

PERFORMANCE AUDIT

Central Cambria School District Cambria County, Pennsylvania

June 2016



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen

EUGENE A. DePASQUALE
AUDITOR GENERAL

Dr. Vincent DiLeo, Superintendent
Central Cambria School District
208 Schoolhouse Road
Ebensburg, Pennsylvania 15931

Dr. R. Scott Magley, Board President
Central Cambria School District
208 Schoolhouse Road
Ebensburg, Pennsylvania 15931

Dear Dr. DiLeo and Dr. Magley:

Our performance audit of the Central Cambria School District (District) evaluated the application of best practices in the areas of governance, safety, hiring, and other operational areas as noted. In addition, this audit determined the District's compliance with certain relevant state laws, regulations, contracts, grant requirements, and administrative procedures (relevant requirements). This audit covered the period July 1, 2012 through June 30, 2015, except as otherwise stated and was conducted pursuant to Section 403 of The Fiscal Code, 72 P.S. § 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 found that the District effectively applied best practices in the areas listed above and complied, in all significant respects, with relevant requirements, except as detailed in our two findings noted in this audit report. A summary of the results is presented in the Executive Summary section of the audit report.

Our audit findings and recommendations have been discussed with the District's management, and their responses are included in the audit report. We believe the implementation of our recommendations will improve the District's operations and facilitate compliance with legal and administrative requirements. 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".

Eugene A. DePasquale
Auditor General

June 2, 2016

cc: **CENTRAL CAMBRIA SCHOOL DISTRICT** Board of School Directors

Table of Contents

	Page
Executive Summary	1
Background Information	2
Findings and Observations	5
Finding No. 1 – Errors in the District’s Reporting of Transportation Expenditures Resulted in Underpayments of \$119,517	5
Finding No. 2 – District Failed to Ensure School Bus Drivers Met All Employment Requirements	7
Status of Prior Audit Findings and Observations	10
Appendix: Audit Scope, Objectives, and Methodology	11
Distribution List	14

Executive Summary

Audit Work

The Pennsylvania Department of the Auditor General conducted a performance audit of the District. Our audit sought to answer certain questions regarding the District's application of best practices and compliance with certain relevant state laws, regulations, contracts, grant requirements, and administrative procedures.

Our audit scope covered the period July 1, 2012 through June 30, 2015, except as otherwise indicated in the audit scope, objectives, and methodology section of the report. Compliance specific to state subsidies and reimbursements was determined for the 2012-13 and 2013-14 school years.

Audit Conclusion and Results

Our audit found that the District applied best practices and complied, in all significant respects, with certain relevant state laws, regulations, contracts, grant requirements, and administrative procedures, except for the two findings detailed within this report.

Finding No. 1: Errors in the District's Reporting of Transportation Expenditures Resulted in Underpayments of \$119,517. Our audit of the District's transportation contractor costs found that the District failed to have necessary review procedures in place that would have allowed them to notice that, in the 2012-13 school year, they failed to include the cost for four buses that transported the District's students. This error was compounded in the 2013-14 school year when District personnel were not aware that they reported the 2012-13

school year's contractor cost for the 2013-14 school year (see page 5).

Finding No. 2: District Failed to Ensure School Bus Drivers Met All Employment Requirements. Our audit of the District's contracted school bus drivers' qualifications for the 2015-16 school year found that the District's Business Manager did not comply with the Board of School Directors' (Board) approved policy. This policy requires the District to ensure all bus drivers have the required credentials and criminal history clearances before the drivers transport students. We found that 31 of the District's 42 contracted drivers failed to have on file one or more of the required bus driver qualification credentials and criminal history reports/clearances (see page 7).

Status of Prior Audit Findings and Observations. There were no findings or observations in our prior audit report.

Background Informationⁱ

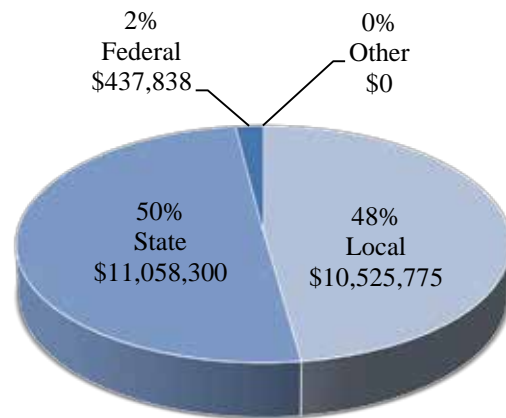
School Characteristics 2014-15 School Year ⁱⁱ	
County	Cambria
Total Square Miles	99
Resident Population ⁱⁱⁱ	13,842
Number of School Buildings	4
Total Teachers	130
Total Full or Part-Time Support Staff	87
Total Administrators	11
Total Enrollment for Most Recent School Year	1,681
Intermediate Unit Number	8
District Vo-Tech School	Admiral Peary Area Vocational Technical School

