

LIMITED PROCEDURES ENGAGEMENT

Laurel Highlands
School District
Fayette County, Pennsylvania

September 2016



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



Commonwealth of Pennsylvania
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EUGENE A. DePASQUALE
AUDITOR GENERAL

Dr. Jesse T. Wallace, III, Superintendent
Laurel Highlands School District
304 Bailey Avenue
Uniontown, Pennsylvania 15401

Mr. Angelo Giachetti, Board President
Laurel Highlands School District
304 Bailey Avenue
Uniontown, Pennsylvania 15401

Dear Dr. Wallace and Mr. Giachetti:

We conducted a Limited Procedures Engagement (LPE) of the Laurel Highlands School District (District) to determine its compliance with certain relevant state laws, regulations, policies, and administrative procedures (relevant requirements). The LPE covers the period July 1, 2012 through June 30, 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. § 402 and 403), but was not conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

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

- Did the District have documented board policies and administrative procedures related to the following?
 - Internal Controls
 - Budgeting Practices
 - The Right-to-Know Law
 - The Sunshine Act
- Were the policies and procedures adequate and appropriate, and have they been properly implemented?
- Did the District comply with the relevant requirements in the Right-to-Know Law and the Sunshine Act?
- Did the District take appropriate corrective action to address the findings made in our prior audit, and were the actions taken into effect?

Dr. Jesse T. Wallace, III
Mr. Angelo Giachetti
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Our engagement found that the District properly implemented policies and procedures for the areas mentioned above and complied, in all significant respects, with relevant requirements.

We appreciate the District's cooperation during the conduct of the engagement.

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 8, 2016

cc: **LAUREL HIGHLANDS SCHOOL DISTRICT** Board of School Directors

Status of Prior Findings and Observations

Prior Finding No. 1

Continued Board of School Directors Meeting Minutes Deficiencies

Prior Finding Condition

During our prior audit, we found the board meeting minutes for the 2010-11 school year, and for the period from July 2011 through April 2012, did not contain supporting information regarding expenditures, teacher hirings, financial records, reports, or bids. Also, the board meeting minutes were not in bound form and were not available for review. In addition, the District did not store the board meeting minutes in a secure location.

Prior Recommendations

Our prior audit finding recommended the District should:

1. Ensure that its board meeting minutes contain all supporting information, are permanently bound, and are kept in a secure location.
2. Meet with its solicitor to obtain clarification on the Public School Code requirements for maintaining board meeting minutes.

Current Status

During our current review, we found that the District did implement all of our prior recommendations. The board meeting minutes contained all supporting information, were permanently bound, and were kept in a secured location.

Prior Finding No. 2

Lack of Documentation Necessary to Verify Bus Drivers Qualifications

Prior Finding Condition

During our prior audit, our review of personnel records for all 54 drivers employed by the District's student transportation contractors found that the District did not have, at the time of our audit, complete employment qualifications for the entire school year for each of the drivers. The incomplete documentation included: "S" endorsement cards (certification of safety training) for 22 drivers, physical exam forms for 11 drivers, and valid driver licenses for 13 drivers. The child abuse clearance was missing for ten drivers, and the federal criminal history record was missing for ten drivers. A Pennsylvania State Police criminal history record and a child abuse clearance were obtained after the hire date for one driver. The required "Arrest/Conviction Report and Certification" forms (PDE-6004) for 19 drivers were obtained late, and 1 was

missing. In total, our review found deficiencies in the documentation for 48 of the 54 drivers.

Prior Recommendations

Our prior audit finding recommended the District should:

1. Ensure that all required documentation for prospective and current employees, including employees of independent contractors who will have contact with children, is obtained in a timely manner.
2. Ensure that the District maintains files, separate from the transportation contractors, for all District bus drivers, and work with the contractors to ensure that the District's files are up-to-date and complete.
3. Ensure that all bus drivers are approved by the District's Board of School Directors (Board) prior to commencement of their duties.

Current Status

During our current review, we determined that the District implemented recommendation number one. All required documentation for prospective and current employees of independent contractors was obtained in a timely manner. The District did not implement all of our second recommendation. The District maintains files separate from the transportation contractors, and the files are up-to-date. However, the files were not complete. The District did not have the federal criminal history records on file for four bus drivers and had to obtain the records from the transportation contractor. The District did implement recommendation number three. All bus drivers are approved by the Board.

Distribution List

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

The Honorable Tom W. Wolf

Governor
Commonwealth of Pennsylvania
Harrisburg, PA 17120

The Honorable Pedro A. Rivera

Secretary of Education
1010 Harestown Building #2
333 Market Street
Harrisburg, PA 17126

The Honorable Timothy Reese

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Mr. Nathan Mains

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This letter is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the letter 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.