

LIMITED PROCEDURES ENGAGEMENT

ARIN Intermediate Unit 28 Armstrong County, Pennsylvania

March 2015



Commonwealth of Pennsylvania
Department of the Auditor General
Eugene A. DePasquale • Auditor General



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EUGENE A. DEPASQUALE
AUDITOR GENERAL

The Honorable Tom W. Wolf
Governor
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania 17120

Mr. John Sutilla, Board President
ARIN Intermediate Unit 28
2895 West Pike
Indiana, Pennsylvania 15701

Dear Governor Wolf and Mr. Sutilla:

We conducted a Limited Procedures Engagement (LPE) of the ARIN Intermediate Unit 28 (Intermediate Unit) to determine its compliance with certain relevant state laws, regulations, policies, and administrative procedures (relevant requirements). The LPE covers the period January 8, 2013 through January 23, 2015, 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. § 403, but was not conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Our engagement found that the Intermediate Unit complied, in all significant respects, with relevant requirements.

We appreciate the Intermediate Unit's cooperation during the conduct of the engagement.

Sincerely,

Eugene A. DePasquale
Auditor General

March 12, 2015

cc: **ARIN INTERMEDIATE UNIT 28** Board of School Directors

Status of Prior Findings and Observations

Observation

ARIN Intermediate Unit 28 Lacks Sufficient Internal Controls Over Its Student Record Data

Observation Condition

Our previous review of the ARIN Intermediate Unit 28's (Intermediate Unit) controls over data integrity found that internal controls needed to be improved. Specifically, our review found that personnel responsible for reporting pupil membership misunderstood the Intermediate Unit's responsibility to submit student data to the Pennsylvania Department of Education's (PDE) Pennsylvania Information Management System (PIMS).

Recommendations

Our audit observation recommended that the Intermediate Unit should:

1. Reference the PIMS manual for instructions on the proper reporting of students enrolled in Intermediate Unit classes.
2. Strengthen internal controls and communication to ensure adherence to PDE's regulations over child accounting reporting.
3. Conduct an annual internal review to ensure that all membership days are reported accurately, so that proper credit is given to the sending school districts.
4. Maintain on file the necessary supporting documentation for all membership days reported.

Current Status

Our review determined that the Intermediate Unit implemented our recommendations 1 and 4. During our current review, some discrepancies were again noted between membership data on the internal source documentation and PIMS reports, indicating that the Intermediate Unit must further strengthen internal controls and should conduct an annual internal review to ensure the accuracy of the membership reported to PIMS.

Distribution List

This letter was initially distributed to the Executive Director of the Intermediate Unit, the Board of School Directors, and the following stakeholders:

The Honorable Tom W. Wolf
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Harrisburg, PA 17120

The Honorable Pedro A. Rivera
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