Mission Statement

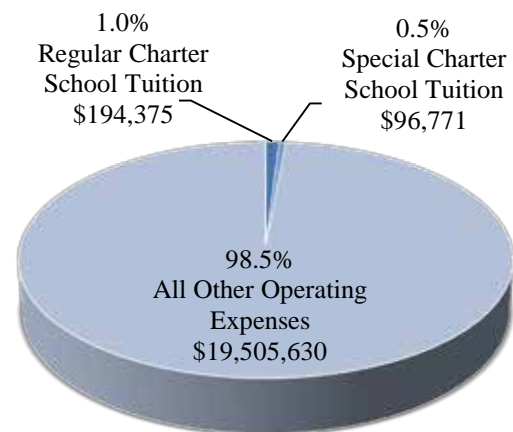
“The mission of the Central Cambria School District is to accept, hear, and value all in the school community and to provide a safe environment that fosters achievement and success.”

Financial Information

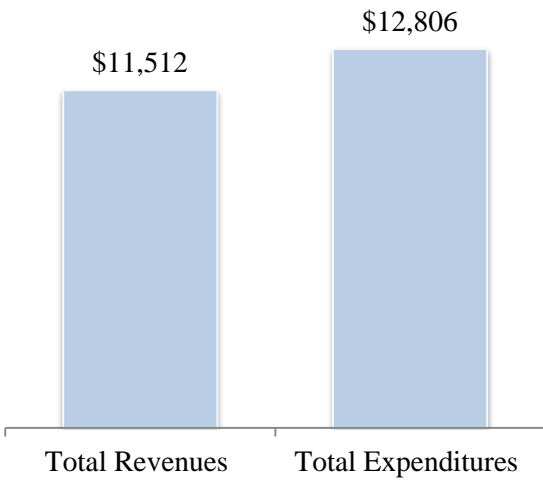
Revenue by Source for 2013-14 School Year



Select Expenditures for 2013-14 School Year

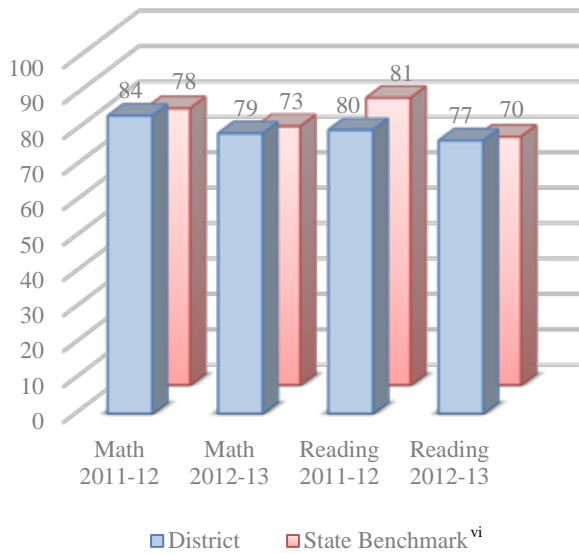


**Dollars Per Student
2013-14 School Year**



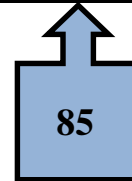
Academic Information

Percentage of District Students Who Scored "Proficient" or "Advanced" on 2011-12 and 2012-13 PSSA^{iv v}



District's 2012-13 SPP Score^{vii}

A	B	C	D	F
90-100	80-89.9	70-79.9	60-69.9	<60
▲	▲	■	▼	▼



**Individual Building SPP and PSSA Scores^{viii}
2012-13 School Year**

School Building	SPP Score	PSSA % School Proficient and Advanced in Math	PSSA % Statewide Benchmark of 73% Above or Below	PSSA % School Proficient and Advanced in Reading	PSSA % Statewide Benchmark of 70% Above or Below	Federal Title I Designation (Reward, Priority, Focus, No Designation)^{ix}
Cambria Elementary School	88.7	80	7	75	5	Reward
Central Cambria High School	83.7	67	6	80	10	N/A
Central Cambria Middle School	77.9	82	9	77	7	N/A
Jackson Elementary School	80.8	79	6	74	4	No Designation

Findings and Observations

Finding No. 1

Errors in the District's Reporting of Transportation Expenditures Resulted in Underpayments of \$119,517

Criteria relevant to the finding:

Section 2541 (relating to Payment on account of pupil transportation) of the Public School Code (PSC), 24 P.S. § 25-2541, states that school districts shall be paid by the Commonwealth for every school year on account of pupil transportation.

