

# PERFORMANCE AUDIT

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## Pittston Area School District Luzerne County, Pennsylvania

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July 2020



Commonwealth of Pennsylvania  
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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**EUGENE A. DePASQUALE  
AUDITOR GENERAL**

Mr. Kevin Booth, Superintendent  
Pittston Area School District  
5 Stout Street  
Yatesville, Pennsylvania 18640

Dr. Frank Serino, Board President  
Pittston Area School District  
5 Stout Street  
Yatesville, Pennsylvania 18640

Dear Mr. Booth and Dr. Serino:

We have conducted a performance audit of the Pittston Area 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
- Administrator Separations
- Bus Driver Requirements

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.

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.

Our audit found that the District performed adequately in the bulleted areas listed above, except as noted in the following finding:

- The District Failed to Retain the Required Supporting Documentation to Verify \$4.9 Million Received in Regular Transportation Reimbursements and Inaccurately Reported Transportation Data Resulting in a \$24,036 Net Underpayment to the District

Mr. Kevin Booth  
Dr. Frank Serino  
Page 2

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

July 10, 2020

cc: **PITTSTON AREA SCHOOL DISTRICT** Board of School Directors

## Table of Contents

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|  | Page |
|--|------|
| Background Information .....   | 1    |
| Finding .....  | 6    |
| Finding – The District Failed to Retain the Required Supporting Documentation to Verify<br>\$4.9 Million Received in Regular Transportation Reimbursements and Inaccurately<br>Reported Transportation Data Resulting in a \$24,036 Underpayment to the District ..... | 6    |
| Status of Prior Audit Findings and Observations .....  | 12   |
| Appendix A: Audit Scope, Objectives, and Methodology .....   | 13   |
| Appendix B: Academic Detail .....  | 17   |
| Distribution List .....  | 21   |

## Background Information

| School Characteristics<br>2018-19 School Year <sup>A</sup> |                           |
|--|---------------------------|
| County   | Luzerne                   |
| Total Square Miles   | 42                        |
| Number of School Buildings                                 | 4                         |
| Total Teachers   | 196                       |
| Total Full or Part-Time Support Staff                      | 175                       |
| Total Administrators                                       | 15                        |
| Total Enrollment for Most Recent School Year               | 3,231                     |
| Intermediate Unit Number                                   | 18                        |
| District Career and Technical School                       | Wilkes Barre Area Vo-Tech |

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

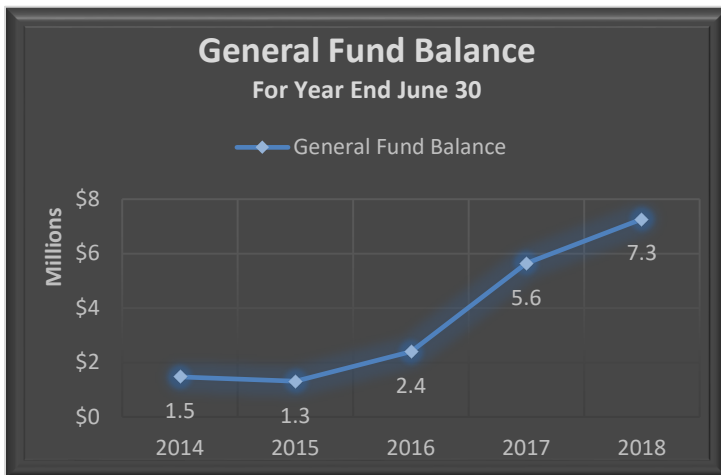
## Mission Statement<sup>A</sup>

Engage, Inspire, Challenge... Educational Excellence!

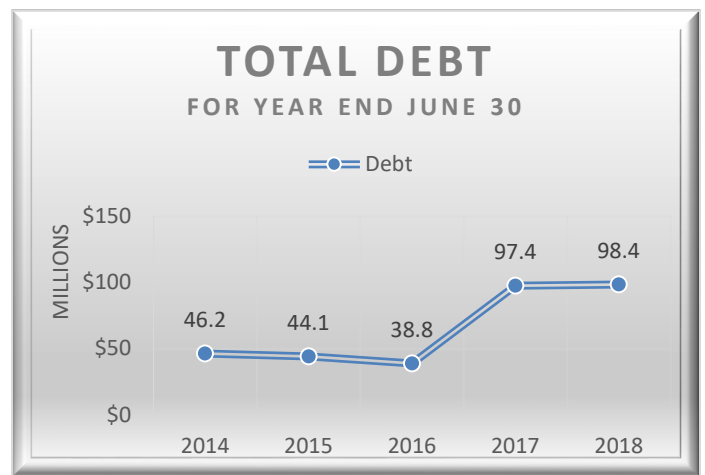
To foster educational excellence for all students in an engaging, inspiring, and challenging environment to become successful, responsible citizens in today's society.

## Financial Information

The following pages contain financial information about the Pittston Area 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**.

