

PERFORMANCE AUDIT

Southern Tioga School District Tioga County, Pennsylvania

September 2021



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

Mr. Samuel A. Rotella, Jr., Superintendent
Southern Tioga School District
310 Morris Street
Blossburg, Pennsylvania 16912

Mr. Stephen Guillaume, Board President
Southern Tioga School District
310 Morris Street
Blossburg, Pennsylvania 16912

Dear Mr. Rotella and Mr. Guillaume:

We have conducted a performance audit of the Southern Tioga 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
- Nonresident Student Data
- Bus Driver Requirements
- Administrator Separations

We also evaluated the application of best practices and determined compliance with certain requirements in the area of school safety, including compliance with fire and security drill requirements. 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 a \$66,605 Overpayment in Supplemental Transportation Reimbursements

In addition, we identified internal control deficiencies in the areas of nonresident student data, bus driver requirements, and administrator separations that were not significant but warranted attention of District management and those charged with governance. These deficiencies were communicated to District management and those charged with governance for their consideration.

Mr. Samuel A. Rotella, Jr.

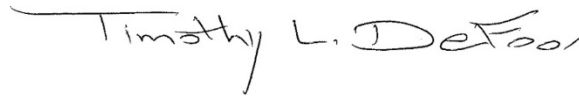
Mr. Stephen Guillaume

Page 2

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 other 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 long horizontal line extending to the left of the first name.

Timothy L. DeFoor
Auditor General

September 14, 2021

cc: **SOUTHERN TIOGA SCHOOL DISTRICT** Board of School Directors

Table of Contents

	Page
Background Information	1
Finding	6
Finding – The District’s Failure to Implement an Adequate Internal Control System Resulted in a \$66,605 Overpayment in Supplemental Transportation Reimbursements	6
Status of Prior Audit Findings and Observations	10
Appendix A: Audit Scope, Objectives, and Methodology	12
Appendix B: Academic Detail	18
Distribution List	22

Background Information

School Characteristics 2020-21 School Year*	
County	Tioga
Total Square Miles	485
Number of School Buildings	5
Total Teachers	153
Total Full or Part-Time Support Staff	138
Total Administrators	10
Total Enrollment for Most Recent School Year	1,731
Intermediate Unit Number	17
District Career and Technical School	N/A

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

Mission Statement*

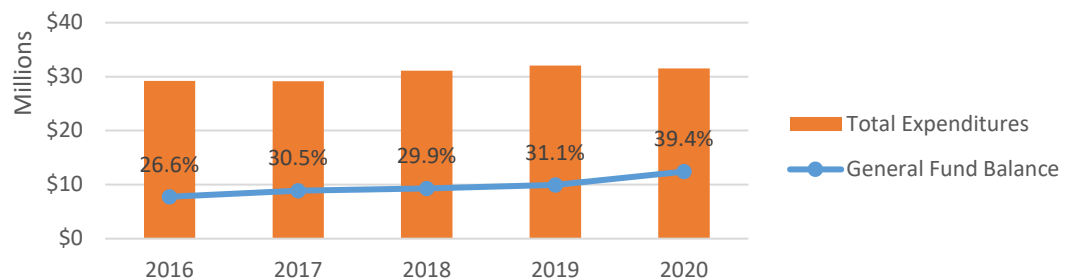
Vision Statement – Learner Driven

Financial Information

The following pages contain financial information about the Southern Tioga 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**.

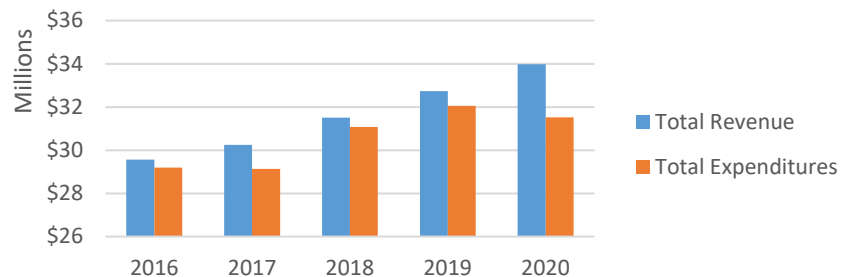
General Fund Balance as a Percentage of Total Expenditures

	General Fund Balance
2016	\$7,762,062
2017	\$8,876,634
2018	\$9,297,798
2019	\$9,973,099
2020	\$12,421,050



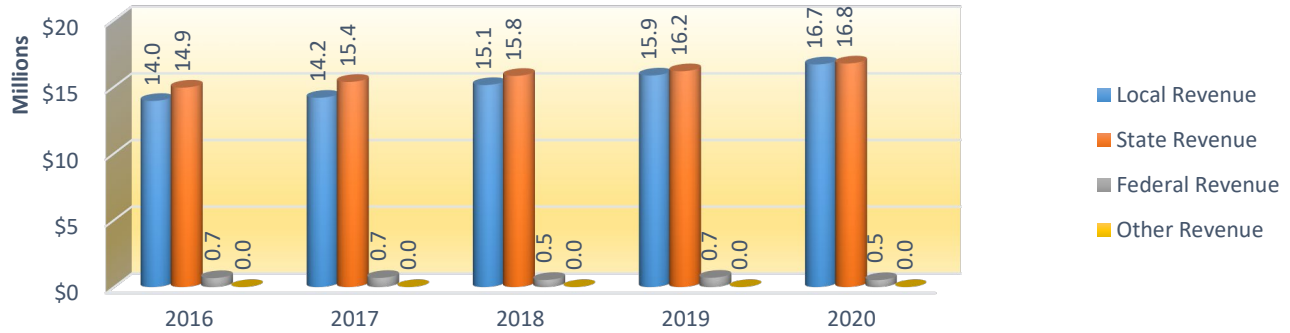
Revenues and Expenditures

	Total Revenue	Total Expenditures
2016	\$29,570,217	\$29,198,108
2017	\$30,251,268	\$29,136,695
2018	\$31,502,491	\$31,081,328
2019	\$32,733,688	\$32,058,387
2020	\$33,973,552	\$31,525,601

