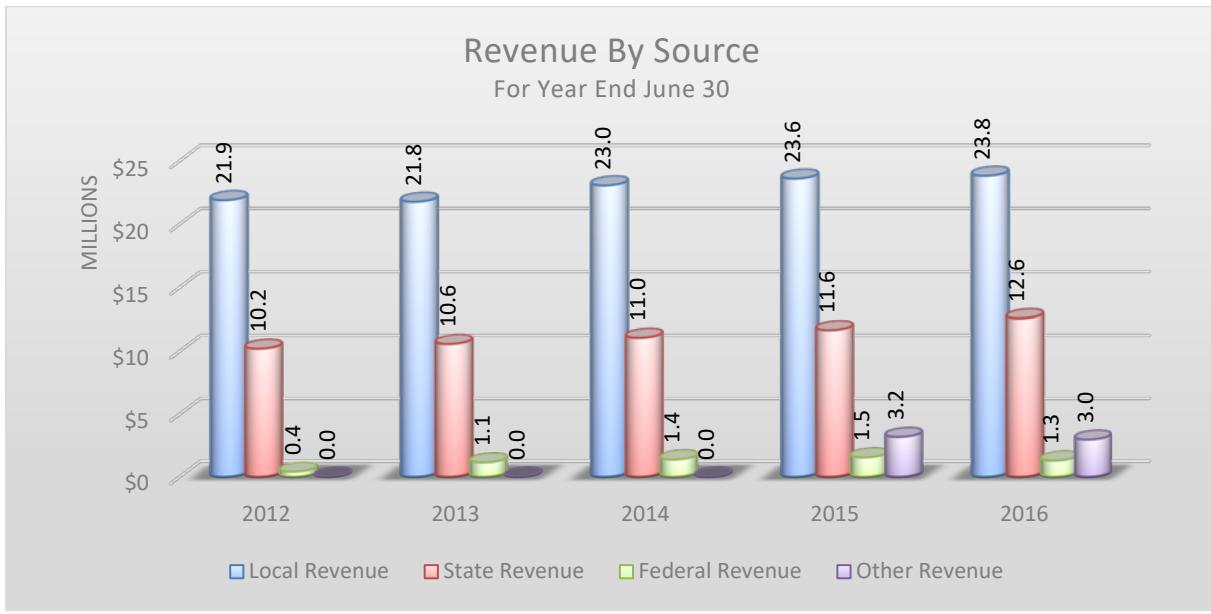
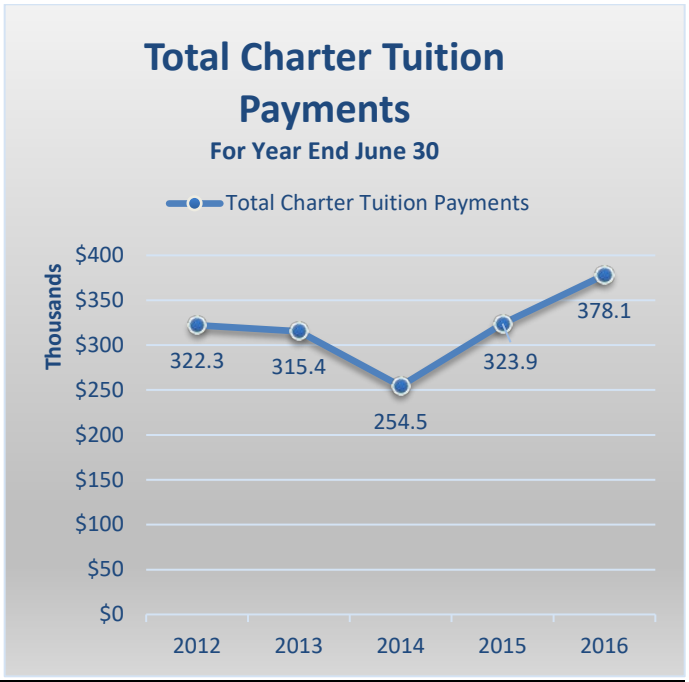
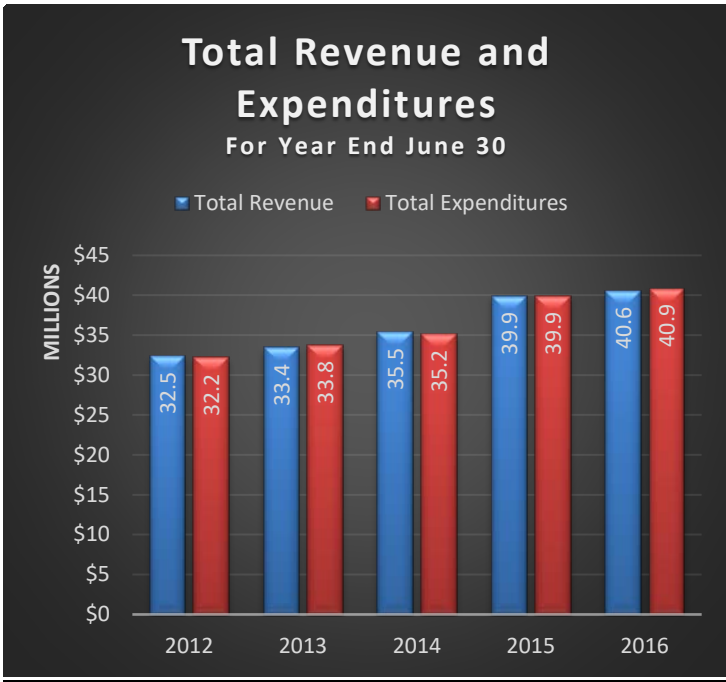