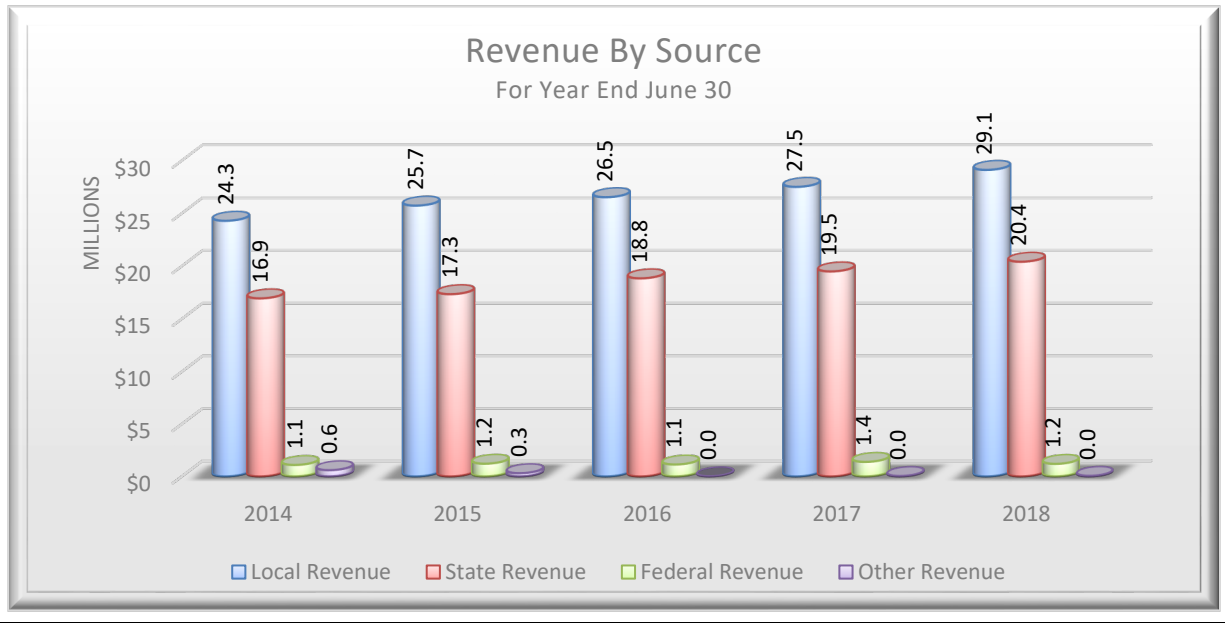
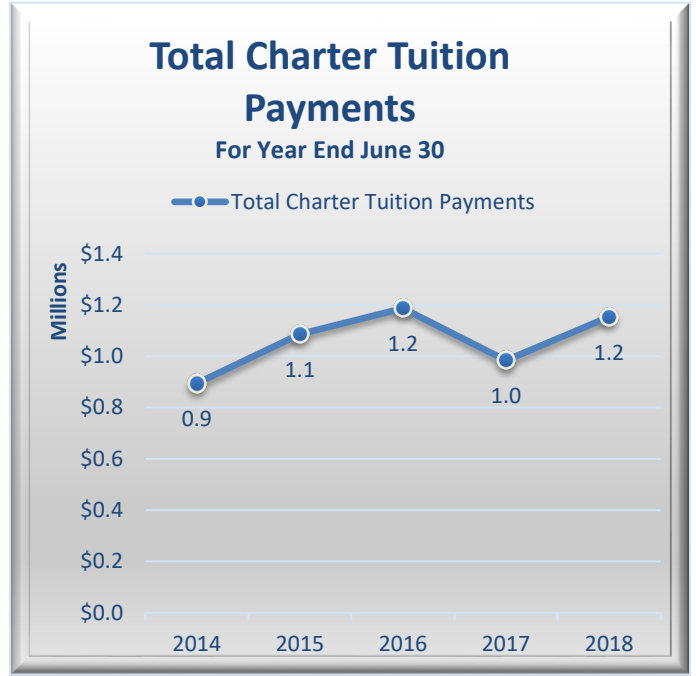
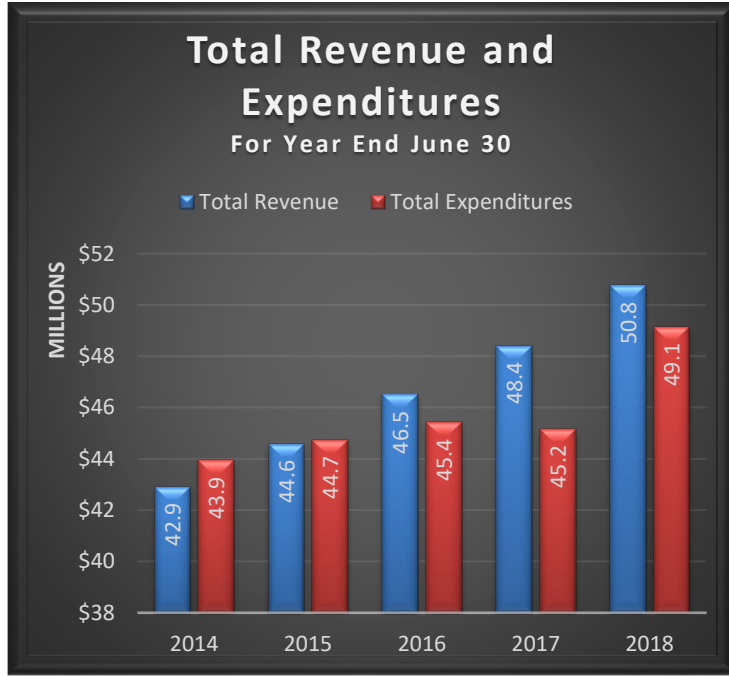


**Note:** General Fund Balance is comprised of the District's Committed, Assigned and Unassigned Fund Balances.



**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

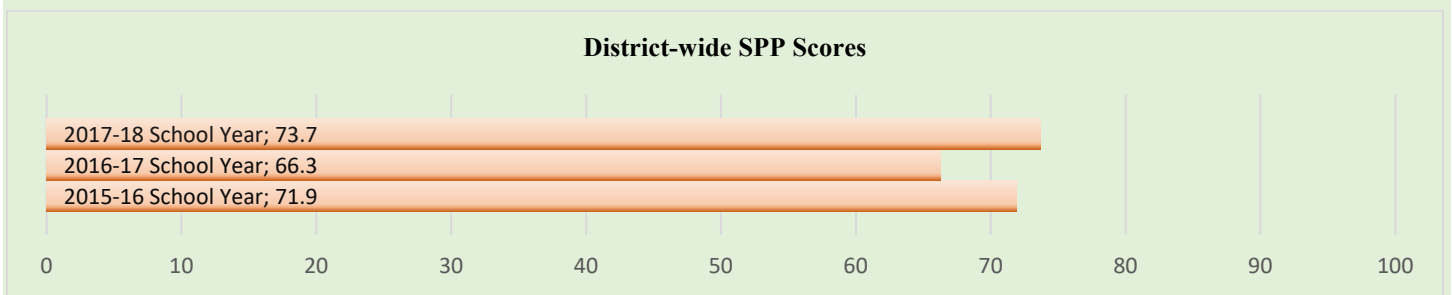


## Academic Information

The graphs on the following pages present the District-wide 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 2015-16, 2016-17, and 2017-18 school years.<sup>1</sup> 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.<sup>2</sup>



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<sup>1</sup> PDE is the sole source of academic data presented in this report. All academic data was obtained from PDE's publicly available website.

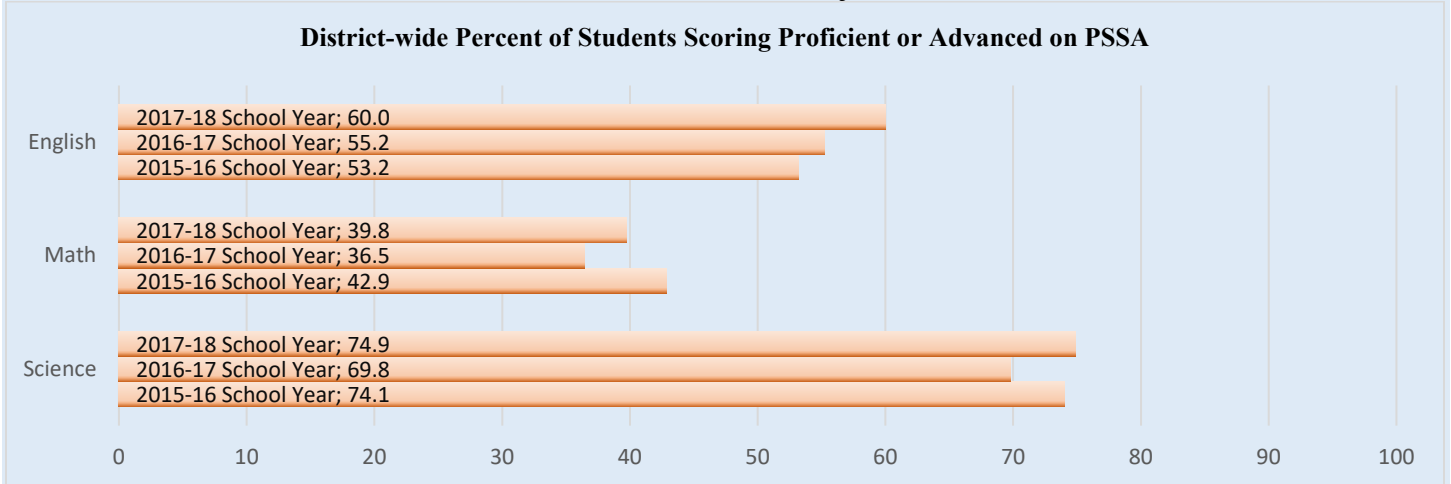
<sup>2</sup> PDE started issuing a SPP score for all public school buildings beginning with the 2012-13 school year. For the 2014-15 school year, PDE only issued SPP scores for high schools taking the Keystone Exams as scores for elementary and middle scores were put on hold due to changes with PSSA testing. PDE resumed issuing a SPP score for all schools for the 2015-16 school year.

