

# LIMITED PROCEDURES ENGAGEMENT

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## Seneca Highlands Career and Technical Center McKean County, Pennsylvania

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September 2017



Commonwealth of Pennsylvania  
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE  
AUDITOR GENERAL

Mr. Don Wismar, Executive Director  
Seneca Highlands Career and Technical Center  
219 Edison Bates Drive  
Port Allegany, Pennsylvania 16743

Mr. James Young, Director  
Seneca Highlands Career and Technical Center  
219 Edison Bates Drive  
Port Allegany, Pennsylvania 16743

Mr. Paul Ridley, Board President  
Seneca Highlands Career and Technical Center  
219 Edison Bates Drive  
Port Allegany, Pennsylvania 16743

Dear Mr. Wismar, Mr. Young, and Mr. Ridley:

We conducted a Limited Procedures Engagement (LPE) of the Seneca Highlands Career and Technical Center (Career and Technical Center) 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, 2016, 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 Career and Technical Center 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?

Mr. Don Wismar  
Mr. James Young  
Mr. Paul Ridley  
Page 2

- Did the Career and Technical Center comply with the relevant requirements in the Right-to-Know Law and the Sunshine Act?
- Did the Career and Technical Center take appropriate corrective action to address the observation made in our prior audit?

Our engagement found that the Career and Technical Center properly implemented policies and procedures for the areas mentioned above and complied, in all significant respects, with relevant requirements.

We appreciate the Career and Technical Center's cooperation during the conduct of the engagement.

Sincerely,



Eugene A. DePasquale  
Auditor General

September 15, 2017

cc: **SENECA HIGHLANDS CAREER AND TECHNICAL CENTER**  
Joint Operating Committee

## Background Information

School Characteristics 2016-17 School Year <sup>A</sup>		Mission Statement <sup>A</sup>
County	McKean	To provide high quality, equitable, instructional, financial, and technological services to all learners through innovative leadership.
Full-Time or Part-Time School	Part-Time	
Secondary Pupils Enrolled	303	
Post-Secondary Pupils Enrolled	0	
Total Teachers	12	
Total Full or Part-Time Support Staff	9	
Total Administrators	2	
Intermediate Unit Number	9	

A - Source: Information provided by the Career and Technical Center administration and is unaudited.

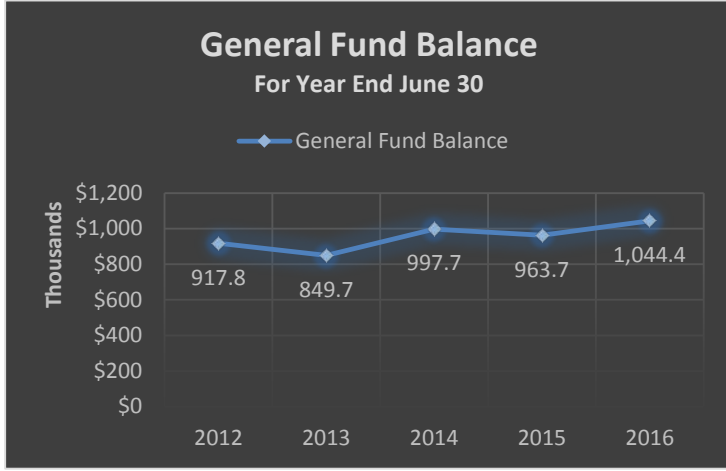
The operation, administration, and management of the Career and Technical Center are directed by a joint operating committee (JOC), which is comprised of 14 members from the following school districts:

Austin Area	Cameron County
Coudersport Area	Galeton Area
Kane Area	Northern Potter
Oswayo Valley	Otto-Eldred
Port Allegany	Smethport Area

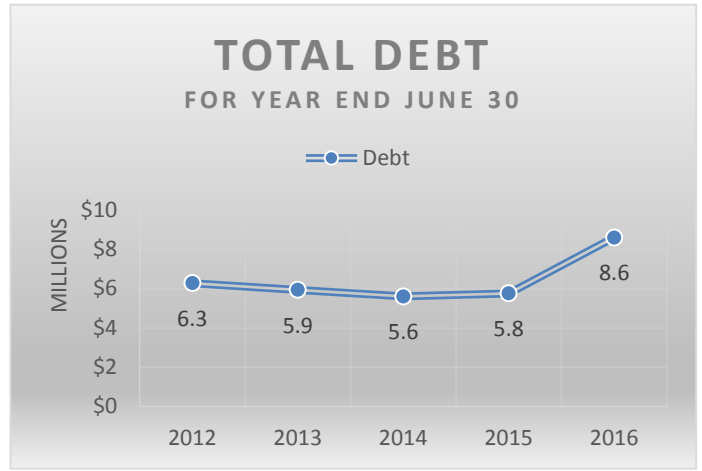
The JOC members are appointed by the individual school boards at the December meeting, each to serve a three-year term.