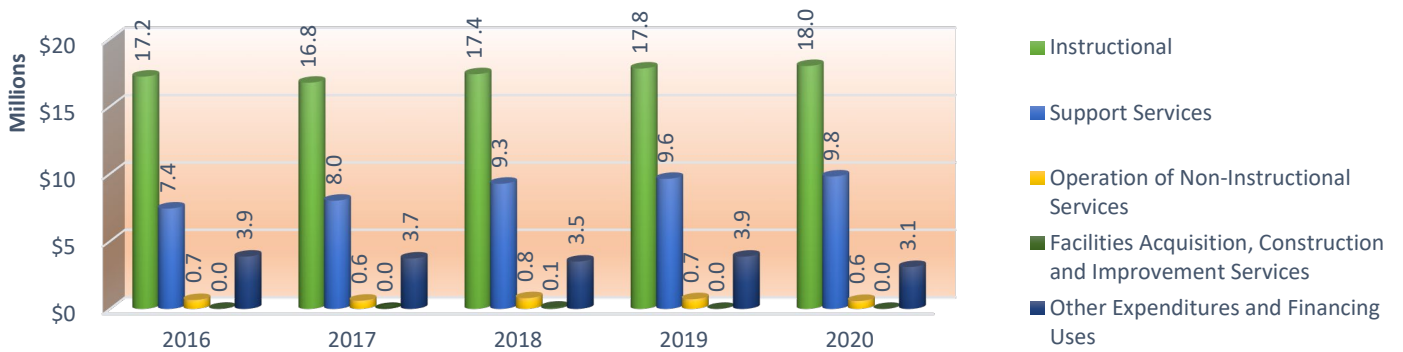


Financial Information Continued

Revenues by Source

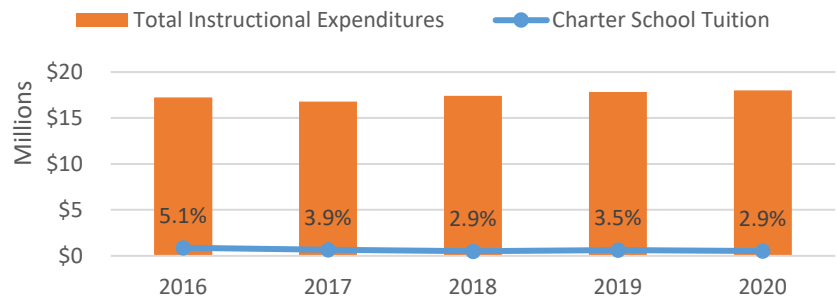


Expenditures by Function

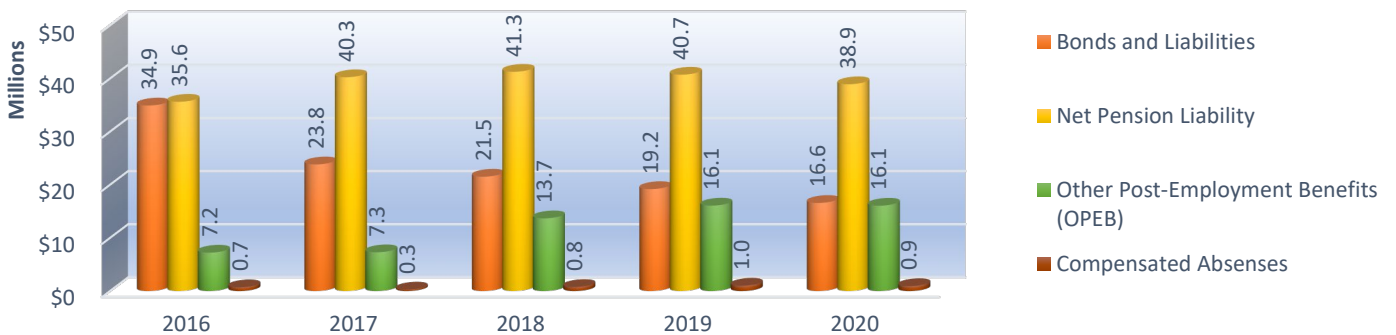


Charter Tuition as a Percentage of Instructional Expenditures

	Charter School Tuition	Total Instructional Expenditures
2016	\$879,000	\$17,231,705
2017	\$650,426	\$16,778,425
2018	\$506,163	\$17,410,886
2019	\$630,436	\$17,832,642
2020	\$519,194	\$18,020,156



Long-Term Debt

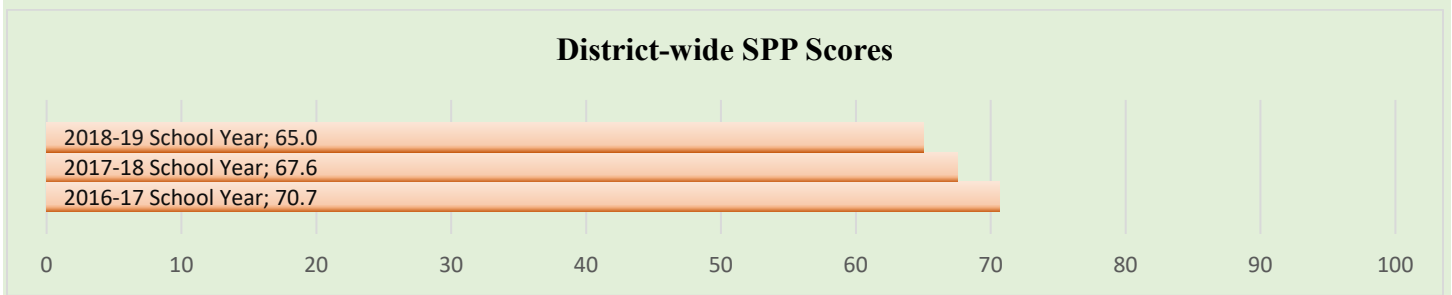


Academic Information¹

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

What is a SPP score?