## Academic Information Continued

### What is the PSSA?

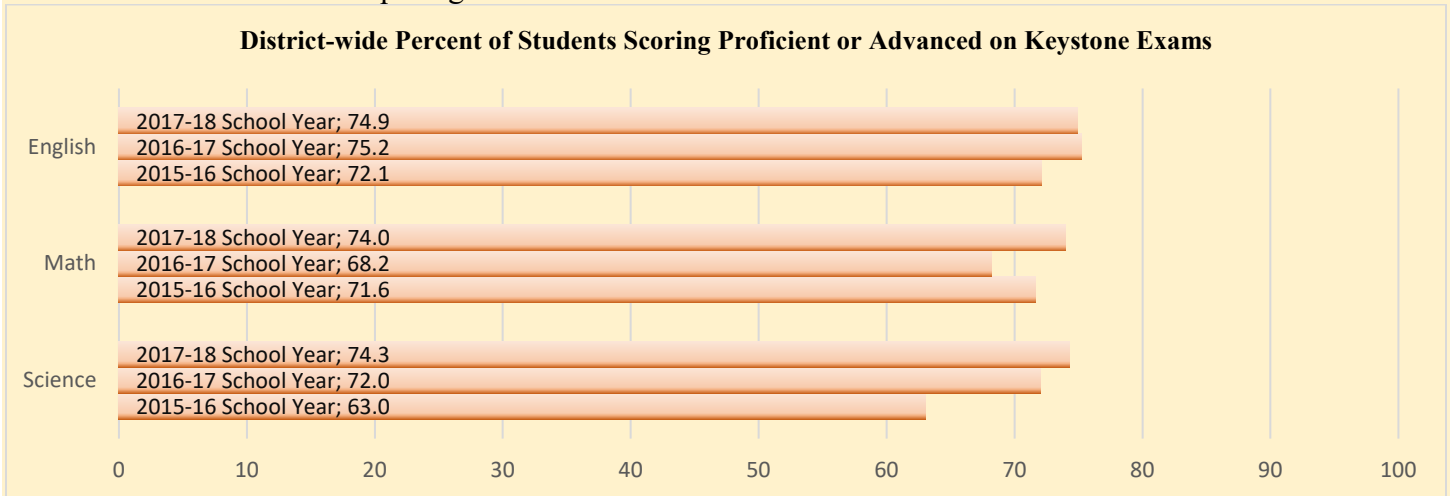
The PSSA is an annual, standardized test given across the Commonwealth to students in grades 3 through 8 in core subject areas, including English, Math and Science. The PSSAs help Pennsylvania meet federal and state requirements and inform instructional practices, as well as provide educators, stakeholders,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



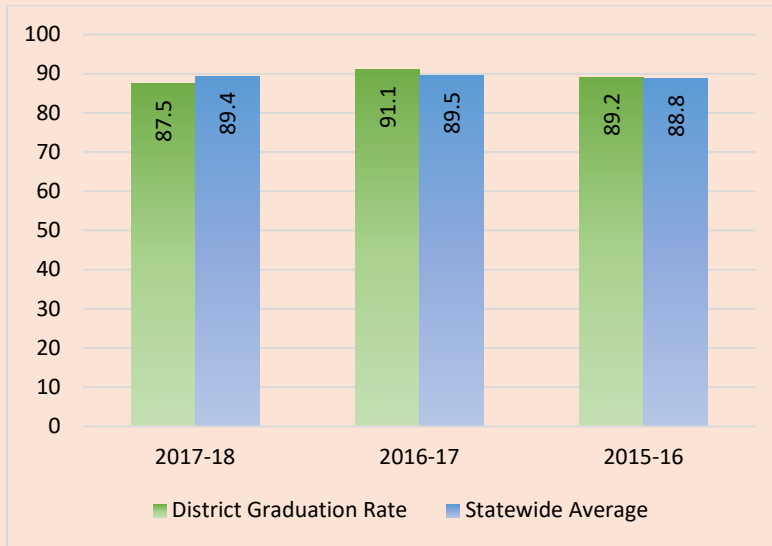
<sup>3</sup> Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1).



## 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.<sup>4</sup>



<sup>4</sup> 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>.

## Finding

### Finding

### **The District Failed to Retain the Required Supporting Documentation to Verify \$4.9 Million Received in Regular Transportation Reimbursements and Inaccurately Reported Transportation Data Resulting in a \$24,036 Underpayment to the District**

#### *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.

##### **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 utilized passenger capacity of vehicles for reimbursement purposes..." *See* 24 P.S. § 25-2541(a).

The Pittston Area School District (District) did not comply with the record retention provisions of the Public School Code (PSC) when it failed to retain adequate source documents to verify the accuracy of the more than \$4.9 million it received in regular transportation reimbursements from the Pennsylvania Department of Education (PDE) during the 2014-15 through 2016-17 school years. Additionally, the District was underpaid \$24,036 in regular transportation reimbursements from PDE. This underpayment was the result of the District inaccurately reporting transportation data for the 2017-18 school year.

School districts receive two separate transportation reimbursement payments from PDE. One reimbursement is broadly based on the number of students transported, the number of days each vehicle was used for transporting students, and the number of miles that vehicles are in service, both with and without students (i.e., regular transportation reimbursement). The other reimbursement is based on the number of charter school and nonpublic school students transported (i.e., supplemental transportation reimbursement). The issues and errors we identified in this finding impact the District's regular transportation reimbursements.