Note: General Fund Balance is comprised of the District's Committed, Assigned and Unassigned Fund Balances.



Note: Total Debt is comprised of Short-Term Borrowing, General Obligation Bonds, Authority Building Obligations, Other Long-Term Debt, Other Post-Employment Benefits, Compensated Absences and Net Pension Liability.

Financial Information Continued



Academic Information

The graphs on the following pages present School Performance Profile (SPP) scores, Pennsylvania System of School Assessment (PSSA), Keystone Exam results, and 4-Year Cohort Graduation Rates for the District obtained from PDE's data files for the 2014-15 and 2015-16 school years.¹ These scores are provided in the District's audit report for **informational purposes only**, and they were not audited by our Department. 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 chart.² Finally, 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.³

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 using a 0-100 scale for all school buildings in the Commonwealth annually, which is calculated based on standardized testing (i.e. PSSA and Keystone exams), 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.

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 schools were put on hold due to changes with PSSA testing.⁴ PDE resumed issuing a SPP score for all schools for the 2015-16 school year.

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 and Math. 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.

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'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.

³ 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.

⁴ According to PDE, SPP scores for elementary and middle schools were put on hold for the 2014-15 school year due to the state's major overhaul of PSSA exams to align with state Common Core standards and an unprecedented drop in public schools' PSSA scores that year. Since PSSA scores are an important factor in the SPP calculation, the state decided not to use PSSA scores to calculate a SPP score for elementary and middle schools for the 2014-15 school year. Only high schools using the Keystone Exam as the standardized testing component received a SPP score.

The 2014-15 school year marked the first year that PSSA testing was aligned to the more rigorous PA Core Standards.⁵ 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 at least 2020. 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.

What is a 4-Year Cohort Graduation Rate?

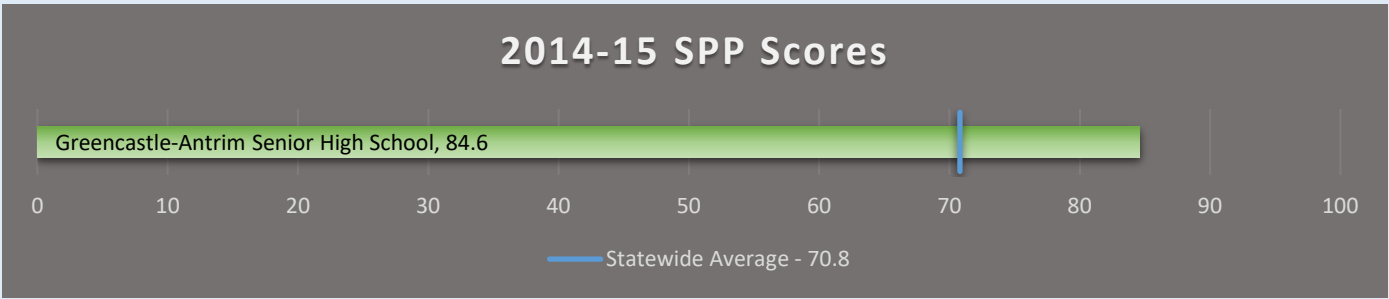
PDE collects enrollment and graduate data for all Pennsylvania public schools, which is used to calculate graduation rates. Cohort graduation rates are a calculation of the percentage of students who have graduated with a regular high school diploma within a designated number of years since the student 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.⁶

⁵ PDE has determined that PSSA scores issued beginning with the 2014-15 school year and after are not comparable to prior years due to restructuring of the exam. (Also, see footnote 4).