A SPP score serves as a benchmark for schools to reflect on successes, achievements, and yearly growth. PDE issues a SPP score annually using a 0-100 scale for all school buildings in the Commonwealth, which is calculated based on standardized testing (i.e., PSSA and Keystone exam scores), student improvement, advance course offerings, and attendance and graduation rates. Generally speaking, a SPP score of 70 or above is considered to be a passing rate.⁴



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

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

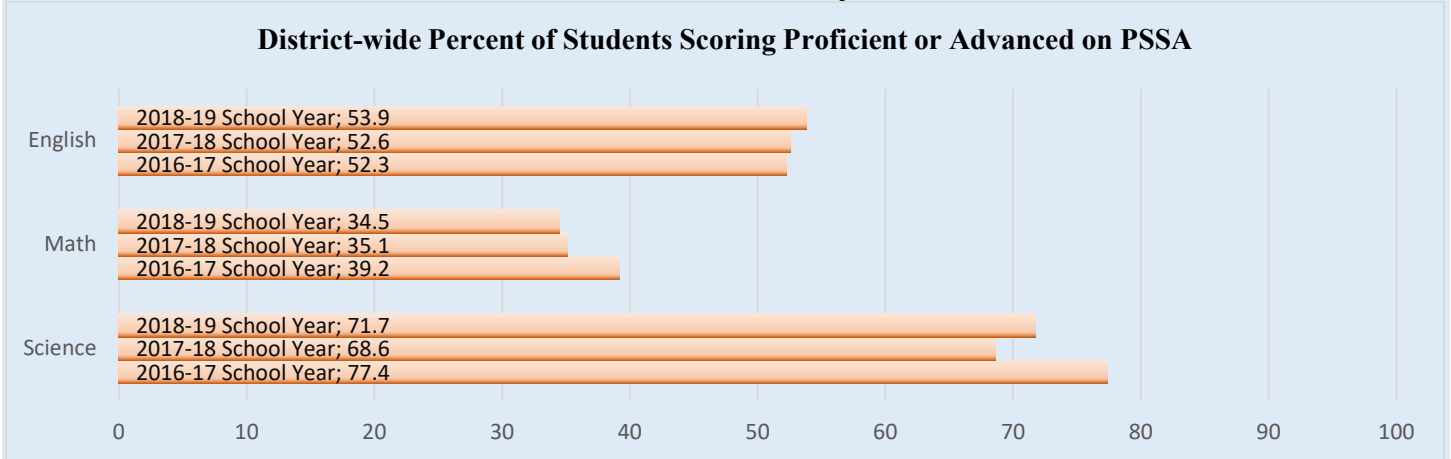
⁴ PDE started issuing a SPP score for all public school buildings beginning with the 2012-13 school year. For the 2014-15 school year, PDE only issued SPP scores for high schools taking the Keystone Exams as scores for elementary and middle scores were put on hold due to changes with PSSA testing. PDE resumed issuing a SPP score for all schools for the 2015-16 school year.

Academic Information Continued

What is the PSSA?

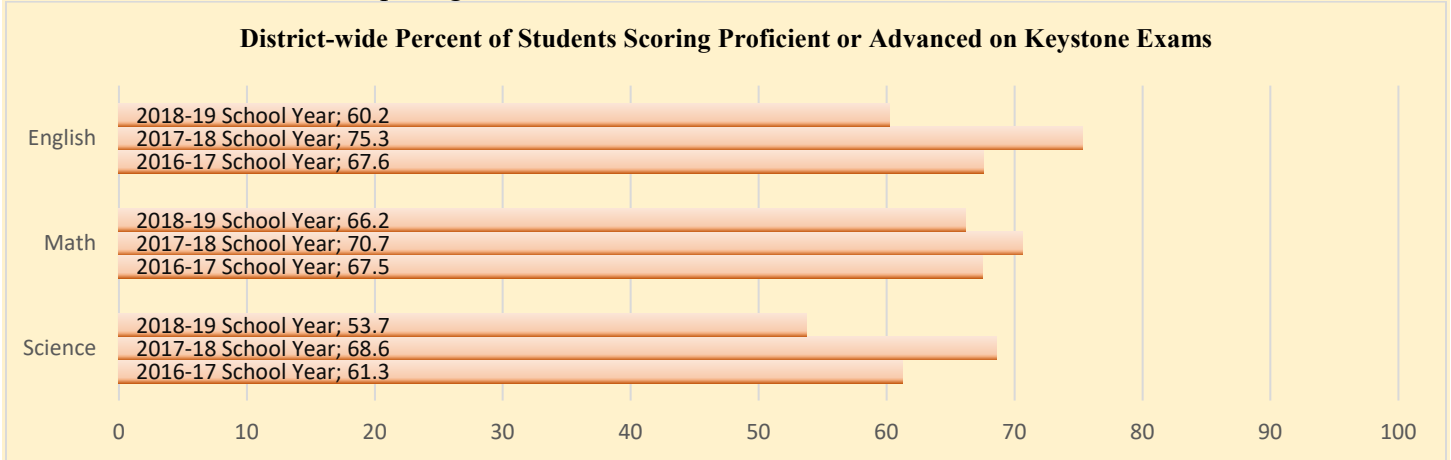
The PSSA is an annual, standardized test given across the Commonwealth to students in grades 3 through 8 in core subject areas, including English, Math and Science. The PSSAs help Pennsylvania meet federal and state requirements and inform instructional practices, as well as provide educators, stakeholders,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



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.⁵ 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.

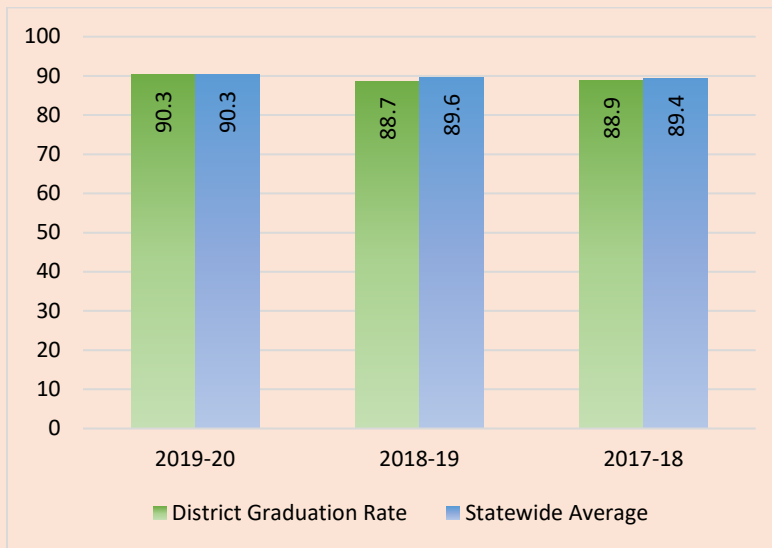


⁵ Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1). Please refer to the following link regarding further guidance to local education agencies (LEAs) 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.⁶



⁶ 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 \$66,605 Overpayment in Supplemental Transportation Reimbursements

Criteria relevant to the finding:

Supplemental Transportation Subsidy for Nonpublic School Students

Section 2509.3 of the Public School Code 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.