Without proper documentation, we were unable to determine the appropriateness of the regular transportation reimbursement received by the District during the 2014-15 through 2016-17 school years. It is absolutely essential that records related to the District's transportation expenses and transportation reimbursements be retained in accordance with the PSC's record retention provision (for a period of not less than six years) and be readily available for audit. As a state auditing agency, it is extremely concerning to us that the District did not have the necessary and legally required documents available for audit. Periodic auditing of such documents is extremely important for District accountability and verification of accurate reporting.

It is also important to note that the PSC requires that all school districts annually file a sworn statement of student transportation data for the prior and current school years with PDE in order to be eligible for transportation

*Criteria relevant to the finding  
(continued):*

### **Record Retention Requirement**

Section 518 of the PSC requires that financial records of a district be retained by the district for a period of not less than **six years**. (Emphasis added.) See 24 P.S. § 5-518.

### **Instructions for Worksheet Completion – Worksheet for Computing Sample Averages**

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.

**The Pennsylvania Department of Education (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 on 6/4/20)

reimbursements. The Pittston Area School District completed this sworn statement for all four school years discussed in this finding. It is essential that the District accurately report transportation data to PDE and retain the support for this transportation data. Further, the sworn statement of student transportation data should not be filed with the state Secretary of Education unless the data has been double-checked for accuracy by personnel trained on PDE's reporting requirements. An official signing a sworn statement must be aware that by submitting the transportation data to PDE, he/she is asserting that the information is true and that they have verified evidence of accuracy.<sup>5</sup>

### **Regular Transportation Reimbursement**

Regular transportation reimbursement is based on several components that are reported by the District to PDE for use in calculating the District's annual reimbursement amount. These components include, but are not limited to, the following:

- Total number of days each vehicle is used to transport students to and from school.
- Miles with and without students for each vehicle.
- Students assigned to each vehicle.

The number of students transported, number of days transported, and miles driven are the basis for calculating the regular transportation reimbursement. Therefore, it is essential for districts to document, verify, and retain student rosters, odometer readings, and any changes that occur during the year for each vehicle transporting students. PDE provides instructions to help districts report this information accurately. Relevant portions of these instructions are cited in our criteria section of this finding.

PDE guidelines state that districts are required to report the number of miles per day, to the nearest tenth, that each vehicle travels with and without students. This should also be done for the number of students assigned on each bus run. If these figures change during the year, districts are required to calculate a weighted or sample average.

### **Errors Identified for Transportation Data for the 2017-18 School Year**

The District reported that 67 vehicles were used to transport students during the 2017-18 school year and we found an array of errors on 38, or 57 percent, of the vehicles reported to PDE resulting in an underpayment of \$24,036. For example, we found errors in the reported total amount of miles traveled to transport students, number of students transported, and

<sup>5</sup> Please note that while a sworn statement is different from an affidavit, in that a sworn statement is not typically signed or certified by a notary public but are, nonetheless, taken under oath. See <https://legaldictionary.net/sworn-statement/> (accessed September 4, 2019).

*Criteria relevant to the finding  
(continued):*

**Form Completion Instructions –  
PDE 1049 Transportation Services  
Forms**

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 capacity. If the number of pupils assigned changed during the year, calculate a weighted or 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 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 changed during the year, calculate a weighted average or sample average.

Number of Days

Report the number of days (whole number) a vehicle provided transportation to and from school. Include nonpublic and other school calendars for Days in Service.

**Annual Filing Requirement**

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.

number of days students were transported. These errors occurred for a variety of reasons, including the District’s failure to calculate a sample or weighted average when mileage and the number of students transported changed during the school year. In some instances the District did calculate a sample or weighted average when required by PDE, but incorrectly computed the average based on the reported data. It was also evident to us during our review of this data that some of the errors made during the 2017-18 school year were the result of a lack of knowledge of PDE requirements for reporting transportation data.

**Lack of Documentation for the 2014-15 through 2016-17 School Years**

The District failed to retain supporting documentation for the number of students transported, miles transported with and without students, and the days these students were transported for the 2014-15 through 2016-17 school years.

The table below shows the student and vehicle data reported to PDE and the regular reimbursement received for each school year during the audit period.

| <b>Pittston Area School District<br/>Transportation Data Reported to PDE</b> |  |                                    |   |                                     |
|--|--|------------------------------------|---|-------------------------------------|
| <b>School Year</b>   | <b>Reported Number of Students Transported</b> | <b>Reported Number of Vehicles</b> | <b>Reported Total Approved Annual Miles</b> | <b>Total Reimbursement Received</b> |
| <b>2014-15</b>   | 3,662  | 46                                 | 766,183                                     | \$1,475,639                         |
| <b>2015-16</b>   | 3,577  | 55                                 | 946,613                                     | \$1,693,340                         |
| <b>2016-17</b>   | 3,570  | 65                                 | 1,045,315                                   | \$1,764,079                         |
| <b>Totals</b>  | <b>10,809</b>                                  | <b>166</b>                         | <b>2,758,111</b>                            | <b>\$4,933,058</b>                  |

As illustrated in the table above, the reported number of students transported declined while the number of vehicles used to transport students increased significantly during the audit period. As the number of students declines, typically the number of vehicles and annual miles reported should also decline; however, this did not occur for the years illustrated in the table above. Based on past accumulative experience, reported information of an inconsistent nature indicates possible errors, and therefore, warrants a detailed review of the reported information. In this case, we were unable to determine the accuracy of the reported information for the 2014-15 through 2016-17 school years due to the District’s failure to retain appropriate supporting documentation in accordance with the PSC.

*Criteria relevant to the finding  
(continued):*

Section 2543 of the PSC, which is entitled, “**Sworn statement** of amount expended for reimbursable transportation; payment; withholding” states, in part: “Annually, each school district entitled to reimbursement on account of pupil transportation shall provide in a format prescribed by the Secretary of Education may, for cause specified by it, withhold such reimbursement, in any given case, permanently, or until the school district has complied **with the law or regulations** of the State Board of Education.” (Emphasis added.) Id.

The District lacked internal controls over its collection and reporting of transportation data. We found that the District lacked formal transportation reporting policies and procedures that identified how to accurately calculate transportation data according to PDE instructions. Additionally, the District did not have a review process in place for transportation data and supporting documentation prior to reporting transportation data to PDE. During the 2014-15, 2015-16, and 2016-17 school years, the District was reliant on its transportation software to collect and capture the supporting documentation needed to accurately account for and report the transportation data for reimbursement. It was clear from our discussions with District officials that they were unaware of the need to obtain and retain the detailed student roster and mileage reports which would have identified the changes that occurred throughout the school years. Since the District could only provide summary reports and failed to document and retain the detailed information needed to perform a review, we were unable to verify the accuracy of the reimbursement received for each of those years.

It was not until the District transitioned to a new transportation software during the 2016-17 school year, and fully implemented it in the 2017-18 school year, that we were able to fully obtain, review, and audit what the District reported to PDE for the 2017-18 school year.