## Financial Information

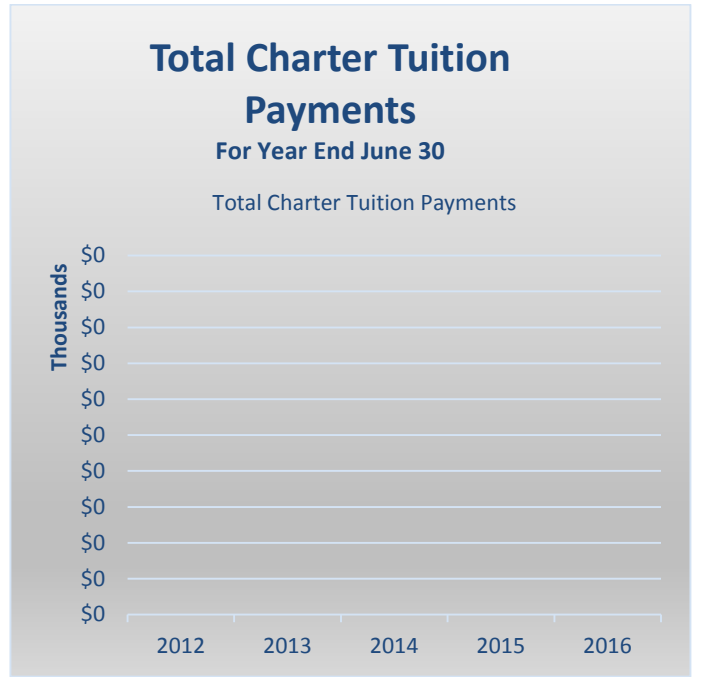
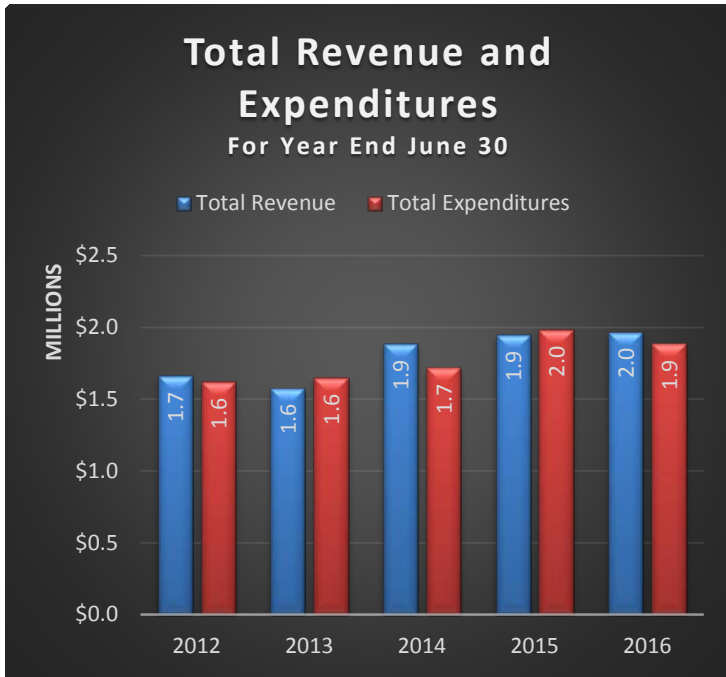
The following pages contain financial information about the Career and Technical Center obtained from annual financial data reported to the Pennsylvania Department of Education (PDE) and available on PDE’s public website. This information was not audited and is presented for **informational purposes only**.