Number of Nonpublic School Pupils Transported

<https://www.education.pa.gov/Documents/Teachers-Administrators/Pupil%20Transportation/eTran%20Application%20Instructions/PupilTransp%20Instructions%20PDE-2089%20SummPupilsTransp.pdf> (accessed on July 14, 2021)

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 Southern Tioga School District (District) did not implement an adequate internal control system over the categorization and reporting of supplemental transportation data. Consequently, the District inaccurately reported the number of nonpublic school students it transported during the 2016-17 through 2019-20 school years which resulted in the District receiving a \$66,605 overpayment in supplemental transportation reimbursements from the Pennsylvania Department of Education (PDE).⁷

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 based on the number of nonpublic school and charter school students transported at any time during the school year. The errors identified in this finding pertain to the District's supplemental transportation reimbursement received.

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.⁸ The PSC requires school districts to provide transportation services to students who reside in its district and who attend a nonpublic school, and it provides for a reimbursement from the Commonwealth of \$385 for each nonpublic school student transported by the district. If a district transports one nonpublic school student for one day, the district is eligible for the \$385 reimbursement.

It is essential for the District to properly identify nonpublic students that it transports, maintain records to support the total number of nonpublic students transported throughout the school year, and report accurate nonpublic school student data to PDE. Therefore, the District should have a strong system of internal control over supplemental transportation

⁷ The District did not report any charter school students as transported during the audit period.

⁸ See Section 921.1-A(b) (relating to "Definitions") of the PSC, 24 P.S. § 9-922.1-A(b).

operations that should include, but not be limited to, the following:

- Training on PDE reporting requirements.
- Segregation of duties.
- Written procedures.

It is also important to note that the PSC requires that all school districts must annually file with PDE a sworn statement of student transportation data for the prior and current school years in order to be eligible for transportation reimbursements.⁹ 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 to provide it with the confidence it needs to sign the sworn statement.

Nonpublic School Student Reporting Errors

We found that the District inaccurately reported the number of nonpublic school students it transported for each year of the audit period as detailed in the table below.

Southern Tioga School District Nonpublic School Student Reporting Errors		
School Year	No. of Students Overreported ¹⁰	Overpayment ¹¹
2016-17	48	\$18,480
2017-18	49	\$18,865
2018-19	40	\$15,400
2018-19	36	\$13,860
Total	173	\$66,605

Every school year, the District must obtain a written request to transport each nonpublic school student from the parent/guardian. The District must also maintain this documentation as support for the number of students it reports to PDE. Without this documentation, the District cannot include these students in its reported total number transported. We determined that the District could not provide documentation that it actually transported the 173 students identified in the table above as nonpublic students. Therefore, we concluded that the District overreported this number to PDE which led to a \$66,605 overpayment.

⁹ See 24 P.S. § 25-2543.

¹⁰ The District reported a total of nonpublic school students transported in each school year as follows: 1) 66 students in 2016-17, 2) 52 students in 2017-18, 3) 47 students in 2018-19, and 4) 41 students in 2019-20.

¹¹ Calculated by multiplying the “No. of Students Overreported” column by \$385.

Significant Internal Control Deficiencies

Our review revealed that the District did not have adequate controls over the process of categorizing students transported and reporting supplemental transportation data to PDE. Specifically, we found that the District did not implement adequate segregation of duties when it assigned responsibility to only one employee for determining the total number of nonpublic school students transported throughout the year and reporting that data to PDE. Further, we found that the employee responsible for these tasks did not receive adequate training on PDE reporting requirements. Finally, the District did not have detailed written procedures to help ensure the accurate reporting of supplemental transportation data.

Future Reimbursement Adjustment: We provided PDE with reports detailing the transportation data reporting errors for the 2016-17 through 2019-20 school years. We recommend that PDE adjust the District's future transportation reimbursement amounts by the \$66,605 that we identified as an overpayment.

Recommendations

The *Southern Tioga School District* should:

1. Develop and implement an internal control system governing the process for reporting accurate data to PDE in order to receive the supplemental transportation reimbursement. The internal control system should include, but not be limited to, the following:
 - All personnel involved with categorizing, reviewing, and reporting supplemental transportation data are trained on PDE's reporting requirements.
 - A review of transportation data is conducted by an employee other than the employee who prepared the data before it is submitted to PDE.
 - Written procedures are developed to document the procedures for supplemental transportation data calculations and reporting the data to PDE.
2. Review the nonpublic school students reported for the 2020-21 school year, and if errors are found, submit revised reports to PDE.

The *Pennsylvania Department of Education* should:

3. Adjust the District's future allocations to resolve the \$66,605 overpayment to the District.

Management Response

District management provided the following response:

“The district did not have proper internal controls regarding supplemental transportation reimbursement for nonpublic student transportation data. The district did have some data available and would roll students from year to year that had made a request in the past, however, this does not meet all PDE supporting documentation requirements.

Corrective action has already been implemented for the nonpublic student transportation data with the 2020-21 school year. The district has developed the below written procedure for nonpublic school data.

At the beginning of the school year, each nonpublic school will be required to provide a list of students that need transportation. Any students enrolling in nonpublic school after the start of school year will be required to complete a ‘Private School Registration Transportation Request’. This form is only completed if a student needs transportation. The transportation request verifies the student resides in our district and provides emergency contacts for the bus roster.

The 2020-21 transportation data has not been submitted to PDE yet. It is due September 25th and will be reviewed by transportation staff and the Business Manager.

The district will provide for an additional level of internal control by having another district office employee review transportation data before final submission for subsidy.

Furthermore, the Business Manager will identify ongoing professional development opportunities offered through Pennsylvania Association of School Business Officials (PASBO) and be sure all involved personnel from the business office attend.”

Auditor Conclusion

We are encouraged that the District is taking appropriate measures to implement our recommendations along with other corrective actions. We will determine the effectiveness of the District’s corrective actions during our next audit of the District.