## **Conclusion**

The District failed in its fiduciary duties to taxpayers and was not in compliance with the PSC by not retaining this information, and without the documentation, we could not determine the appropriate amount of regular transportation reimbursements the District should have received for the 2014-15 through 2016-17 school years. The lack of required supporting documentation for these years is especially concerning due to the errors that we identified during the 2017-18 school year, resulting in an underpayment of \$24,036. Further, any school district official who signs the annual sworn statement must ensure that the transportation data had a secondary review for accuracy before he/she attests to the accuracy of the data. Transportation expenses and the subsequent transportation reimbursements are significant factors that can impact the District’s overall financial position. Therefore, it is in the best interest of the District to ensure that it regularly and consistently meets its fiduciary and statutory duties and complies with the PSC’s record retention requirements.

## **Recommendations**

The *Pittston Area School District* should:

1. Properly train appropriate District officials to ensure that PDE guidelines are followed in regard to calculating and reporting data for vehicles used to transport students.

2. Immediately take the appropriate administrative measures to ensure the District obtains and retains all documentation supporting the transportation data reported to PDE, including student bus rosters, odometer readings or GPS documents, and school building calendars indicating the days in which transportation was provided, in accordance with the PSC's record retention requirements.
3. Establish a safe and adequate location to store all source documents and calculations supporting the transportation data submitted to PDE.
4. Ensure that record retention procedures are documented and staff are trained on the procedures.
5. Ensure that the transportation data has a secondary review for accuracy before District officials sign the annual sworn statement attesting to the accuracy of the data, since transportation expenses and the subsequent transportation reimbursements are significant factors that can impact the District's overall financial position.

The *Pennsylvania Department of Education* should:

6. Adjust the District's underpayment of \$24,036 for the 2017-18 school year.

### **Management Response**

District management provided the following response:

“The Pittston Area School District began changing transportation software between the years 2016-2018. The district recognized the transportation software was not interfacing with our district software. The main interfacing issue pertained to student/roster data. Another issue with the software related to uploading compiled information to the PDE throughout the school year. The software restricted the district's control of ensuring the data was uploaded accurately. The district agrees with the fact it did not keep the required detailed student rosters but did retain all mileage reports from the audit period.

“It should be documented that the district did increase its fleet of vehicles as stated in the report. The reasoning for the increase was to eliminate the cost of contracting LIU 18 as a third party for scheduling transportation of Special Needs Students. The school district's transportation payment to the LIU-18 for the years of 2013-2014 was \$335,561. By making this change, the cost of transporting Special Needs Students for the 2017-2018 school year was reduced to \$102,287 (\$233,274 in savings).

“The district currently sets up 80% of the transportation for Special Needs Students resulting in large savings for taxpayers and affords the

transportation director more manageability to provide alternative transportation for students with IEPs.

“On 11/6/2018, the Director of Transportation completed a PASBO course titled, "Transportation Reimbursement: How to Avoid Audit Findings". Furthermore, he has also attended numerous webinars to further his professional development. These trainings along with the implementation of updated transportation software led to the development of new procedures concerning documentation and data reported to PDE. Hard copies of the documents will be stored in the administrative safe and also on a hard drive.

“The PASD has created a new set of checks and balances. An administrative assistant will complete an initial review of data. Next, the transportation director will complete a second review. The business department will perform a final review before the data is provided to PDE at the end of each school year.

“The district will also require all bus contractors to complete their own invoices and GPS for mileage monthly.

“Monthly rosters will be provided by the PASD to all contractors for the transportation computation.”

### **Auditor Conclusion**

We are pleased that the District agreed with our finding and has addressed and/or is in the process of implementing all of our audit recommendations. It should be noted that the District stated in their management response that they did retain all mileage reports from the audit period. We agree that mileage reports were retained; however the mileage summary calculations used to report mileage figures submitted to PDE for reimbursement were not maintained, which resulted in our inability to determine the completeness and accuracy of the mileage reports which were retained by the District. District personnel noted mileage summaries used to report mileage data to PDE will be retained in the future. We will evaluate the effectiveness of the corrective actions taken during our next audit of the District.

## **Status of Prior Audit Findings and Observations**

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**O**ur prior Limited Procedures Engagement of the Pittston Area School District resulted in no findings or observations.



## Appendix A: Audit Scope, Objectives, and Methodology

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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,<sup>6</sup> 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 Pittston Area 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).<sup>7</sup> 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.

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<sup>6</sup> 72 P.S. §§ 402 and 403.

<sup>7</sup> 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, 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
- ✓ 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?<sup>8</sup>
  - ✓ To address this objective, we selected all 67 buses reported to PDE by the District as transporting students for the 2017-18 school year. We obtained global positioning system readings, bus rosters, manual sample average mileage calculations, and the spreadsheet used to report sample averages to PDE for determination of the accuracy of the number of days transportation were provided, the miles traveled, and the student counts. Additionally, we attempted to review calculations for days traveled, mileage, and students transported for the 2014-15 through 2016-17 schools years; however, the District did not retain the required source documentation to verify the accuracy of the data reported to PDE.<sup>9</sup> The results of our review of this portion of the objective can be found in the Finding beginning on page 6 of this report.
  - ✓ We obtained and reviewed requests for transportation forms, bus rosters, and other supporting documentation for all nonpublic school and charter school students transported during the 2017-18 school year.<sup>10</sup> Our review of the documentation was to determine the accuracy of students classified as nonpublic and charter school students reported to PDE and to verify the District received the correct subsidy for transporting these students. Our review of this portion of the objective area did not disclose any reportable issues.
  - ✓ We obtained and reviewed all contractor invoices for the two largest transportation providers used to transport students during the 2017-18 school year.<sup>11</sup> We analyzed the contractor invoices

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<sup>8</sup> See 24 P.S. §§ 13-1301, 13-1302, 13-1305, 13-1306; 22 Pa. Code Chapter 11.

<sup>9</sup> The District reported 46 vehicles used to transport students for the 2014-15 school year, 55 vehicles used to transport students for the 2015-16 school year, and 65 vehicles used to transport students for the 2016-17 school year.

<sup>10</sup> The District reported 329 nonpublic school and 10 charter school students to PDE for the 2017-18 school year.

<sup>11</sup> We reviewed a total of 22 invoices. Eleven invoices were generated for each of the two largest contractors during the 2017-18 school year.

to determine if the amount invoiced and amount paid were in accordance with the terms of the transportation providers' contracts. In addition, we compared the amount of transportation costs recorded by the District in its expenditure account to the monthly invoices and the amount reported to PDE to ensure accuracy and agreement. Our review of this portion of the objective area did not disclose any reportable issues.

