

PERFORMANCE AUDIT

Donegal School District Lancaster County, Pennsylvania

September 2019



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE
AUDITOR GENERAL

Dr. J. Michael Lausch, Superintendent
Donegal School District
1051 Koser Road
Mount Joy, Pennsylvania 17552

Mr. Oliver C. Overlander III, Board President
Donegal School District
1051 Koser Road
Mount Joy, Pennsylvania 17552

Dear Dr. Lausch and Mr. Overlander:

We have conducted a performance audit of the Donegal School District (District) for the period July 1, 2014 through June 30, 2018, 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 the appendix of this report:

- Transportation Operations
- Nonresident Student Data
- Administrator Separations
- Bus Driver Requirements

We also evaluated the application of best practices in the area of school safety. 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 results in this report. However, we communicated the 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 found that the District performed adequately in the bulleted areas listed above, except as noted in the following finding:

- The District Inaccurately Reported Transportation Data to PDE Resulting in a Net Overpayment of \$12,764

Dr. J. Michael Lausch
Mr. Oliver C. Overlander III
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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". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eugene A. DePasquale
Auditor General

September 19, 2019

cc: **DONEGAL SCHOOL DISTRICT** Board of School Directors

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Background Information

School Characteristics 2018-19 School Year ^A	
County	Lancaster
Total Square Miles	35.7
Number of School Buildings	4
Total Teachers	206
Total Full or Part-Time Support Staff	172
Total Administrators	21
Total Enrollment for Most Recent School Year	2,963
Intermediate Unit Number	13
District Vo-Tech School	Lancaster County Career and Technology Center

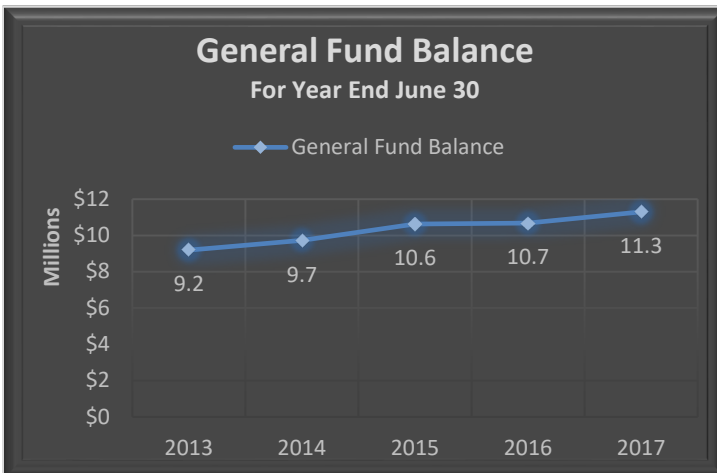
A - Source: Information provided by the District administration and is unaudited.

Mission Statement^A

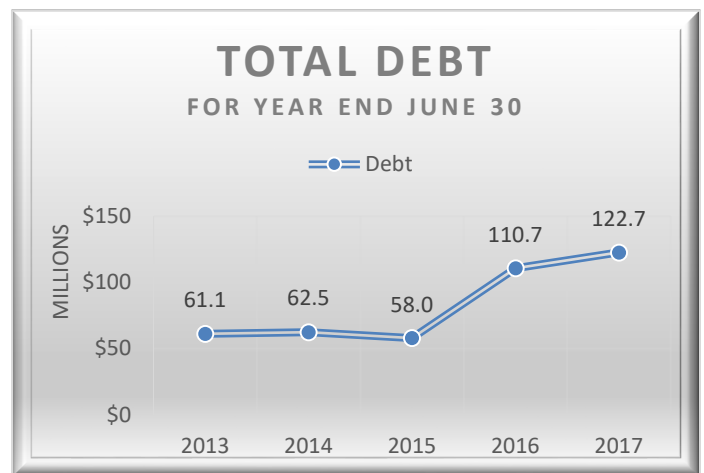
Developing each learner as a productive citizen who thoughtfully meets personal, community, and global challenges.

Financial Information

The following pages contain financial information about the Donegal 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**.