Daily miles traveled, the greatest number of pupils transported, days of service, and contractor cost are integral part of the transportation reimbursement calculation. These factors must be reported accurately to the Pennsylvania Department of Education (PDE) in order to receive the correct reimbursement.

Chapter 23 of the State Board of Education Regulations states that the Board is responsible for the negotiation and execution of contracts or agreements with contractors and approval of the drivers of the vehicles providing transportation. *See* 22 Pa. Code §§ 23.1 – 23.40.

PDE's final formula allowance provides for a per vehicle allowance based on the year of manufacture of the vehicle chassis, the approved seating capacity, the number of trips the vehicle operates, the number of days pupils were transported, the approved daily miles driven, any excess hours and the greatest number of pupils transported. The final formula allowance is adjusted annually by an inflationary cost index.

Our audit of the District's transportation contractor costs found that the District failed to correctly report transportation costs to PDE for reimbursement in the 2012-13 and 2013-14 school years. As a result, the District was underpaid \$119,517 in transportation reimbursement from PDE for these two years.

In the 2012-13 school year, the District failed to include the cost for four buses that transported the District's students. Including these four buses would have increased the District's transportation reimbursement amount from PDE by \$46,017.

The District also reported the incorrect transportation costs for the 2013-14 school year. The District reported the 2012-13 transportation expenditures for the 2013-14 school year as opposed to the actual transportation costs. When actual 2013-14 school year transportation expenditures were used, we determined that the District was underpaid \$73,500 in transportation reimbursement from PDE.

The table below shows the actual transportation expenditures reported to PDE for reimbursement and the correct amount (audited amount) that should have been reported.

Central Cambria SD Transportation Expenditures			
School Year	Reported Transportation Expenditures	Audited Transportation Expenditures	Underpayment
2012-2013	\$1,116,500	\$1,168,640	\$ 46,017
2013-2014	\$1,116,500	\$1,190,000	\$ 73,500
Total:	\$2,233,000	\$2,358,640	\$119,517

If the District had established review procedures, they would have been able to make the necessary corrections prior to PDE's finalization of the District's transportation subsidy.

*Criteria relevant to the finding
(continued):*

The District receives the lesser of the final formula allowance for the vehicles or the actual amount paid to the contractor, multiplied by the District's aid ratio.

According to the federal Government Accountability Office's (GAO) (formerly the General Accounting Office) *Standards for Internal Control in the Federal Government*, internal controls are key factors in an agency's ability to meet its mission, improve performance, and "minimize operational problems."

In addition, this guidebook states that an "Internal control is not an event, but a series of actions and activities that occur throughout an entity's operations and on an ongoing basis."

District personnel confirmed that the contractor cost reported in the 2013-14 school year was incorrect due to the District reporting the same contractor cost as they reported in the 2012-13 school year. However, they were unaware that the 2012-13 school year data was incorrect as well.

It is the responsibility of District administration to have in place appropriate internal policies and procedures to ensure that transportation data is collected properly, accurate, and reported timely. Without such internal controls, the District is at risk to not receive the proper transportation subsidy.

Recommendations

The *Central Cambria School District* should:

Establish internal review procedures of transportation reports prior to submission of the reports to PDE.

The *Pennsylvania Department of Education* should:

Reimburse the District for the transportation subsidy underpayments of \$119,517.

Management Response

District management provided the following response:

"Reporting of Pupil Transportation costs were reported in error. The Transportation Director will anticipate the yearly costs based on the first three months of mileage, as submitted by the contractor, and run through the audit check reports for maximum allowable costs. That number will then be confirmed at the end of the reporting cycle."

Auditor Conclusion

We are encouraged that the District is putting in place corrective actions to ensure the accuracy of the amount paid to the District's transportation contractors. We will determine the effectiveness of these actions during our next cyclical audit of the District.