- ✓ Finally, we reviewed all five board meeting minutes to confirm that all transportation contracts with the District's two primary transportation providers in effect during our audit period were Board of School Directors (Board) approved and free from conflicts of interest. We reviewed the Statements of Financial Interest for the voting board members to ensure that all transportation contracts in effect during the audit period were free from conflicts of interest. Our review of this portion of the objective area did not disclose any reportable issues.
- 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 District comply with the Public School Code<sup>12</sup> and the Public School Employees' Retirement System (PSERS) guidelines when calculating and disbursing final salaries and leave payouts for these contracted employees?
  - ✓ To address this objective, we obtained and reviewed the contract in place with the District's prior Superintendent, who was the only individually contracted administrator who separated employment from the District during the period July 1, 2014 through January 23, 2020. We reviewed board meeting minutes, board policies, and payroll records related to the separation records to ensure leave payments were correctly reported to PSERS. We verified the reasons for the separation. We reviewed the contract in place with the District's former Superintendent to determine if it complied with the provisions of the Public School Code, regarding termination, buy-out, and severance provisions.
  - ✓ Additionally, we obtained and reviewed the board meeting minutes approving the District's current Superintendent and the employment contract with the current Superintendent. We reviewed the contract to ensure that it complied with provisions of the Public School Code. We also obtained the Board's Statement of Financial Interests to determine if the hiring of the District's current Superintendent was done in a manner that was free from conflict of interest.

Our review of this objective did not disclose any reportable issues.

- Did the District ensure that bus drivers transporting District students had the required driver's license, physical exam, training, background checks, and clearances<sup>13</sup> as outlined in applicable laws?<sup>14</sup> 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 selected all 74 bus drivers transporting District students as of March 3, 2020. We reviewed each driver selected to ensure that they met the requirements to transport students. We assessed the District's internal controls for maintaining and reviewing

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<sup>12</sup> 24 P.S. § 10-1073 (e) (2) (v).

<sup>13</sup> 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.

<sup>14</sup> 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.

required bus driver qualification documents and procedures for being made aware of who transported students daily. We determined if all drivers were board approved by the District. Our review of this objective did not disclose any reportable issues.

- Did the District comply with requirements in the Public School Code and the Pennsylvania Emergency Management Code related to emergency management plans, bullying prevention, memorandums of understanding with local law enforcement, and fire drills?<sup>15</sup> 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, training schedules, evidence of physical building security assessments, anti-bullying policies, and fire drill reporting data specific to the 2018-19 school year. We also interviewed District officials to assess whether the District had implemented basic safety practices. Due to the sensitive nature of school safety, the results of our review of school safety are not described in our audit report. The results are shared with District officials, PDE's Office of Safe Schools, and other appropriate law enforcement agencies deemed necessary.<sup>16</sup>

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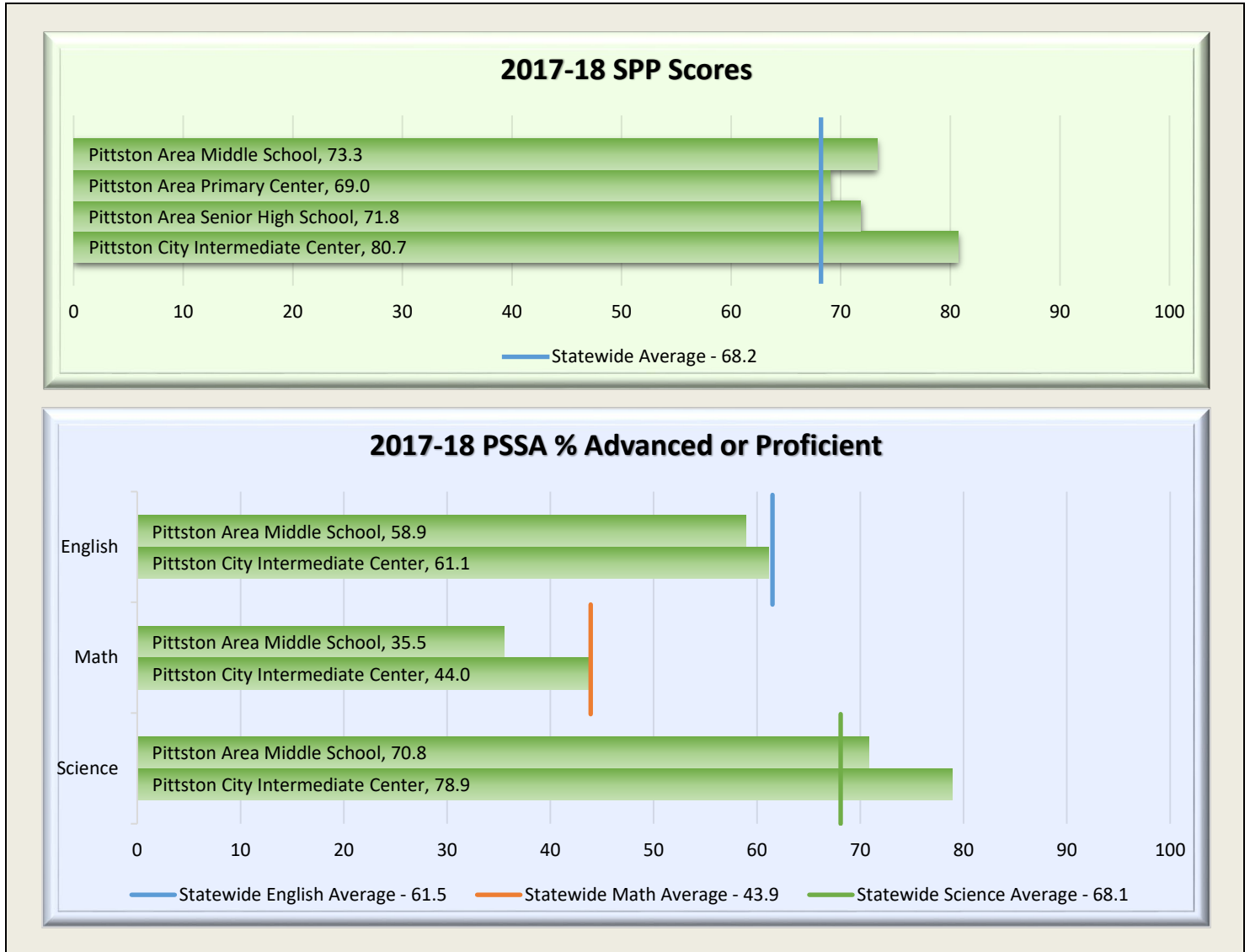
<sup>15</sup> 24 P.S. § 13-1301-A *et seq.*, 35 Pa.C.S. § 7701, and 24 P.S. § 15-1517.

<sup>16</sup> Other law enforcement agencies include the Pennsylvania State Police, the Office of Attorney General, and local law enforcement with jurisdiction over the District's school buildings.