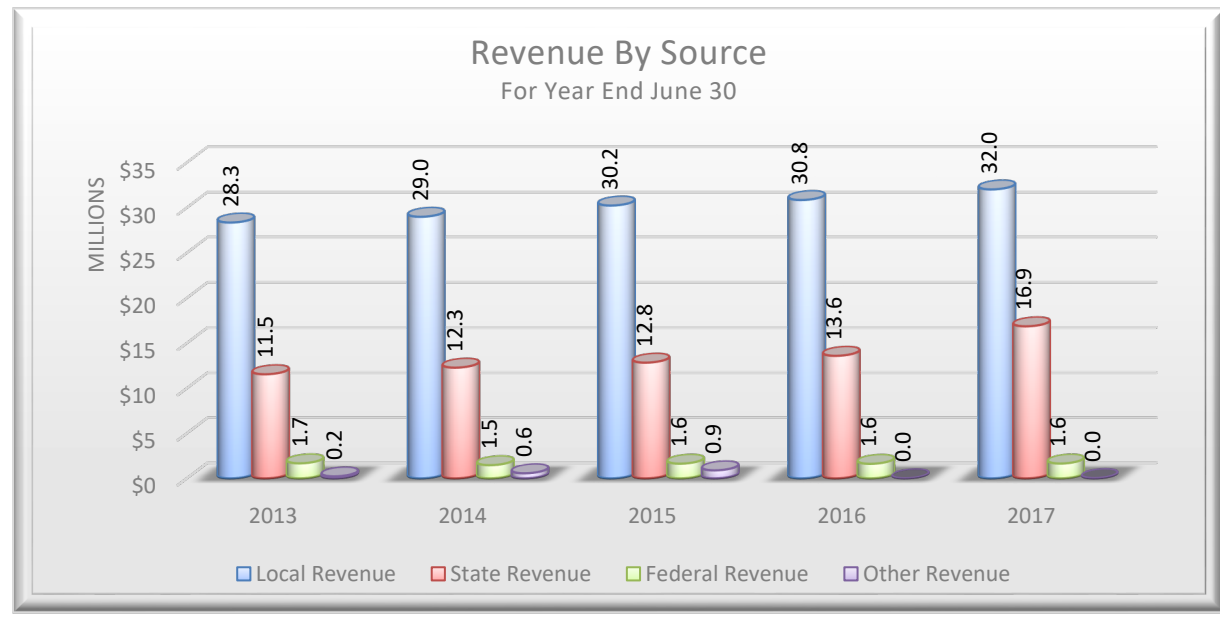
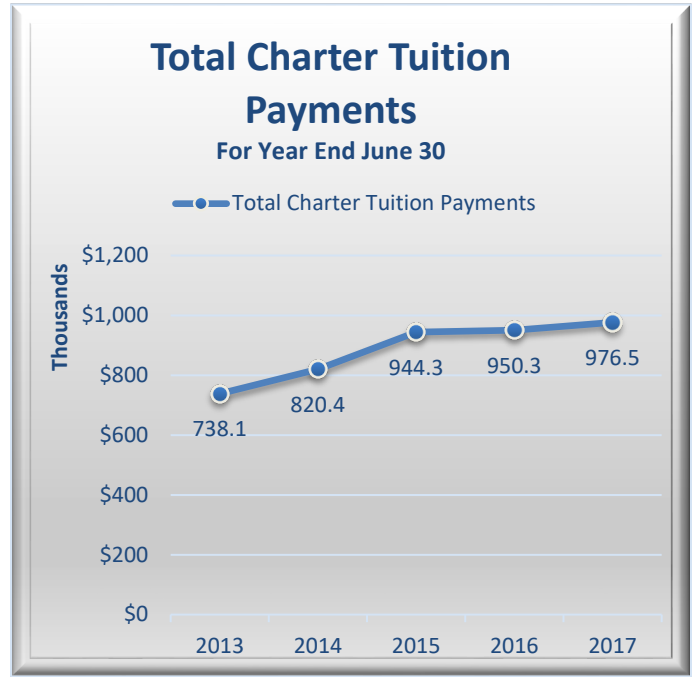
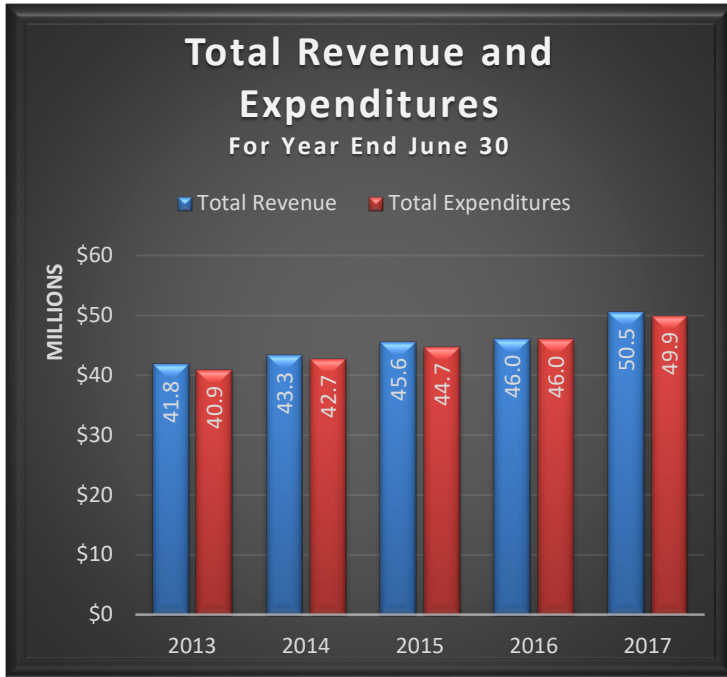


Note: General Fund Balance is comprised of the District's Committed, Assigned and Unassigned Fund Balances.



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) scores, Keystone Exam results, and 4-Year Cohort Graduation Rates for the District obtained from PDE's data files for the 2014-15, 2015-16 and 2016-17 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 graph.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 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.

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 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.

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 the PSSA exams to align with PA 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.

⁵ Act 39 of 2018, effective July 1, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement for an additional year until the 2020-21 school year. *See* 24 P.S. § 1-121(b)(1).

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.

The 2014-15 school year marked the first year that PSSA testing was aligned to the more rigorous PA Core Standards.⁶ 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.