Finding No. 2

District Failed to Ensure School Bus Drivers Met All Employment Requirements

Criteria relevant to the finding:

Chapter 23 of the State Board of Education regulations provides that the Board is responsible for the selection and approval of eligible operators who qualify under the law and regulations. *See Pa. Code § 23.4(2).*

Section 111 of the Public School Code (PSC), 24 P.S. § 1-111, as amended, requires state and federal criminal background checks. Section 6344 of the Child Protective Services Law, 23 Pa.C.S. § 6344, as amended, requires a child abuse clearance.

Specifically, Section 111(b) and (c.1) of the PSC require prospective school employees who have direct contact with children, including independent contractors and their employees, to submit a report of criminal history record information (CHRI) obtained from the Pennsylvania State Police, as well as a report of federal CHRI records obtained from the Federal Bureau of Investigations.

Section 111(e)(1)-(2) of the PSC lists convictions for certain criminal offenses including most major criminal offenses, such as criminal homicide, rape, and drug convictions, that require an absolute ban on employment.

Further, effective September 28, 2011, Act 24 added Section 111(f.1) to the PSC which provides that a ten, five, or three year look-back period for certain convictions be met before an individual is eligible for employment.

Our audit of the District's contracted school bus drivers' qualifications for the 2015-16 school year found that the District did not comply with the Board's approved policy. This policy requires the District to ensure all bus drivers have the required credentials and criminal history clearances before the drivers transport students. We found that 32 of the District's 42 contracted drivers failed to have on file one or more of the required bus driver qualification credentials and criminal history reports/clearances. By not adhering to the policy, the District opened itself to the risk that unqualified drivers were transporting District students. If unqualified drivers transport students, there is an increased risk to the safety and welfare of students.

Districts are required to verify and have on file a copy of the following information:

Required driver qualification credentials:

- Valid driver's license.
- S-Endorsement for operation of a school bus.¹
- Annual physical examination.

Criminal history reports/clearances:

- Criminal Background Check (Act 34).
- Federal Criminal History Record (Act 114).
- Pennsylvania Child Abuse History Clearance (Act 151).
- Arrest/Conviction Report and Certification Form PDE 6004 (Act 24)..

¹ Pursuant to *Chapter 71 (relating to School Bus Drivers) of the Title 67 of Pennsylvania Code*, the S-Endorsement is added to the Commercial Driver's License for the operation of school buses. *See 67 Pa. Code § 71.2.*

*Criteria relevant to the finding
(continued):*

Additionally, Section 111(b) provides, in part, administrators shall maintain a copy of the required information.

Section 111(g)(1) of the PSC provides that an administrator, or other person responsible for employment decisions in a school or other institution under this section who willfully fails to comply with the provisions of this section commits a violation of this act, subject to a hearing conducted by PDE, and shall be subject to a civil penalty up to \$2,500.

Additionally, amendments to Section 111 required all current school employees to submit an "Arrest/Conviction Report and Certification" form (PDE-6004) to local education agencies indicating whether or not they have ever been arrested or convicted of any Section 111 offense by December 27, 2011. Furthermore, all employees subsequently arrested or convicted of a Section 111 offense must complete the form within 72 hours of the arrest or conviction. Please note that Act 4 of 2016 has clarified that prospective employees (i.e., new applicants) are also required to complete the Arrest/Conviction Report and Certification Form as part of the hiring process indicating they have not been disqualified from employment. Act 4 is retroactively effective Dec. 31, 2015.

Chapter 8.2 of the State Board of Education regulations states: "(a) School entities shall require a criminal history background check prior to hiring an applicant or accepting the services of a contractor, if the applicant, contractor or contractor's employees would have direct contact with children." *See 22 Pa. Code § 8.2.*

According to the terms of the District's transportation contract, all bus drivers' names are required to be submitted to the Superintendent along with copies of drivers' licenses, physical examination cards, certificates of school bus instruction, and the applicable criminal history clearances and background checks. The contract, however, does not provide a time frame as to when this documentation is to be provided.

Discussion with District personnel disclosed the bus contractor does provide this information to the Superintendent before the start of the school year; however, the information is not reviewed by either the Superintendent or Business Manager prior to submission to the Board for approval, as required by the policy.

When asked why the District's Board Policy was not enforced, the Business Manager, whose job responsibility it was to review the clearances, thought it was the responsibility of the District's transportation coordinator to review the clearances and did not confirm that a review was performed. As a result, no District official reviewed the bus driver qualification information after it was received from the contractor.