## Appendix B: Academic Detail by Building

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.<sup>17</sup> 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.<sup>18</sup>

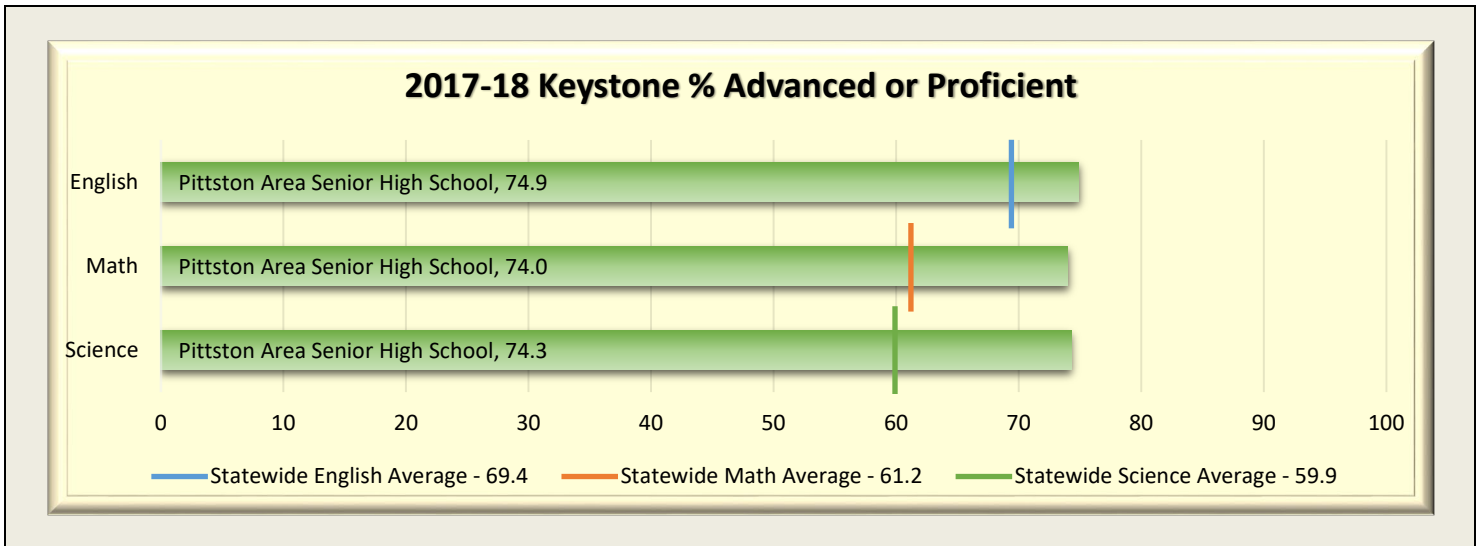
### 2017-18 Academic Data School Scores Compared to Statewide Averages



<sup>17</sup> 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.

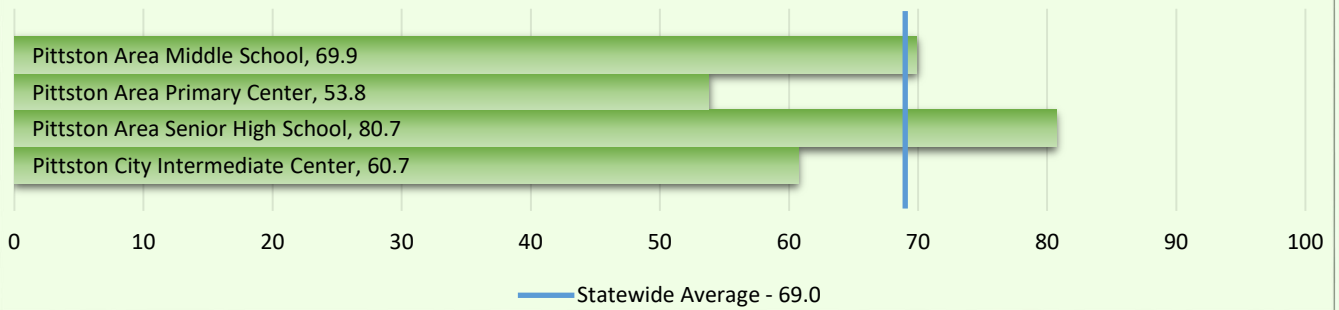
<sup>18</sup> PDE's data does not provide any further information regarding the reason a score was not published for a specific school. However, readers can refer to PDE's website for general information regarding the issuance of academic scores.