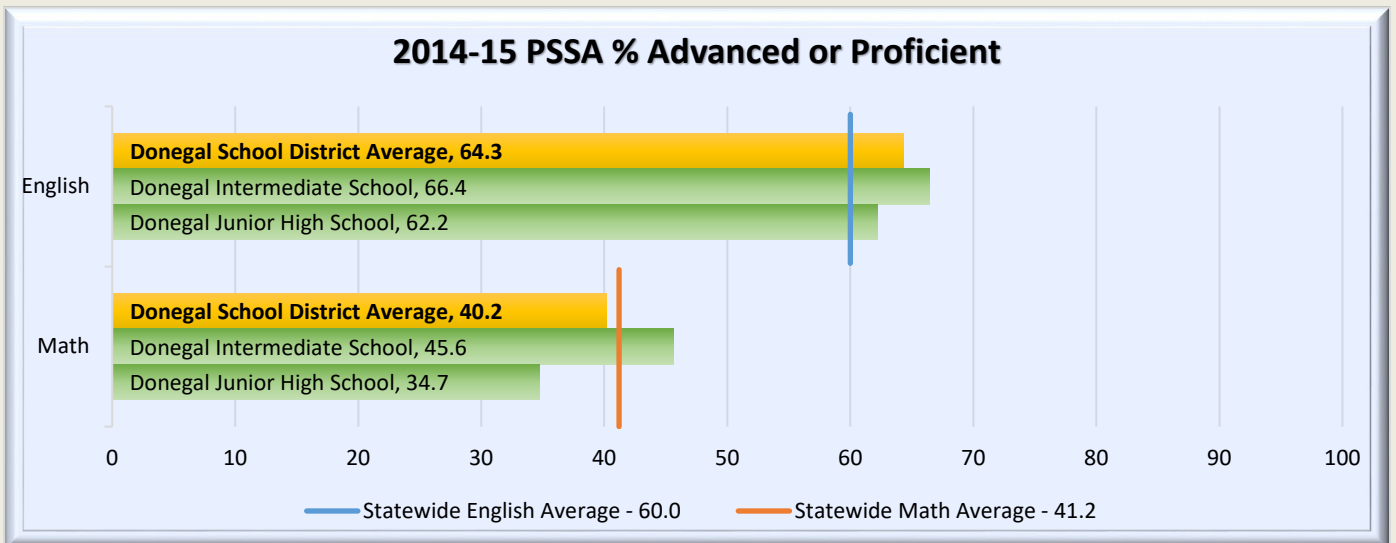
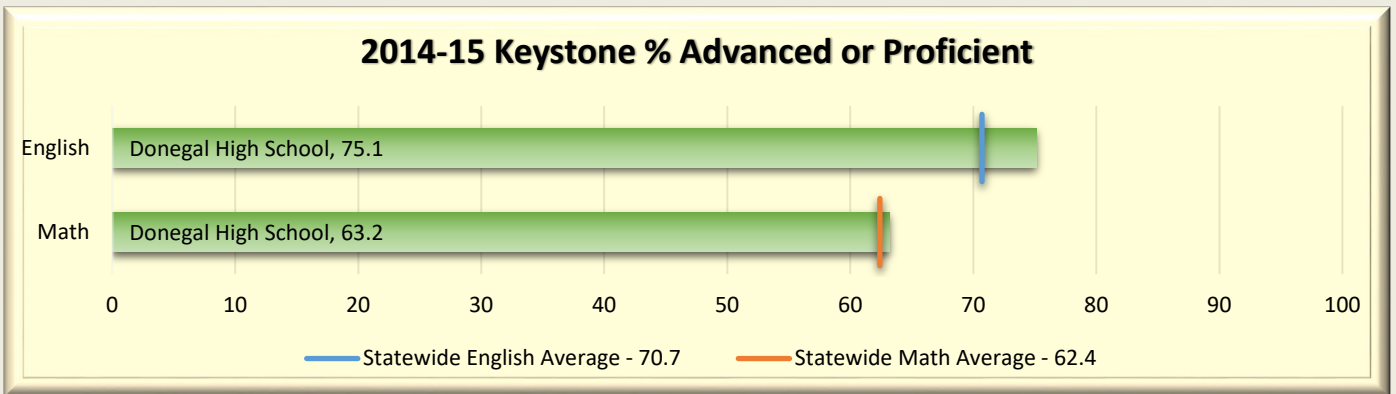
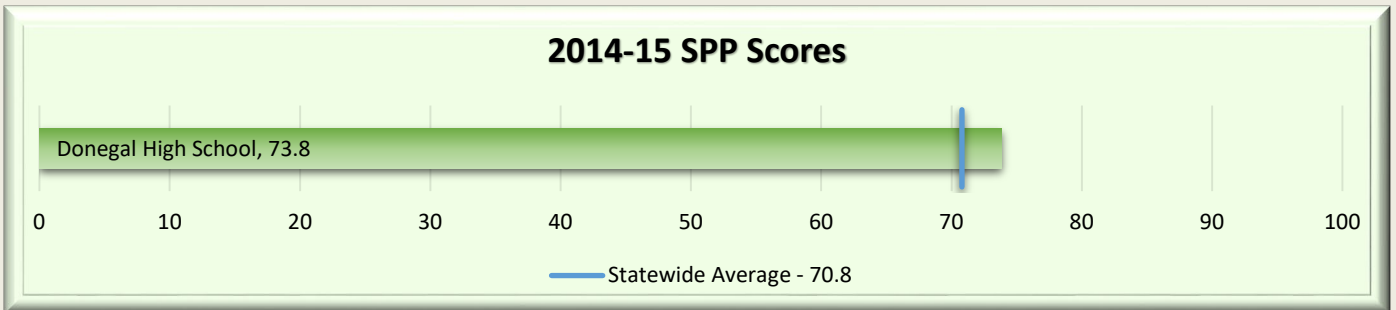
What is a 4-Year Cohort Graduation Rate?

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.⁷

⁶ 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.

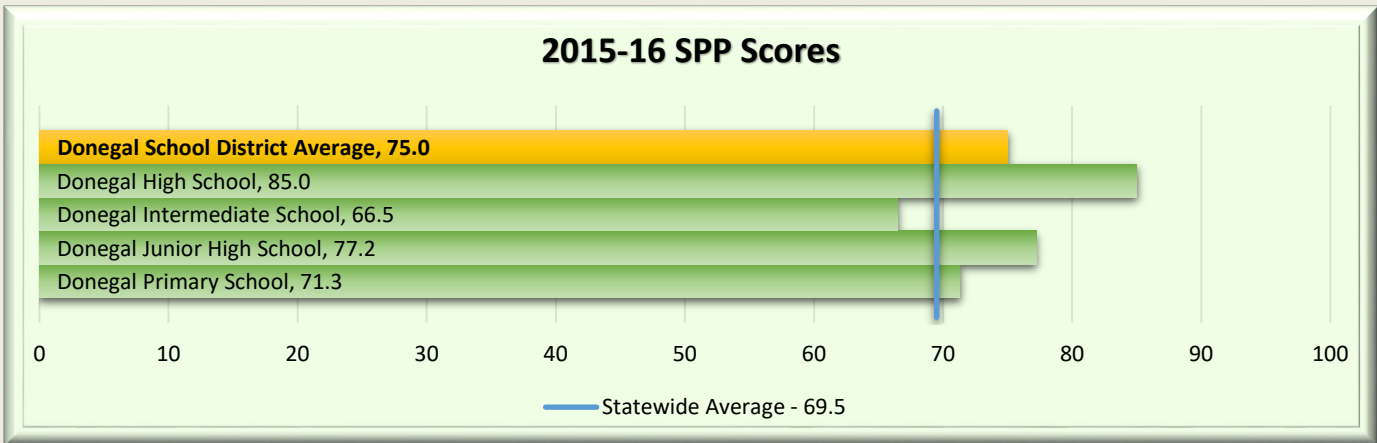
⁷ PDE also calculates 5-year and 6-year cohort graduation rates. Please visit PDE's website for additional information: <http://www.education.pa.gov/Data-and-Statistics/Pages/Cohort-Graduation-Rate-.aspx>.