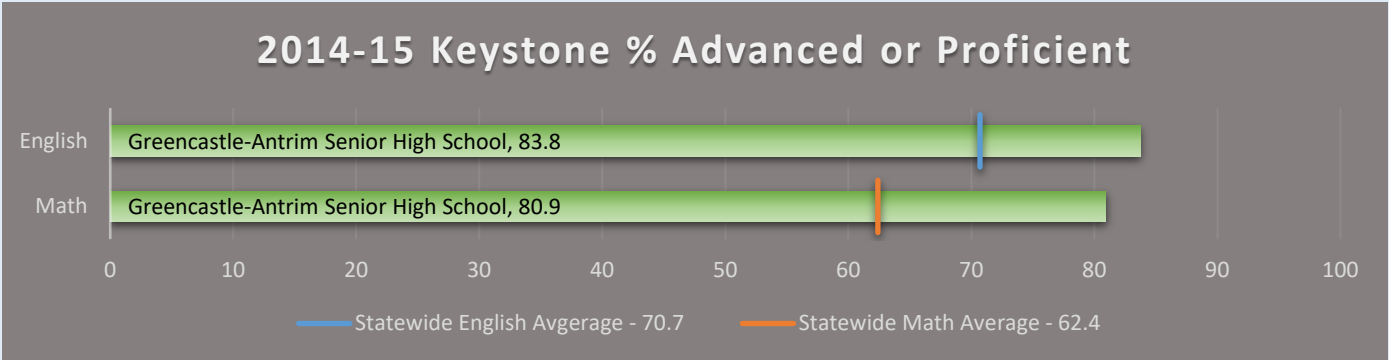
⁶ PDE also calculates 5-year and 6-year cohort graduation rates. Please visit PDE's website for additional information: <http://www.education.pa.gov/Data-and-Statistics/Pages/Cohort-Graduation-Rate-.aspx>.