Although all necessary bus driver qualifications and criminal history clearances were not on file at the District for the 32 bus drivers, the bus contractor was able to provide the District with current driver qualifications and criminal history/clearances for all drivers during our audit. Our review of this documentation did not find any concerns with the District bus drivers and the drivers' suitability to transport students.

Recommendations

The *Central Cambria School District* should:

1. Adhere to the board policy requiring that the bus drivers' qualifications are verified prior to the start of the school year.
2. After the verification of the bus drivers' qualifications, ensure that the Board approves each bus driver prior to the bus drivers actually transporting students.

*Criteria relevant to the finding
(continued)*

Please also note that Section 509(a) of the Vehicle Code, 75 Pa.C.S. § 1509(a), provides the following: “(a) School bus driver requirements.— No person shall be issues an endorsement to operate a school bus unless the person: (1) has successfully completed a course of instructions as provided in subsection (c); (2) has satisfactorily passed a physical examination to be given in accordance with rules and regulations promulgated and adopted by the department: (3) is 18 years of age or older; and (4) is qualified to operate school buses in accordance with this title and the rules and regulations promulgated and adopted by the department.”

Board Policy 810.2 states, in part:

“The school district shall verify qualifications of bus drivers for each transportation contractor prior to the commencement of every school year. Mid-year hires by the transportation contractor must be approved by the School Board and Business Manager prior to assigning that driver to a route for the school district. The Board hereby delegates the responsibility of verifying bus driver qualifications prior to the commencement of every school year to the Business Manager . . . It will be the responsibility of the Business Manager to meet with each transportation contractor prior to the commencement of each school year for purposes of verifying the qualifications of the bus drivers to be used for the school district’s transportation routes . . . The Business Manager shall maintain a file with supporting documentation, confirming the qualifications imposed by the Pennsylvania Department of Transportation and PSC have been satisfied.”

3. Require the bus contractor to forward any updated bus driver qualification documents to the District’s transportation coordinator as soon as the contractor receives them.

Management Response

District management provided the following response:

“Driver records were not up to date on employer requirements due to the lack of a District review process. The District will require the bus contractor to maintain the Driver records. The Transportation Director will monitor the Driver records.”

Auditor Conclusion

We are encouraged that the drivers’ records will be monitored going forward. We again recommend that all bus drivers are approved by the Board prior to those drivers transporting the District’s students.

Status of Prior Audit Findings and Observations

Our prior audit of the District resulted in no findings or observations.

Appendix: 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, PDE, and other concerned entities.

Our audit, conducted under authority of Section 403 of The Fiscal Code,² is not a substitute for the local annual financial audit required by the PSC 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.

Scope

Overall, our audit covered the period July 1, 2012 through June 30, 2015. In addition, the scope of each individual audit objective is detailed on the next page.

The District's management is responsible for establishing and maintaining effective internal controls³ to provide reasonable assurance that the District is in compliance with certain relevant state laws, regulations, contracts, grant requirements, and administrative procedures (relevant requirements). In conducting our audit, we obtained an understanding of the District's internal controls, including any information technology controls, that we consider to be significant within the context of our audit objectives. We assessed whether those controls were properly designed and implemented. Any deficiencies in internal controls that were identified during the conduct of our audit and determined to be significant within the context of our audit objectives are included in this report.

² 72 P.S. § 403

³ 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; and compliance with certain relevant state laws, regulations, contracts, grant requirements, and administrative procedures.

Objectives/Methodology

In order to properly plan our audit and to guide us in selecting objectives, we reviewed pertinent laws and regulations, board meeting minutes, academic performance data, financial reports, annual budgets, and new or amended policies and procedures. 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 efficiency and effectiveness in the following areas:

- Governance
- Hiring and Separations
- School Safety
- Bus Driver Requirements
- Student Transportation

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

- ü Did the LEA's Board and administration maintain best practices in overall organizational governance?
 - To address this objective, we conducted in-depth interviews with the current Superintendent and his or her staff, reviewed board meeting books, policies and procedures, and reports used to inform the Board about student performance, progress in meeting student achievement goals, budgeting and financial position, and school violence data to determine if the Board was provided sufficient information for making informed decisions.
- ü Did the LEA follow the PSC and best practices when hiring new staff?
 - To address this objective, we obtained and reviewed the District's hiring policies and procedures. We selected the last three employees hired by the District during the period July 1, 2015 through December 15, 2015, and reviewed documentation to determine if the District complied with the PSC, District policies and procedures, and best practices in hiring new employees.
- ü Did the District take appropriate actions to ensure it provided a safe school environment?
 - To address this objective, we reviewed a variety of documentation including, safety plans, training schedules, anti-bullying policies, and after action reports.