2014-15 Academic Data
School Scores Compared to Statewide Averages

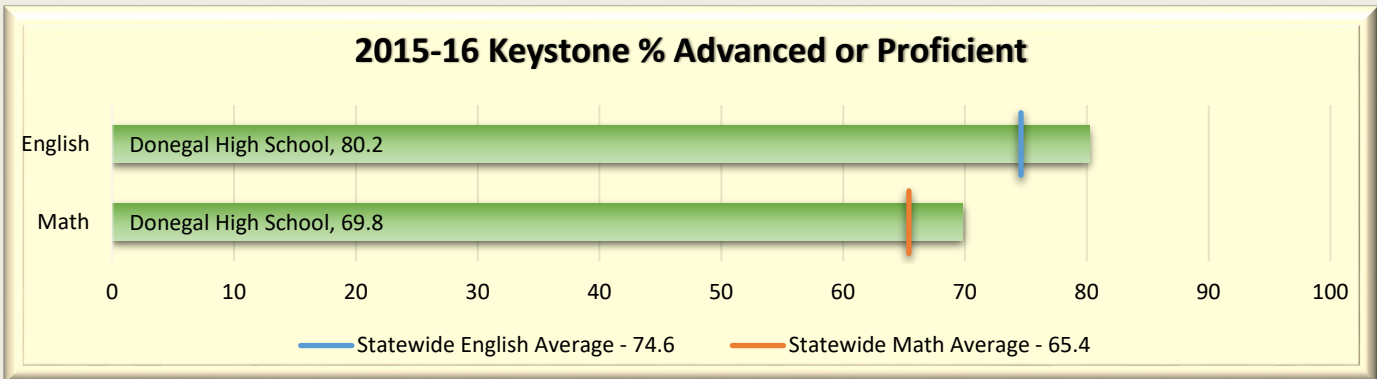


2015-16 Academic Data
School Scores Compared to Statewide Averages

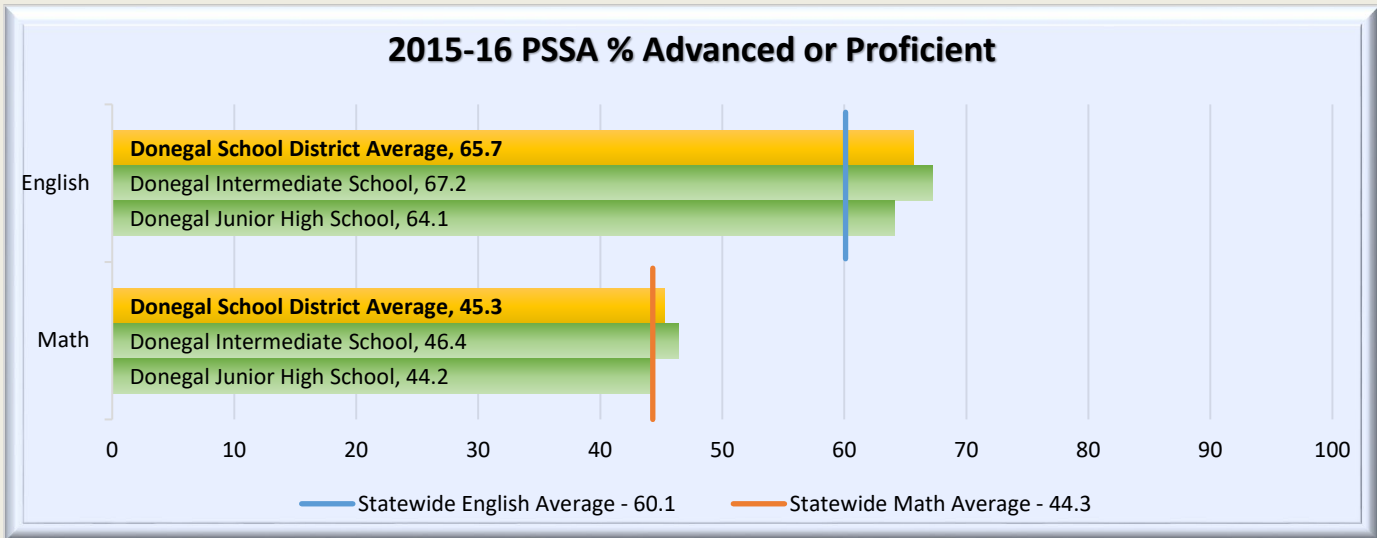
2015-16 SPP Scores



2015-16 Keystone % Advanced or Proficient

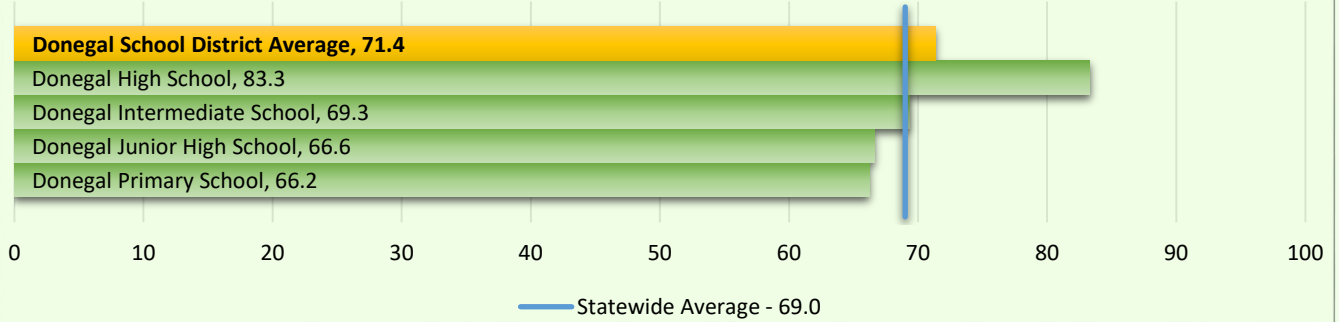


2015-16 PSSA % Advanced or Proficient

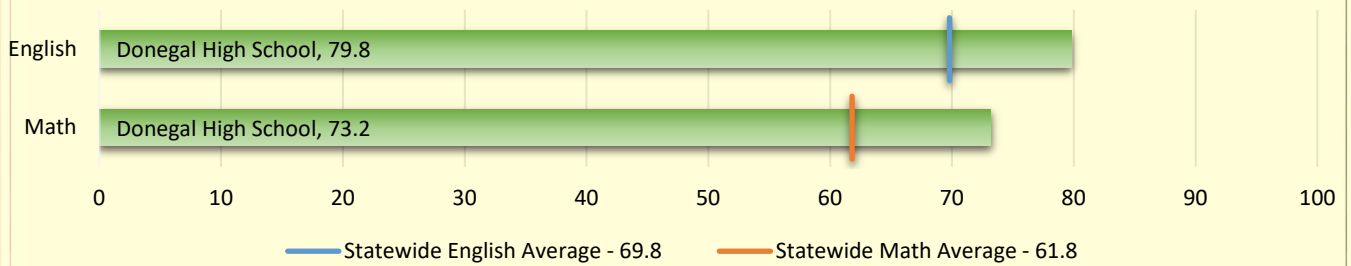


2016-17 Academic Data
School Scores Compared to Statewide Averages

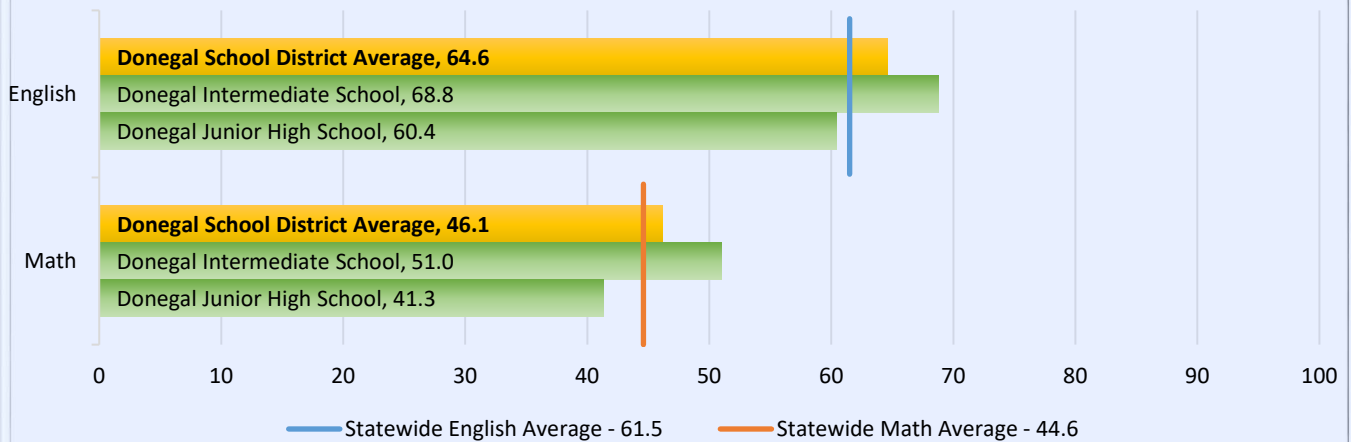
2016-17 SPP Scores



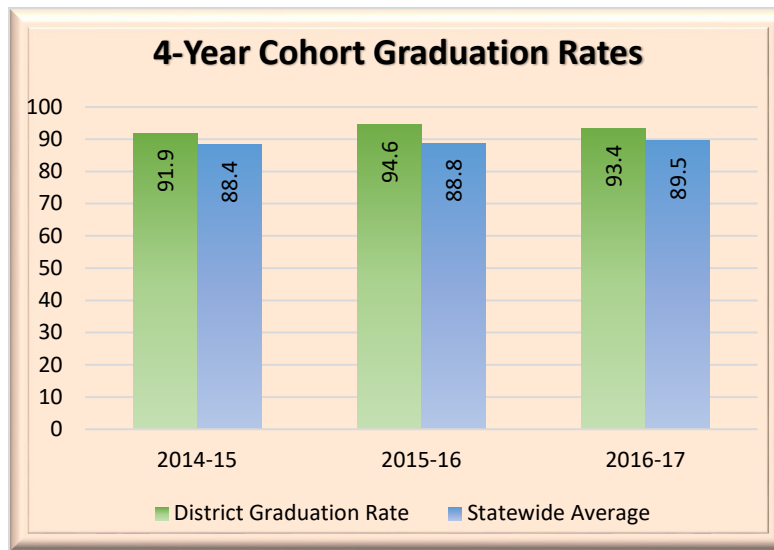
2016-17 Keystone % Advanced or Proficient



2016-17 PSSA % Advanced or Proficient



Graduation Data
District Graduation Rates Compared to Statewide Averages



Finding

Finding

The District Inaccurately Reported Transportation Data to PDE Resulting in a Net Overpayment of \$12,764

Criteria relevant to the finding:

Student Transportation Subsidy

The Public School Code (PSC) provides that school districts receive a transportation subsidy for most students who are provided transportation. Section 2541 (relating to payments on account of pupil transportation) of the PSC specifies the transportation formula and criteria. *See* 24 P.S. § 25-2541.