2014-15 Academic Data
School Scores Compared to Statewide Averages

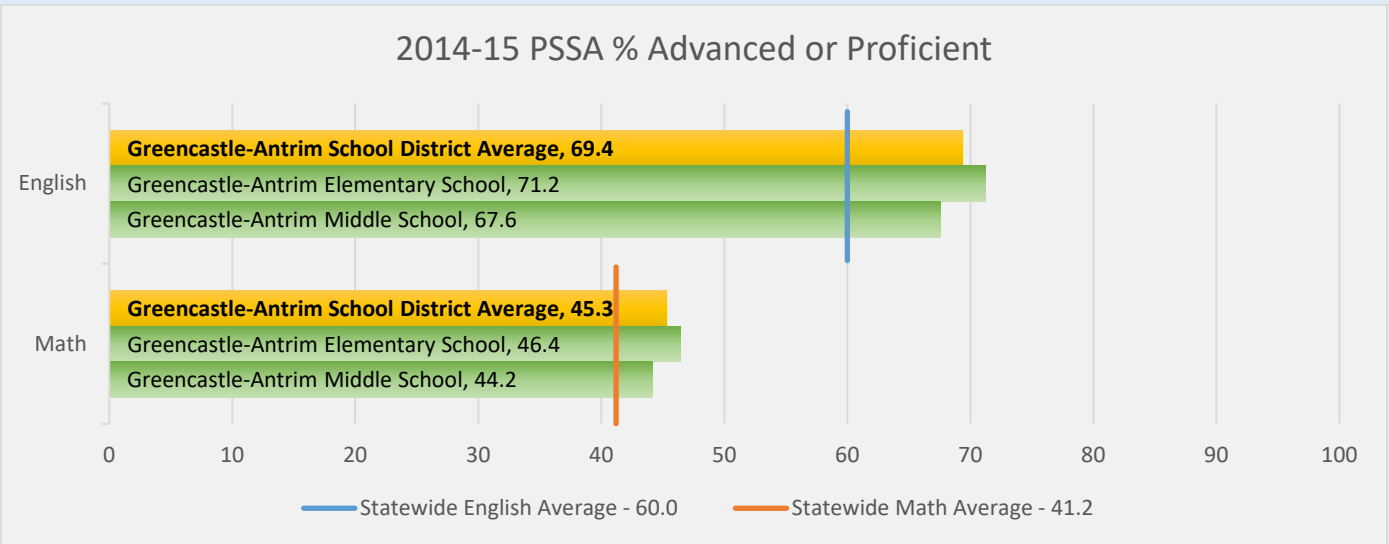
2014-15 SPP Scores



2014-15 Keystone % Advanced or Proficient

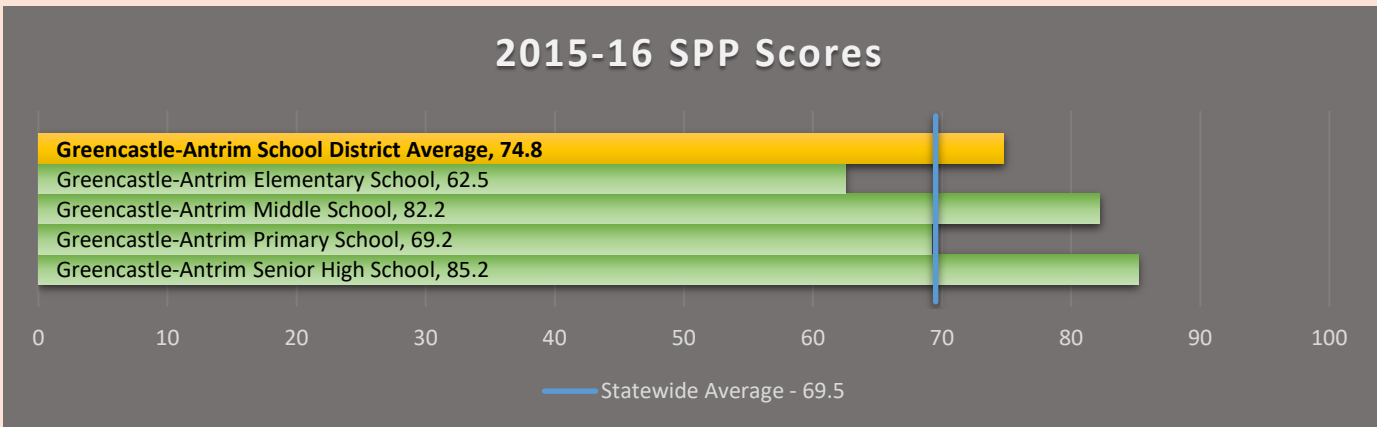


2014-15 PSSA % Advanced or Proficient

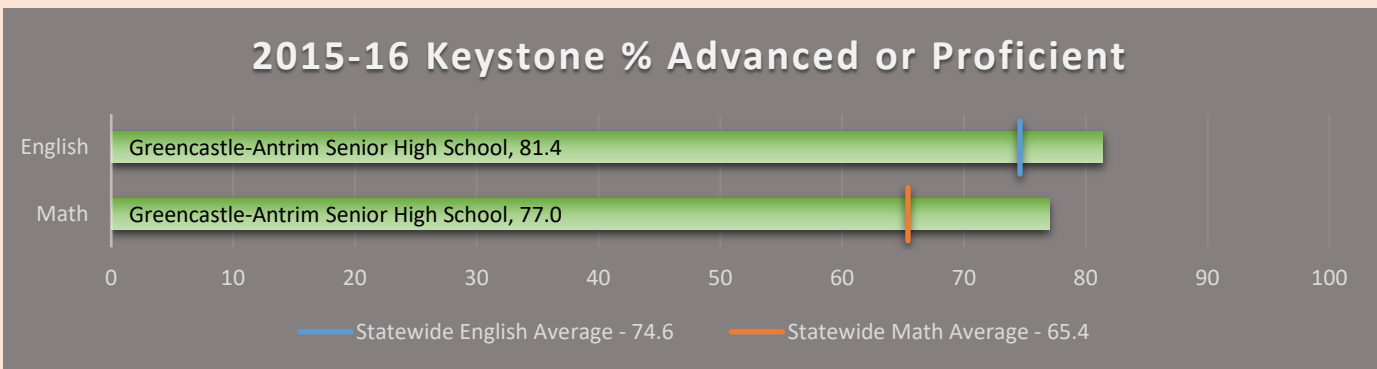


2015-16 Academic Data
School Scores Compared to Statewide Averages

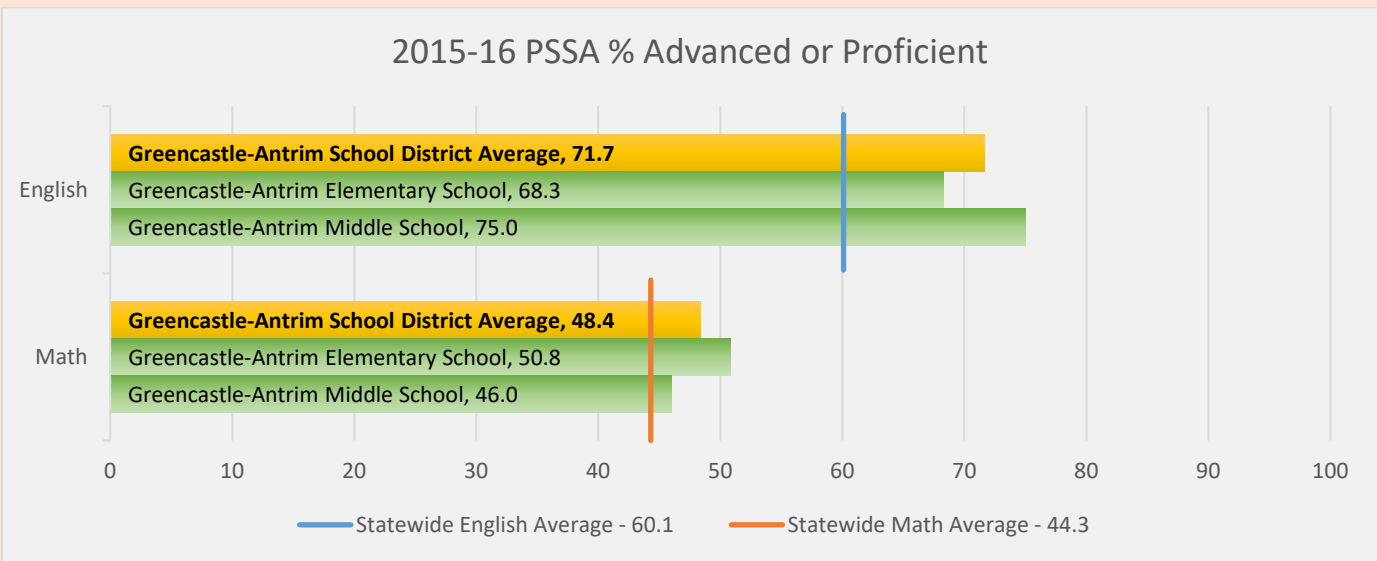
2015-16 SPP Scores



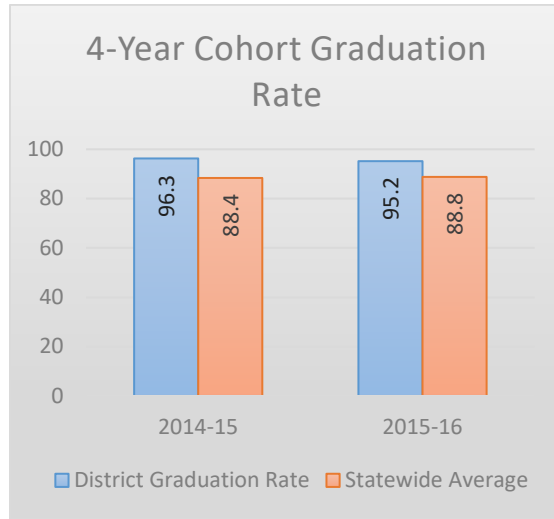
2015-16 Keystone % Advanced or Proficient



2015-16 PSSA % Advanced or Proficient



4-Year Cohort Graduation Rate



Finding(s)

Finding

The District Incorrectly Reported the Number of Nonpublic Students Transported Resulting in an Overpayment of \$7,315

Criteria relevant to the finding:

Section 2509.3 of the Public School Code (PSC) provides that each school district shall receive a supplemental transportation payment of \$385 for each nonpublic school student transported. *See* 24 P.S. § 25-2509.3.