Status of Prior Audit Findings and Observations

Our prior audit of the Southern Tioga School District (District) released on November 5, 2015, resulted in one finding, as shown below. As part of our current audit, we determined the status of corrective action taken by the District to implement our prior audit recommendations. We interviewed District personnel and performed audit procedures as detailed in each status section below.

Auditor General Performance Audit Report Released on November 5, 2015

Prior Finding: **In School Year 2013-14, the District Paid Over \$71,000 to Its Former Superintendent as a Buy-out of His Contract. In Addition, More Than \$43,000 of Payments Were Improperly Reported as Eligible Retirement Wages**

Prior Finding Summary: Our prior audit of the District found that the Board of School Directors (Board) entered into an “Approved Leave of Absence and Separation Agreement” (Separation Agreement) with the former Superintendent. The Separation Agreement granted a medical leave of absence effective February 1, 2014 through June 30, 2014, followed by immediate separation from the District.

As part of this Separation Agreement, the Board agreed to pay the former Superintendent \$71,070 through the District as a total and complete buy-out of all contract obligations, equal to eight months of compensation based on his school year 2013-14 salary of \$106,605 without disclosing the benefit, if any, the District received in exchange for the \$71,010 it paid to the former Superintendent.

Also, the District’s administration improperly reported \$43,296 of the former Superintendent’s compensation to the Public School Employees’ Retirement System (PSERS) for inclusion in his retirement even though this compensation was ineligible under the guidelines outlined in PSERS *Employer Reference Manual*.

Prior Recommendations: We recommended that the District should:

1. Implement procedures for timely review of salary and contribution reports to ensure that only eligible compensation is reported to PSERS for retirement contributions.
2. Disclose in advance to the general public the reasons for entering into agreements with soon-to-be retired or former employees, such as superintendents.
3. Include a stipulation in future buy-out agreements, if any, to ensure a prorated portion of the buy-out would be returned if subsequent employment is attained.

We also recommended that PSERS should:

4. Review the propriety of the \$43,296 that was paid to the former Superintendent while on medical leave of absence and make any necessary adjustments.

Current Status:

We found that the District did not enter into any separation agreements during the audit period; therefore, the District did not have an opportunity to implement our second and third recommendations. However, we found that the District did not implement our first recommendation to develop and utilize procedures for the timely review of salary and contribution reports to ensure that only eligible compensation is reported to PSERS for retirement calculation purposes. We reiterate our prior recommendation and encourage the District to take action to implement it. Finally, we found that PSERS reviewed the propriety of the payment to the former Superintendent and did not make any adjustments.

Appendix A: Audit Scope, Objectives, and Methodology

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

Our audit, conducted under authority of Sections 402 and 403 of The Fiscal Code,¹² 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, Nonresident Student Data, Bus Driver Requirements, Administrator Separations, 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.¹³ *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.¹⁴ 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.

¹² 72 P.S. §§ 402 and 403.

¹³ 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.

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

Figure 1: Green Book Hierarchical Framework of Internal Control Standards

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

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

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

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

Figure 2 – Internal Control Components and Principles Identified as Significant

Principle →	Internal Control Significant ?	Control Environment					Risk Assessment					Control Activities			Information and Communication			Monitoring	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
General/overall	Yes	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	
Transportation	Yes				X			X	X		X		X	X	X	X	X		
Bus Drivers	Yes										X		X			X	X		
Nonresident Student Data	Yes				X			X	X		X		X	X	X	X			
Administrator Separations	Yes										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?¹⁵
 - ✓ To address this objective, we assessed the District's internal controls for obtaining, processing, and reporting transportation data to PDE. We randomly selected 10 of 61 vehicles used to transport District students during the 2017-18 school year.¹⁶ First, we reconciled the District's sample average calculation to the data reported to PDE for agreement. We then verified the accuracy of miles and students transported to the supporting odometer readings (miles) and student rosters to determine if the source documents agreed with the data contained in the sample average worksheet. School calendars were obtained to determine if the number of days transportation was provided agreed with the days reported to PDE. Additionally, we reviewed all nonpublic school students reported to PDE as transported by the District during the 2016-17 through 2019-20 school years.¹⁷ We obtained individual requests for transportation for each student reported for each school year to determine the accuracy of the data reported to PDE and to verify that the District was accurately reimbursed for these students.

Conclusion: The results of our procedures identified 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.

¹⁵ See 24 P.S. § 2541(a).

¹⁶ 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.

¹⁷ The district reported 66 nonpublic school students in 2016-17, 52 nonpublic school students in 2017-18, 47 nonpublic school students in 2018-19, and 41 nonpublic school students in 2019-20.

Nonresident Student Data

- Did the District accurately report nonresident students to PDE? Did the District receive the correct reimbursement for these nonresident students?¹⁸
 - ✓ To address this objective, we assessed the District’s internal controls for the inputting, processing, and reporting of the nonresident foster student membership data. We reviewed all eight nonresident foster students reported as educated by the District during the 2018-19 school year. We verified that each nonresident foster student’s custodial parent or guardian was not a resident of the District, the foster parents were residents of the District, and the foster parents received a stipend for the care of the student by reviewing the agency placement letters. The student listings were compared to the days reported on the *Membership Summary and Instructional Time and Membership Reports* to determine if the District accurately reported nonresident foster student data to PDE and that the District received the correct reimbursement for these students.

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

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 clearances¹⁹ as outlined in applicable laws?²⁰ 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 of School Directors (Board). We randomly selected 38 of the 76 contracted drivers who transported District students during the 2020-21 school year.²¹ We reviewed documentation to ensure the District complied with the requirements for those bus 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

¹⁸ See 24 P.S. §§ 13-1301, 13-1302, 13-1305, 13-1306; 22 Pa. Code Chapter 11.

¹⁹ 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.

²⁰ 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.

²¹ 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.

communicated to District management and those charged with governance for their consideration.

Administrator Separations

- Did the District ensure that all individually contracted employees who separated employment from the District were compensated in accordance with their contract? Also, did the contacts comply with the Public School Code and were the final payments in compliance with the Public School Employees' Retirement System (PSERS) guidelines?
 - ✓ To address this objective, we assessed the District's internal controls for processing the final payments to individually contracted employees who separated employment from the District. We reviewed the employment contracts, payroll, and leave records for the one individually contracted administrator who separated employment from the District during the period of July 1, 2016 through June 30, 2020. We reviewed the final payouts to determine if the administrator was compensated in accordance with the contracts and that only eligible wages were reported to PSERS. We reviewed the board meeting minutes to verify if the Board complied with Section 508 of the Public School Code by voting to approve the administrator's separation from employment with the District.