Supplemental Transportation Payment

Section 2509.3 of the PSC provides that each school district shall receive a supplemental transportation payment of \$385 for each nonpublic school student transported. This payment provision is also applicable to charter school students through Section 1726-A(a) of the CSL. *See* 24 P.S. § 17-1726-A(a); 24 P.S. § 25-2509.3.

The Donegal School District (District) was overpaid a net total of \$12,764 in transportation reimbursements from the Pennsylvania Department of Education (PDE). This net overpayment was due to the District inaccurately reporting the number of District students transported, the number of miles traveled to transport District students, and inaccurately reporting the number of nonpublic school students transported by the District during the 2014-15, 2015-16, and 2016-17 school years.⁸

Districts receive two separate transportation reimbursement payments from PDE. One reimbursement is based upon the number of students transported, the number of miles vehicles were in service both with and without students, the number of days students were transported, and transportation costs (regular transportation reimbursement). The other reimbursement is based upon the number of charter school and nonpublic school students transported by the District (supplemental transportation reimbursement). The errors identified in this finding involve both the District's regular and supplemental transportation reimbursements received.

Regular Transportation Reimbursement Errors

The total number of students transported and the number of miles vehicles were in service transporting students are integral to the calculation of the District's transportation reimbursement. Therefore, it is essential for the District to properly calculate, record, and report this information to PDE. It is important to note that the Public School Code (PSC) requires that all school districts must annually file a sworn statement of student transportation data for the

⁸ When we found the errors discussed in this finding, the District was within the PDE prescribed period to revise the transportation data submitted for the 2017-18 school year. The District submitted revised 2017-18 school year reports to PDE. The revisions were based on the errors found and reported in this finding for the 2014-15 through 2016-17 school years. Our review of the 2017-18 school year revisions did not result in any reportable errors.

Criteria relevant to the finding (continued):

Total Students Transported

Section 2541(a) of the PSC states, in part: “School districts shall be paid by the commonwealth for every school year on account of pupil transportation which, and the means and contracts providing for which, have been approved by the Department of Education, in the cases hereinafter enumerated, an amount to be determined by multiplying the cost of approved reimbursable pupils transportation incurred by the district by the district’s aid ratio. In determining the formula for the cost of approved reimbursable transportation, the Secretary of Education may prescribe the methods of determining approved mileages and the utilized passenger capacity of vehicles for reimbursement purposes.” See 24 P.S. § 25-2541(a).

Sworn Statement

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 PDE in order to be eligible for the transportation subsidies. See 24 P.S. § 25-2543.

prior and current school years with PDE in order to be eligible for the transportation subsidies. The Donegal School District filed this sworn statement for each of the 2014-15 through 2017-18 school years.

The table below summarizes the District’s reporting errors by school year and the resulting regular transportation reimbursement overpayments.

Donegal School District				
Student Transportation Data				
School Year	Number of Vehicles with Errors⁹	Total # of Students Transported Over/(Under) Reported	Total Mileage Over/(Under) Reported	Subsidy Overpayment
2014-15	34	78	(23,248)	\$8,115 ¹⁰
2015-16	33	(8)	12,751	\$3,920
2016-17	40	(3)	32,175	\$19,594
Total:	107	67	21,678	\$31,629

PDE requires districts to calculate a weighted or sample average for all vehicles used to transport students during the school year. The number of students transported and the number of miles traveled are the components needed to calculate a weighted or sample average. The majority of the errors that occurred during the 2014-15 school year were due to the District reporting the greatest number of students transported for any one month for each vehicle during the school year instead of computing an average in accordance with PDE instructions. Additionally, two vehicles were not used to transport students for the entire school year and mileage was under-reported for these vehicles due to the District calculating an average based on the vehicles transporting students for the entire school year.¹¹

⁹ The District reported to PDE that 54 vehicles were used to transport students during the 2014-15 school year, 55 were used during the 2015-16 school year, and 52 were used during the 2016-17 school year.

¹⁰ Total students was overstated and total mileage was understated. The net effect was an overpayment because the overstatement of students had a greater effect on the subsidy calculation than did the understatement of mileage.

¹¹ For vehicles used to transport students for the entire school year, PDE sample average divides the required 8 monthly mileages (October through May) by eight to compute the average. However, if a vehicle was only used for five months, then the five monthly mileages added together should be divided by five to compute the average, not eight.

*Criteria relevant to the finding
(continued):*

PDE instructions for Local Education Agencies (LEA) on how to complete the PDE-1049. The PDE-1049 is the electronic form used by LEAs to submit transportation data annually to PDE (Instructions for Reporting Sample Averages – accessed July 10, 2019).

<https://www.education.pa.gov/Documents/Teachers-Administrators/Pupil%20Transportation/eTran%20Application%20Instructions/PupilTransp%20Instructions%20SampleAverageWorksheet.pdf>

Record the vehicle odometer readings on or about July 1 prior to the beginning of the school year and on or about July 1 at the end of the school year. The two readings should be about one year apart. After the second reading, subtract the beginning of the year odometer reading from the end of the year odometer reading to determine the annual odometer mileage.