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

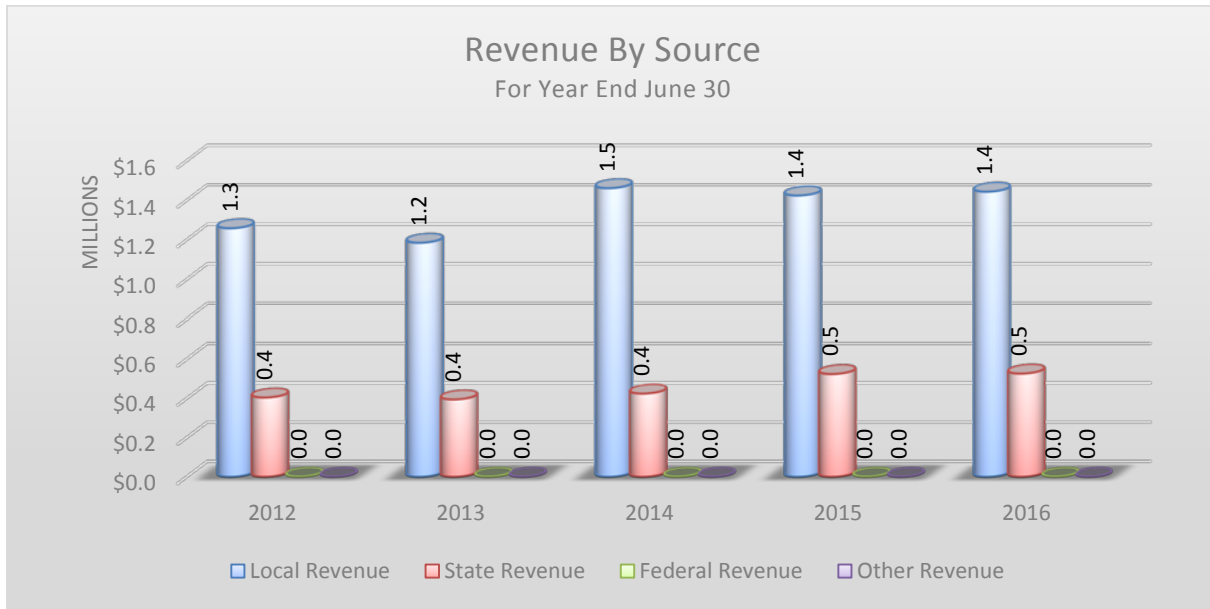


**Note:** Total Debt is comprised of Short-Term Borrowing, General Obligation Bonds, Authority Building Obligations, Other Long-Term Debt, Other Post-Employment Benefits and Compensated Absences.



**Note:** Career and technical centers do not make payments to charter schools for tuition. These payments are made by the home district of each student.

## Financial Information Continued



Local revenues were primarily obtained from direct payments by the member districts based on the approved budget. Each district's proportionate share of the operating expenditures was determined by a formula involving average daily membership as specified in the Articles of Agreement.

## Academic Information

Part-time career and technical centers, such as the Seneca Highlands Career and Technical Center, do not receive academic scores. Academic instruction in the core content areas occurs in the students' home district and are therefore reported within the scores of the students' home district.<sup>1</sup> Full-time comprehensive career and technical centers providing core content receive academic scores.

### 4-Year Cohort Graduation Rates

Part-time career and technical centers do not report a graduation rate. Each students' graduation rate is reported through the home district for that student. Full-time comprehensive career and technical centers report graduation rates to PDE.

<sup>1</sup> <http://paschoolperformance.org/FAQ>.

## Status of Prior Audit Findings and Observations

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Our prior audit of the Career and Technical Center released on June 30, 2014, resulted in one observation, as shown below. As part of our current engagement, we determined the status of corrective action taken by the Career and Technical Center to implement our prior audit recommendations. We interviewed the Career and Technical Center personnel and performed audit procedures as detailed in each status section below.

### Auditor General Performance Audit Report Released on June 30, 2014

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**Prior Observation:**      **Insufficient Internal Controls Over Student Record Data**

Prior Observation

Summary:

Our prior review found that the Career and Technical Center did not have adequate procedures in place to ensure the continuity over its Pennsylvania Information Management System (PIMS) data submission in the event of a sudden change in personnel or child accounting vendors. Additionally, staff members were not being cross-trained in the procedures to ensure accurate student information reporting.

Prior Recommendations: We recommended that the Career and Technical Center should:

1. Develop appropriate written procedures for the student accounting software and PIMS system to ensure propriety of entry, accuracy of reported data, and report verification.
2. Implement appropriate cross-training of at least one other employee on PIMS data submission.

Current Status:

During our current audit, we found that the Career and Technical Center did implement our recommendations. Personnel responsible for PIMS reporting provided the written procedures that were developed to ensure data reporting continuity. Also, we confirmed that the Career and Technical Center personnel are being cross-trained on PIMS data submission.

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## **Distribution List**

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This letter was initially distributed to the Director of the Career and Technical Center, the Joint Operating Committee, and the following stakeholders:

**The Honorable Tom W. Wolf**

Governor  
Commonwealth of Pennsylvania  
Harrisburg, PA 17120

**The Honorable Pedro A. Rivera**

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

**The Honorable Joe Torsella**

State Treasurer  
Room 129 - Finance Building  
Harrisburg, PA 17120

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