Nonpublic school pupils are children whose parents are paying tuition for them to attend a nonprofit or parochial school.

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 the Pennsylvania Department of Education (PDE) in order to be eligible for the transportation subsidies. 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.” (Emphasis added.) *See* 24 P.S. § 25-2543.

The Greencastle-Antrim School District (District) was overpaid \$7,315 in transportation reimbursement from the Pennsylvania Department of Education (PDE). This overpayment was due to the District incorrectly reporting the number of nonpublic students transported by the District during the 2012-13 through 2015-16 school years.

According to the Public School Code (PSC), a nonpublic school is defined, in part, as a nonprofit school other than a public school within the Commonwealth.⁷ If school districts provide transportation services to students who reside in the district, the PSC requires school districts to provide the transportation services to students who reside in its district and who attend nonpublic schools, and it provides for a reimbursement from the Commonwealth of \$385 for each nonpublic school student transported by the District.

During our review of the District’s transportation data reported to PDE for the 2012-13 through 2015-16 school years, we found that the amount of nonpublic students transported was incorrect for each school year. The District maintained individual bus rosters that identified the nonpublic students transported by the District. However, the District failed to accurately compile and report to PDE the total nonpublic students transported for each year of our audit period.

⁷ *See* Section 922.1-A(b) (pertaining to “Definitions”) of the PSC, 24 P.S. § 9-922.1-A(b).

The following chart summarizes the District’s nonpublic student reporting errors made in during the 2012-13 through 2015-16 school years and the resulting net overpayment.

Greencastle-Antrim School District Cost of Incorrectly Reporting Nonpublic Students				
School Year	Nonpublic Students Reported by District	Nonpublic Students Audited Total	Number of Students Incorrectly Reported	Overpayment/ (Underpayment) ⁸
2012-13	135	112	23	\$8,855
2013-14	123	130	(7)	(\$2,695)
2014-15	152	133	19	\$7,315
2015-16	<u>101</u>	<u>117</u>	<u>(16)</u>	<u>(\$6,160)</u>
Total	511	492	19	\$7,315

Criteria relevant to the finding (continued):

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

The District did not have procedures established to compile an annual total of nonpublic students transported from individual bus rosters. Requiring this total to be compiled annually and internally reconciled to source documents prior to submission to PDE would have helped to identify these errors. As a result of our audit, District officials informed us that they are in the process of developing new procedures to help ensure that all nonpublic students who are provided transportation by the District are properly accounted for and accurately reported to PDE.

We provided PDE with reports detailing the discrepancies we identified for the 2012-13, 2013-14, 2014-15, and 2015-16 school years. PDE can use these reports to adjust the District’s future transportation subsidy to recover the overpayment.

Recommendations

The *Greencastle-Antrim School District* should:

1. Require that an annual total of nonpublic students is compiled from individual bus rosters.
2. Conduct an annual reconciliation of nonpublic students transported and identified on bus rosters to source documentation (requests for transportation).

⁸ Calculated by multiplying “number of nonpublic students incorrectly reported” by \$385.

3. Conduct annual multi-year trend analyses of student transportation data and transportation subsidies to help identify unexpected fluctuations and investigate the results of the analyses to provide additional assurance that data is accurately reported to PDE.

The *Pennsylvania Department of Education* should:

4. Adjust the District's future transportation allocations to recover the overpayment of \$7,315.

Management Response

The District's Superintendent and business manager acknowledged agreement with the finding on March 13, 2018. However, the District did not respond specifically to our recommendations and potential corrective action to these recommendations.

Auditor Conclusion

We encourage the District to implement our recommendations to help ensure that it reports accurate transportation data to PDE and is reimbursed accurately in accordance with the PSC.

Status of Prior Audit Findings and Observations

Our prior audit of the Greencastle-Antrim School District resulted in no findings or observations.

Distribution List

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

The Honorable Tom W. Wolf

Governor
Commonwealth of Pennsylvania
Harrisburg, PA 17120

The Honorable Pedro A. Rivera

Secretary of Education
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Harrisburg, PA 17126

The Honorable Joe Torsella

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Mr. Nathan Mains

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Pennsylvania School Boards Association
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Mechanicsburg, PA 17050

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