Once during each month, from October through May, for to-and-from school transportation, measure and record:

1. The number of miles the vehicle traveled with students,
2. The number of miles the vehicle traveled without students,
3. The greatest number of students assigned to ride the vehicle at any one time during the day.

At the end of the school year, calculate the average of the eight measurements for each of the three variables calculated to the nearest tenth. These averages are called sample averages.

The annual odometer mileage and the sample averages determined by the above methods should be used to complete the PDE-1049, end-of-year pupil transportation report in the eTran system.

The transportation reporting errors we identified during the 2015-16 and 2016-17 school years were different than the errors identified in the 2014-15 school year due to District turnover and different methods of calculating and reporting transportation data. The majority of the errors that occurred during the 2015-16 and 2016-17 school years were due to the District inaccurately reporting a student sample average that included both elementary and secondary school students. Inaccurately reporting the student sample average resulted in the District under reporting the amount of students transported. Additionally, mileage was over-reported due to the District inaccurately calculating the sample average for two vehicles which ran two different routes on a weekly basis. The District computed the sample average as if both routes were run all five days, which resulted in mileage being overstated.

The District had procedures that documented the calculation and reporting of regular transportation data. However, these procedures were not in agreement with PDE instructions in regard to the accurate method of calculating a sample/weighted average. Furthermore, the District's lack of a detailed secondary review of student and mileage calculations prevented the errors from being detected prior to submission of the data to PDE.

Supplemental Transportation Reporting Errors

According to the 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.¹² If school districts provide transportation services to students who reside in the district, the PSC requires school districts to provide transportation services to students who reside in its district and who attend nonpublic schools. The PSC also provides for a reimbursement from the Commonwealth of \$385 for each nonpublic school student transported by the district.

We found that the District inaccurately reported the number of nonpublic school students transported during the 2014-15 through 2016-17 school years which resulted in a net underpayment of \$18,865 in supplemental

¹² See Section 922.1-A (b) (relating to "Definitions") of the PSC, 24 P.S. § 9-922.1-A (b).

Criteria relevant to the finding (continued):

PDE instructions for Local Education Agencies (LEA) on how to complete the PDE-1049. The PDE-1049 is the electronic form used by LEAs to submit transportation data annually to PDE.

<http://www.education.pa.gov/Documents/Teachers-Administrators/Pupil%20Transportation/eTran%20Application%20Instructions/PupilTransp%20Instructions%20PDE%201049.pdf> (accessed 7/10/19)

Pupils Assigned

Report the greatest number of pupils assigned to ride this vehicle at any one time during the day. Report the number of pupils assigned to the nearest tenth. The number cannot exceed the seating capacity. If the number of pupils assigned changed during the year, calculate a weighted average or a sample average.

Daily Miles With

Report the number of miles per day, to the nearest tenth, that the vehicle traveled with pupils. If this figure is changed during the year, calculate a weighted average or sample average.

Daily Miles Without

Report the number of miles per day, to the nearest tenth, that the vehicle traveled without pupils. If this figure is changed during the year, calculate a weighted average or sample average.

PDE-2089

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

transportation reimbursement. The table below summarizes the District’s nonpublic school student reporting errors by school year and the resulting supplemental transportation reimbursement net underpayment.

Donegal School District Nonpublic School Student Errors		
School Year	Nonpublic Students Over/ (Under) Reported	Underpayment ¹³
2014-15	(6)	(\$2,310)
2015-16	1	\$385
2016-17	(44)	(\$16,940)
Total	(49)	(\$18,865)

The District incorrectly calculated monthly averages for nonpublic school students for all three school years instead of reporting the total number of nonpublic school students transported during the entire school year. In addition, the District failed to report all the nonpublic school students who were provided transportation to one of its nonpublic schools during the 2016-17 school year.

The errors in regular transportation data resulted in a \$31,629 overpayment and the errors in supplemental transportation data resulted in an \$18,865 underpayment for a net overpayment of \$12,764.

It is critical that the District accurately report transportation data to PDE and retain the supporting documentation for this transportation data. Further, the sworn statement of student transportation data should not be filed with PDE unless the data has been double-checked for accuracy by personnel trained on PDE’s reporting requirements. The District has a statutory obligation to ensure that its sworn statement reflects valid and entirely verified data. We provided PDE with reports detailing the transportation reporting errors for 2014-15, 2015-16, and 2016-17 school years. PDE requires these reports to verify the net overpayment to the District. The District’s future transportation subsidies should be adjusted by the amount of the net overpayment.

¹³ The underpayment was computed by multiplying the amount of nonpublic students by \$385.

*Criteria relevant to the finding
(continued):*

Number of Nonpublic School Pupils Transported

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.)”

Recommendations

The *Donegal School District* should:

1. Ensure personnel responsible for calculating and reporting transportation data to PDE are properly trained with regard to PDE’s reporting requirements.
2. Update transportation reporting procedures to ensure that they are in agreement with the PSC in regard to reporting a sample/weighted average, number of students transported, and miles traveled to transport students.
3. Ensure all electronic spreadsheet formulas properly calculate averages when a vehicle transports students for less than a complete school year.
4. Perform yearly reconciliations of bus rosters to student requests for transportation to ensure all nonpublic students are accounted for and are accurately reported to PDE.
5. Institute a second level review of transportation calculations and data by someone other than the person compiling the data to help identify transportation data reporting errors.