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. These deficiencies were communicated to District management and those charged with governance for their consideration.

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?²² 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, school climate surveys, and memorandums of understanding with 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.

- Did the District comply with the fire and security drill requirements of Section 1517 of the Public School Code?²³ 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?

²² Safe Schools Act 24 P.S. § 13-1301-A *et seq.*, Emergency Management Services Code 35 Pa.C.S. § 7701.

²³ Public School Code (Fire and Security Drills) 24 P.S. § 15-1517.

- ✓ To address this objective, we obtained and reviewed the District's fire/security drills at all five District buildings for the 2018-19 and 2019-20 school years. We determined if a security drill was held within the first 90 days of the school year for each building in the District and if monthly fire drills were conducted in accordance with requirements. We also obtained the *Accuracy Certification Statement* that the District filed with PDE and compared the dates reported to the supporting documentation.

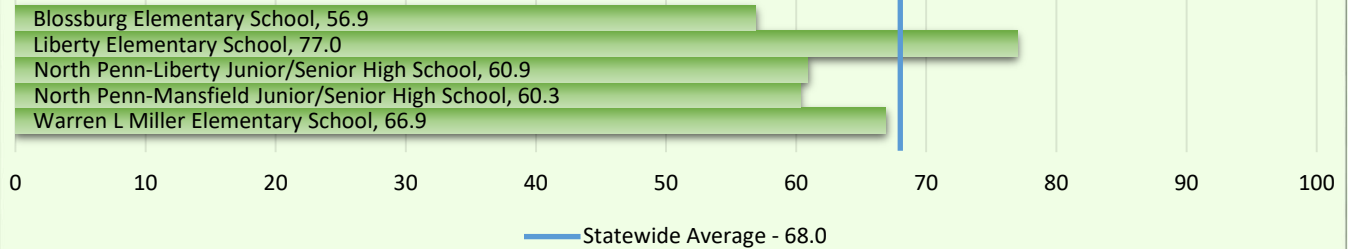
Conclusion: The results of our procedures for this portion of the school safety objective did not disclose any reportable issues.

Appendix B: Academic Detail

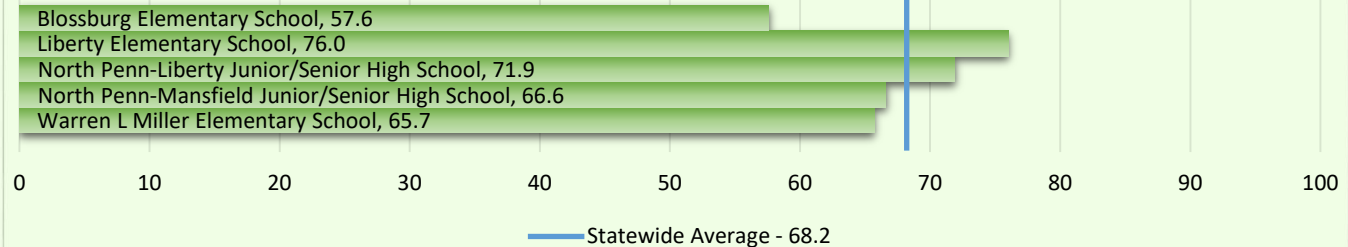
Benchmarks noted in the following graphs represent the statewide average of all public school buildings in the Commonwealth that received a score in the category and year noted.²⁴ Please note that if one of the District's schools did not receive a score in a particular category and year presented below, the school will not be listed in the corresponding graph.²⁵