- Ü Did the District ensure that bus drivers transporting District students had the required driver's license, physical exam, training, background checks, and clearances as outline in applicable laws?⁴ Also, did the District have adequate written policies and procedures governing the hiring of new bus drivers?
 - To address this objective, we reviewed all 42 of the District's bus drivers for 2015-16 school year and reviewed documentation to ensure the District complied with bus driver's requirements. We also determined if the District had written policies and procedures governing the hiring of bus drivers and if those procedures were sufficient to ensure compliance with bus driver hiring requirements.

- Ü In areas where the District received transportation subsidies, was the District, and any contracted vendors, in compliance with applicable laws and procedures?
 - To address this objective, the auditors reviewed the payments made to the District's transportation contractor for accuracy and efficiency. In addition, the auditors reviewed the one transportation contract and any amendments that were in effect for the period July 1, 2012 through June 30, 2014.

⁴ 24 P.S. § 1-111, 23 Pa. C.S. § 6344(a.1), 24 P.S. § 2070.1a *et seq.*, 75 Pa. C.S. §§ 1508.1 and 1509, and 22 *Pa. Code Chapter 8*.

Distribution List

This report 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
1010 Harristown Building #2
333 Market Street
Harrisburg, PA 17126

The Honorable Timothy Reese

State Treasurer
Room 129 - Finance Building
Harrisburg, PA 17120

Mrs. Danielle Mariano

Director
Bureau of Budget and Fiscal Management
Pennsylvania Department of Education
4th Floor, 333 Market Street
Harrisburg, PA 17126

Dr. David Wazeter

Research Manager
Pennsylvania State Education Association
400 North Third Street - Box 1724
Harrisburg, PA 17105

Mr. Lin Carpenter

Assistant Executive Director for Member Services
School Board and Management Services
Pennsylvania School Boards Association
P.O. Box 2042
Mechanicsburg, PA 17055

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.

ⁱ Source: School district, PDE, and U.S. Census data.

ⁱⁱ Source: Information provided by the District administration.

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

^{iv} PSSA stands for the Pennsylvania System of School Assessment (PSSA), which is composed of statewide, standardized tests administered by PDE to all public schools and the reporting associated with the results of those assessments. PSSA scores in the tables in this report reflect Reading and Math results for the “All Students” group for the 2011-12 and 2012-13 school years.

^v PSSA scores, which are Pennsylvania’s mandatory, statewide academic test scores, are issued by PDE. However, the PSSA scores issued by PDE are collected by an outside vendor, Data Recognition Corporation (DRC). The Pennsylvania Department of the Auditor General and KPMG issued a significant weakness in internal controls over PDE’s compilation of this academic data in the Single Audit of the Commonwealth of Pennsylvania for the fiscal year ended June 30, 2014, citing insufficient review procedures at PDE to ensure the accuracy of test score data received from DRC.

^{vi} In the 2011-12 school year, the state benchmarks reflect the Adequate Yearly Progress targets established under No Child Left Behind. In the 2012-13 school year, the state benchmarks reflect the statewide goals based on annual measurable objectives established by PDE.

^{vii} SPP stands for School Performance Profile, which is Pennsylvania’s new method for reporting academic performance scores for all public schools based on a scale from 0% to 100% implemented in the 2012-13 school year by PDE.

^{viii} *Id.* Additionally, federal Title I designations of Priority, Focus, Reward, and No Designation are new federal accountability designations issued by PDE to Title I schools only beginning in the 2012-13 school year. Priority schools are the lowest 5%, focus schools are the lowest 10%, and reward schools are the highest 5% of Title I schools. All Title I schools not falling into one of the aforementioned percentage groups are considered “No Designation” schools. The criteria used to calculate the percentage rates is determined on an annual basis by PDE.

^{ix} Title I Federal accountability designations for Title I schools originate from PDE and are determined based on the number of students at the school who receive free and/or reduced price lunches. School lunch data is accumulated in PDE’s CN-PEARS system, which is customized software developed jointly with an outside vendor, Colyar, Inc. The Pennsylvania Department of the Auditor General and KPMG issued a significant deficiency in internal controls over the CN-PEARS system in the Single Audit of the Commonwealth of Pennsylvania for the fiscal year ended June 30, 2014.