The *Pennsylvania Department of Education* should:

6. Adjust the District’s future transportation subsidy to recover the net overpayment of \$12,764.

Management Response

District management provided the following response:

“In 2014 the District had several staffing changes. Our Director of Business Services, Assistant Director of Business Services, and the transportation coordinator all started in their positions that year. The transportation coordinator received limited instruction from the previous person. They did their best to learn the aspects of transportation reporting and relied heavily on the procedures, reports, data, and spreadsheets utilized by the prior transportation coordinator. As a result of the audit, the District learned that some of the assumptions and

interpretations of the reporting guidelines made were incorrect. The District also found where a few of the formulas did not calculate correctly in certain situations. The District has made corrections to the 2017/2018 data according to new calculations from the corrected formulas and assumptions and will continue using these methods moving forward. The District will also be adding a review step prior to finalizing the transportation data being submitted to PDE. The review will be done by one of the business administrators. There will also be periodic reviews and check-ins with the transportation coordinator to review spreadsheet formulas and data collected to make sure the District is making calculating the data correctly and thereby reporting the District's data correctly.”

Auditor Conclusion

We are pleased that the District has revised their review and reporting procedures. We still encourage the District to seek and provide regular training to all employees involved in the recording and reporting of transportation data and ensure yearly reconciliations of bus rosters to student requests for transportation are completed to ensure all nonpublic students are accounted for and are accurately reported to PDE. We will evaluate the District's corrective action during our next audit.

Status of Prior Audit Findings and Observations

Our prior Limited Procedures Engagement of the Donegal School 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, the Pennsylvania Department of Education (PDE), and other concerned entities.

Our audit, conducted under authority of Sections 402 and 403 of The Fiscal Code,¹⁴ 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.

Scope

Overall, our audit covered the period July 1, 2014 through June 30, 2018. In addition, the scope of each individual audit objective is detailed on the next page.

The Donegal School District's (District) management is responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the District is in compliance with certain relevant state laws, regulations, contracts, and administrative procedures (relevant requirements).¹⁵ In conducting our audit, we obtained an understanding of the District's internal controls, including any information technology controls, if applicable, that we considered 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.

¹⁴ 72 P.S. §§ 402 and 403.

¹⁵ 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, 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, annual financial reports, annual budgets, new or amended policies and procedures, and the independent audit report of the District's basic financial statements for the fiscal years July 1, 2014 through June 30, 2018. 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:

- Transportation Operations
- Nonresident Student Data
- Administrator Separations
- Bus Driver Requirements
- School Safety

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

- ✓ 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?¹⁶
 - To address this objective, initially we randomly selected 10 of 54 vehicles used to transport students during the 2014-15 school year and requested school calendars to verify that the District accurately reported to PDE the number of days that each vehicle transported students. Due to errors found during initial testing, we reviewed all vehicles reported to PDE as transporting students during the 2014-15, 2015-16, and 2016-17 school years.¹⁷ We obtained and reviewed the mileage worksheets, student rosters, and school calendars to ensure information reported to PDE was accurate. The results of this objective can be found in the Finding on page 9 of this report.
 - Additionally, we reviewed the number of nonpublic school students reported to PDE as transported during the 2014-15, 2015-16, and 2016-17 school years.¹⁸ We reviewed bus rosters, requests for transportation, and interviewed District officials. The results of this objective can be found in the Finding on page 9 of this report.

¹⁶ See 24 P.S. §§ 13-1301, 13-1302, 13-1305, 13-1306; 22 Pa. Code Chapter 11.

¹⁷ The District reported 54 vehicles in the 2014-15 school year, 54 in the 2015-16 school year, and 52 in the 2016-17 school year.

¹⁸ The District reported 255 nonpublic students in the 2014-15 school year, 210 in the 2015-16 school year, and 133 in the 2016-17 school year.

- ✓ Did the District accurately report nonresident students to PDE? Did the District receive the correct reimbursement for these nonresident students?¹⁹
 - To address this objective, we reviewed all 26 nonresident foster students reported by the District to PDE during the 2015-16 school year. We obtained documentation to verify that the custodial parent and/or guardian was not a resident of the District and the foster parent received a stipend for caring for the student. The student listings were compared to the total days reported on the Summary of Child Accounting and the Individual Data for Nonresident Students in Private Homes Form to ensure that the District received correct reimbursement for these students. Our review of this objective did not disclose any reportable issues.

- ✓ Did the District pursue a contract buy-out with an administrator and if so, what was the total cost of the buy-out, what were the reasons for the termination/settlement, and did the employment contract(s) comply with the Public School Code²⁰ and Public School Employees' Retirement System guidelines?
 - To address this objective, we reviewed the contract, leave records, board meeting minutes, board policies, and payroll records for the only administrator who separated employment from the District during the period of July 1, 2014 through April 5, 2019. Our review of this objective did not disclose reportable issues.

- ✓ Did the District ensure that bus drivers transporting District students had the required driver's license, physical exam, training, background checks, and clearances²¹ as outlined in applicable laws?²² Also, did the District have written policies and procedures governing the hiring of new bus drivers that would, when followed, provide reasonable assurance of compliance with applicable laws?
 - To address this objective, we randomly selected 25 of the 115 bus drivers transporting District students as of March 27, 2019.²³ We reviewed documentation to ensure the District complied with the requirements for bus drivers. We also determined if the District had written policies and procedures governing the hiring of bus drivers and if those procedures, when followed, ensure compliance with bus driver hiring requirements. Our review of this objective did not disclose reportable issues.

¹⁹ See 24 P.S. §§ 13-1301, 13-1302, 13-1305, 13-1306; 22 Pa. Code Chapter 11.

²⁰ 24 P.S. § 10-1073(e)(v).

²¹ Auditors reviewed the required state, federal and child abuse background clearances 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.

²² 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.

²³ 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.

- ✓ Did the District take actions to ensure it provided a safe school environment?²⁴
 - To address this objective, we reviewed a variety of documentation including, safety plans, training schedules, anti-bullying policies, and fire drill documentation. We reviewed whether the District had implemented basic safety practices. Due to the sensitive nature of school safety, the results of our review for this objective area are not described in our audit report. The results of our review of school safety are shared with District officials, PDE, and other appropriate agencies deemed necessary.

²⁴ 24 P.S. § 13-1301-A *et seq.*

Distribution List

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

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