SPP School Scores Compared to Statewide Averages

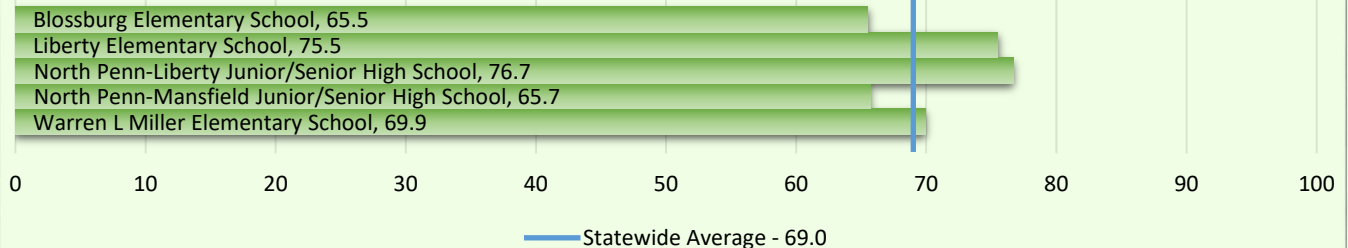
2018-19



2017-18



2016-17

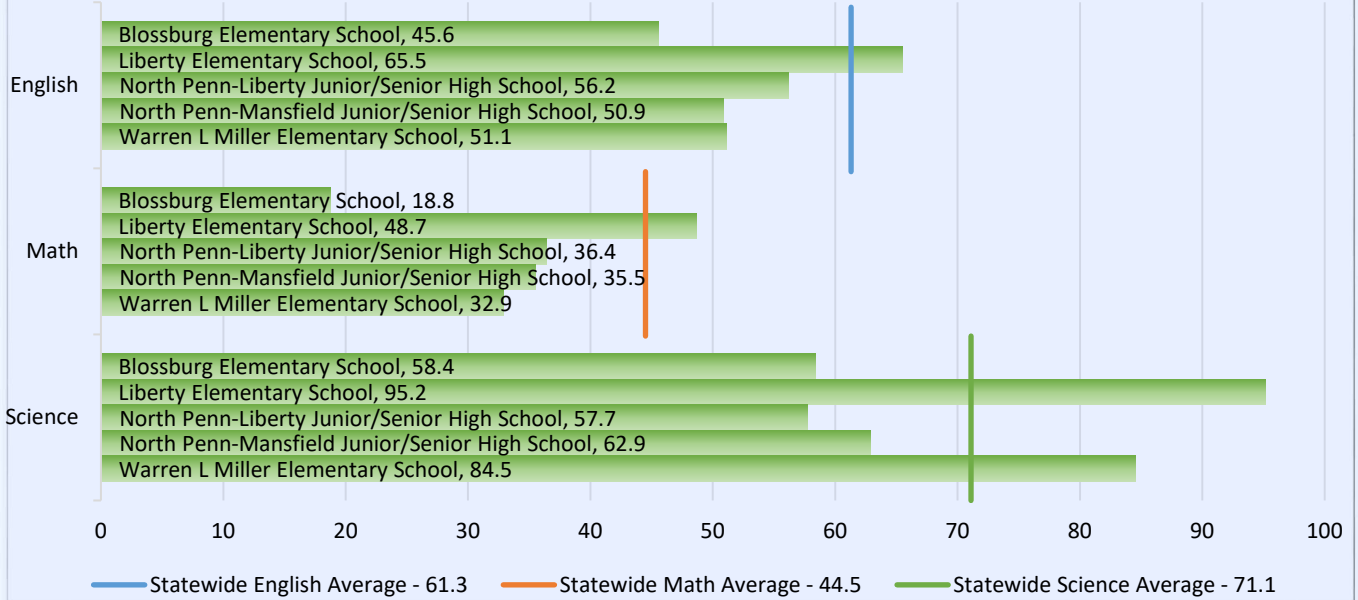


²⁴ Statewide averages were calculated by our Department based on individual school building scores for all public schools in the Commonwealth, including district schools, charters schools, and cyber charter schools.

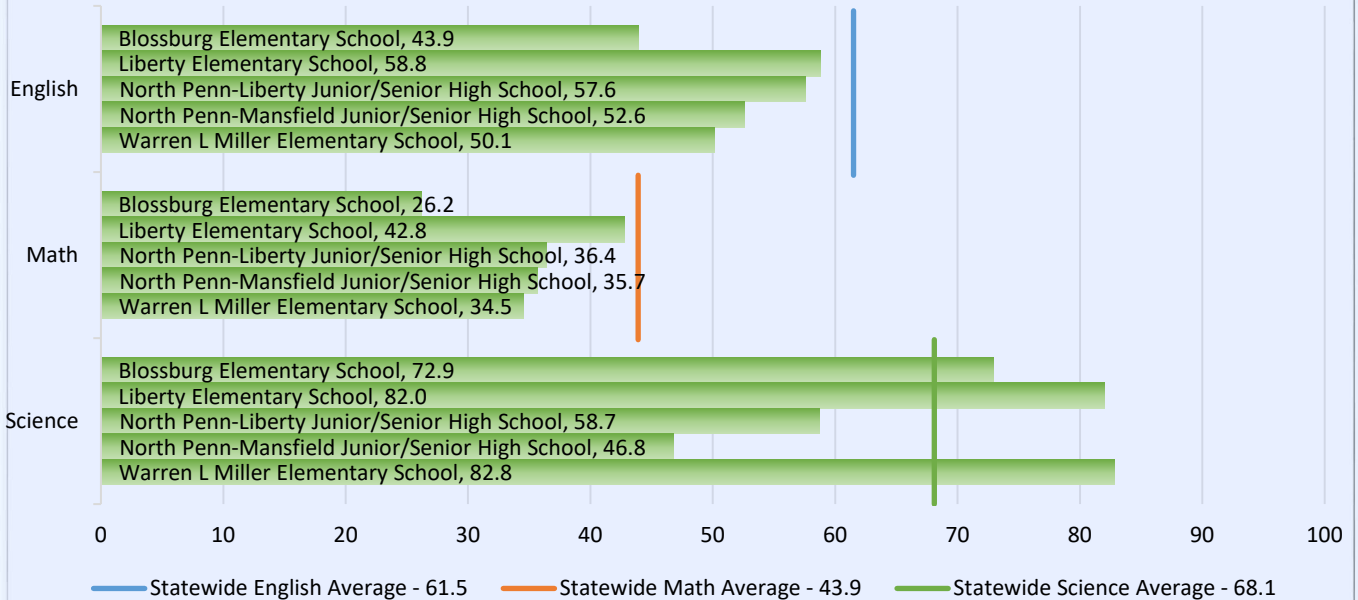
²⁵ PDE's data does not provide any further information regarding the reason a score was not published for a specific school. However, readers can refer to PDE's website for general information regarding the issuance of academic scores.