**2017-18 Academic Data**  
**School Scores Compared to Statewide Averages (continued)**

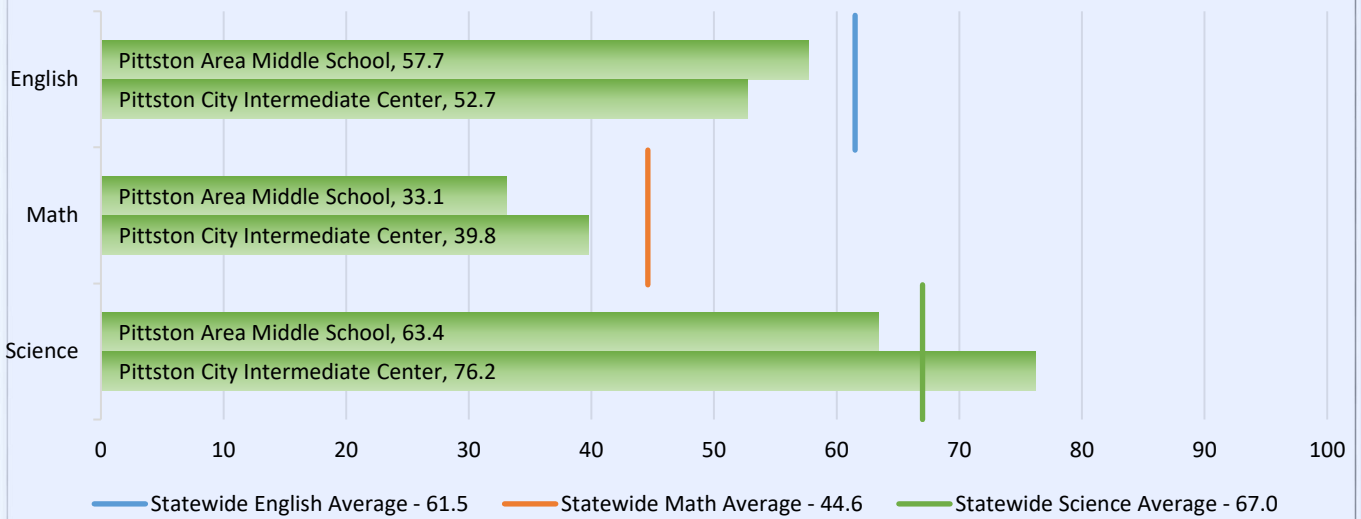


**2016-17 Academic Data**  
**School Scores Compared to Statewide Averages**

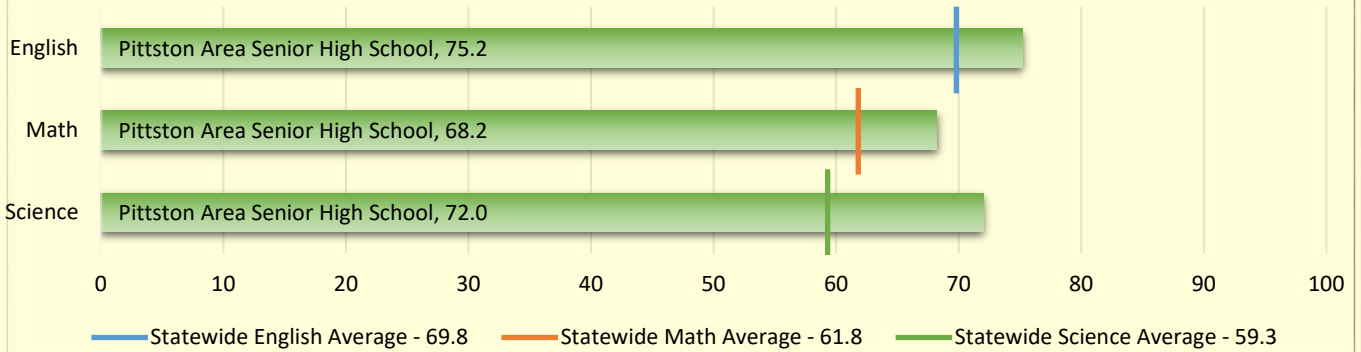
**2016-17 SPP Scores**



**2016-17 PSSA % Advanced or Proficient**

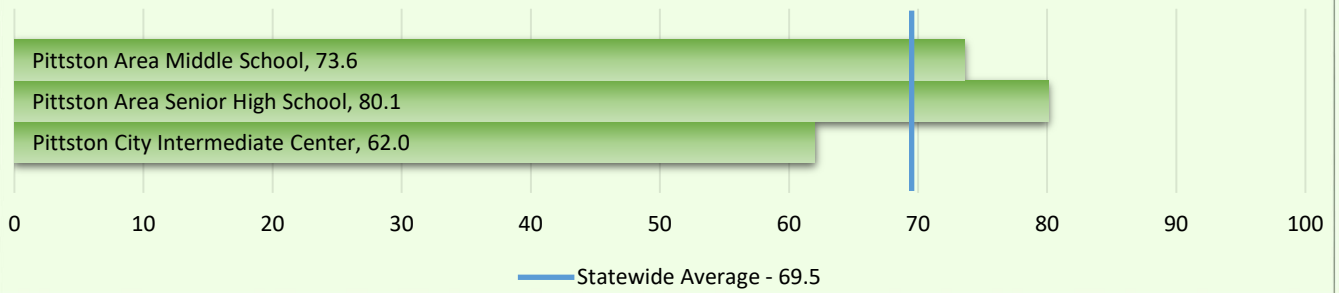


**2016-17 Keystone % Advanced or Proficient**

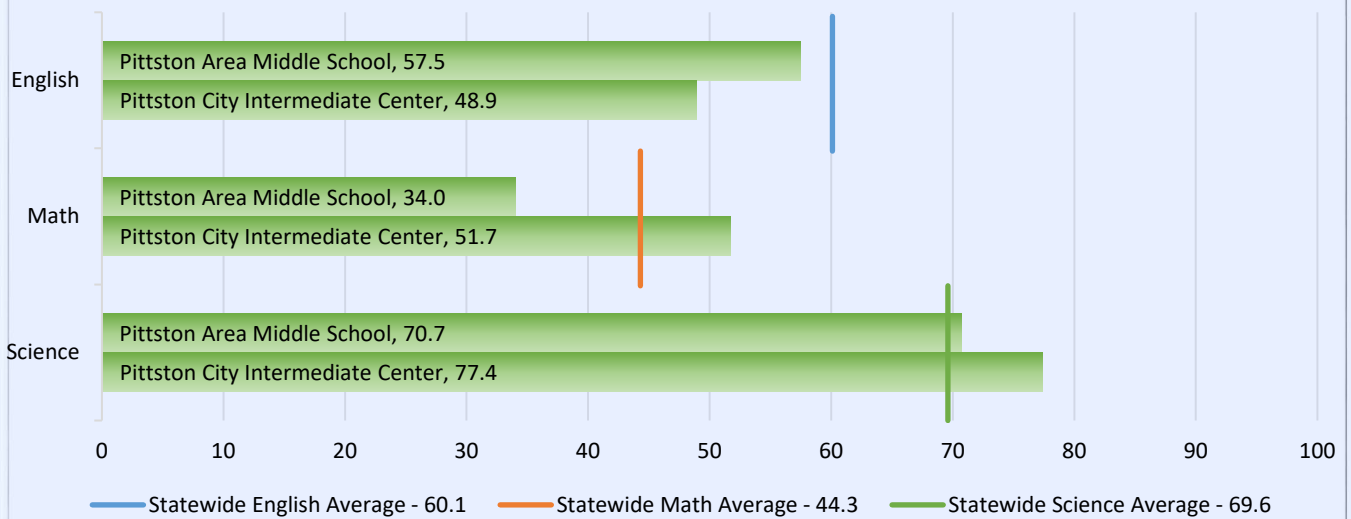


**2015-16 Academic Data**  
**School Scores Compared to Statewide Averages**

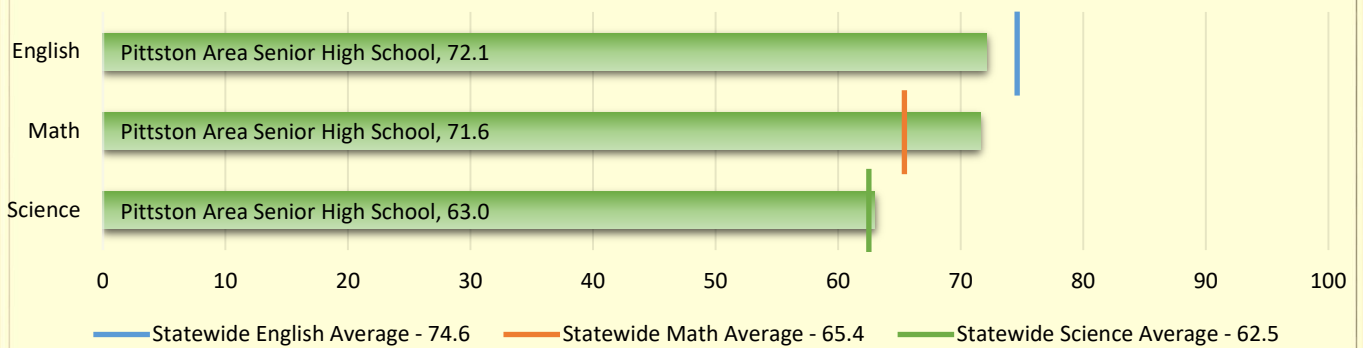
**2015-16 SPP Scores**



**2015-16 PSSA % Advanced or Proficient**



**2015-16 Keystone % Advanced or Proficient**





## **Distribution List**

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