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

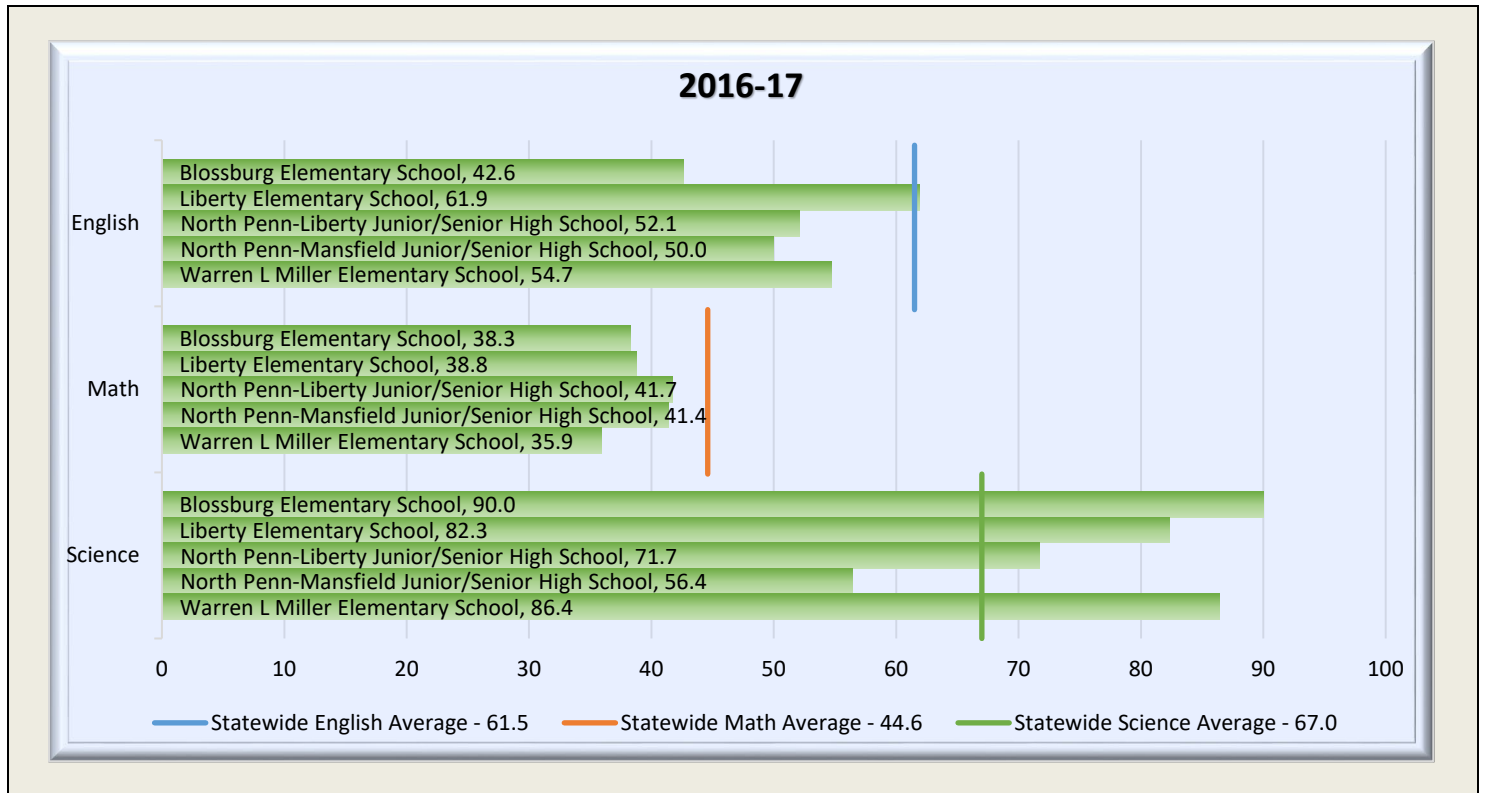
2018-19



2017-18

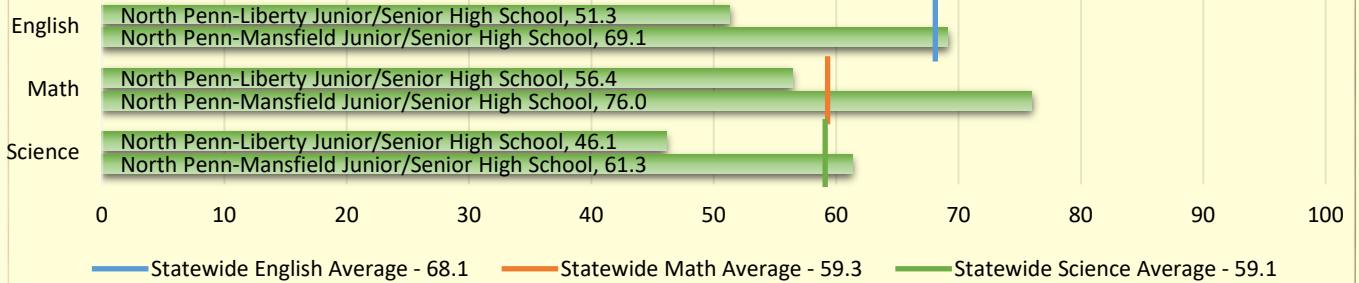


**PSSA Advanced or Proficient Percentage
School Scores Compared to Statewide Averages (continued)**

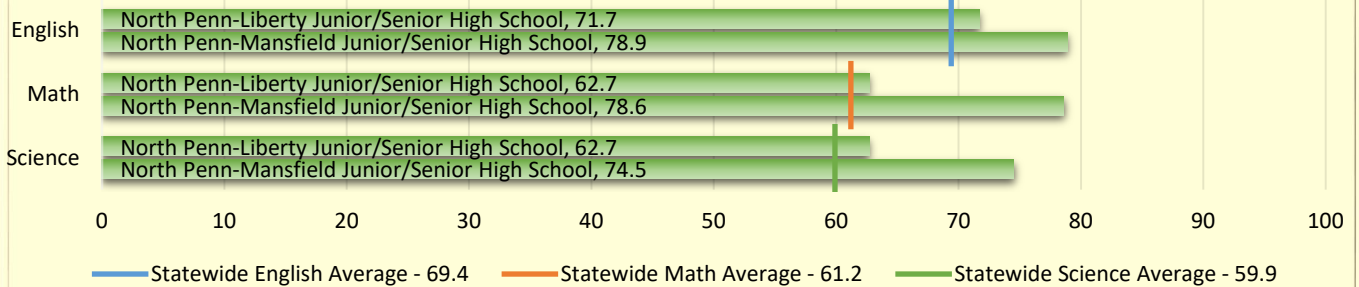


Keystone Advanced or Proficient Percentage School Scores Compared to Statewide Averages

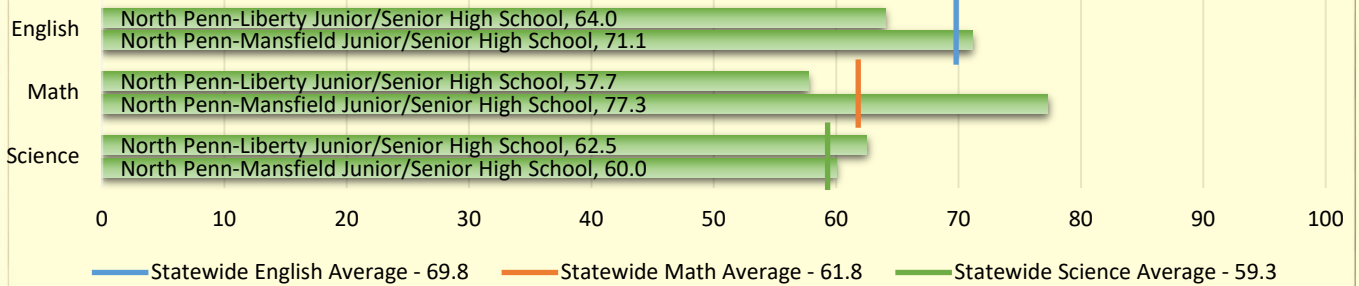
2018-19



2017-18



2016-17



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