

# PERFORMANCE AUDIT

---

## Southern Huntingdon County School District Huntingdon County, Pennsylvania

---

August 2016



Commonwealth of Pennsylvania  
Department of the Auditor General

Eugene A. DePasquale • Auditor General



Commonwealth of Pennsylvania  
Department of the Auditor General  
Harrisburg, PA 17120-0018  
Facebook: Pennsylvania Auditor General  
Twitter: @PAAuditorGen  
www.PaAuditor.gov

EUGENE A. DePASQUALE  
AUDITOR GENERAL

Mr. Michael Zinobile, Superintendent  
Southern Huntingdon County School District  
10339 Pogue Road  
Three Springs, Pennsylvania 17264

Ms. Joann Wakefield, Board President  
Southern Huntingdon County School District  
10339 Pogue Road  
Three Springs, Pennsylvania 17264

Dear Mr. Zinobile and Ms. Wakefield:

We have conducted a performance audit of the Southern Huntingdon County School District (District) for the period July 1, 2011 through June 30, 2015, 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:

- Data Integrity
- Student Membership Status
- Bus Drivers Requirements
- School Safety

The audit was conducted pursuant to Section 403 of The Fiscal Code, 72 P.S. § 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 areas listed above.

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".

Eugene A. DePasquale  
Auditor General

August 4, 2016

cc: **SOUTHERN HUNTINGDON COUNTY SCHOOL DISTRICT** Board of School Directors

## Table of Contents

---

	Page
Background Information .....	1
Finding .....	5
Status of Prior Audit Findings and Observations .....	6
Appendix: Audit Scope, Objectives, and Methodology .....	9
Distribution List .....	12

## Background Information

School Characteristics 2014-15 School Year <sup>A</sup>	
County	Huntingdon
Total Square Miles	221
Resident Population <sup>B</sup>	7,998
Number of School Buildings	4
Total Teachers	91
Total Full or Part-Time Support Staff	57
Total Administrators	6
Total Enrollment for Most Recent School Year	1,049
Intermediate Unit Number	11
District Vo-Tech School	Huntingdon County CTC

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

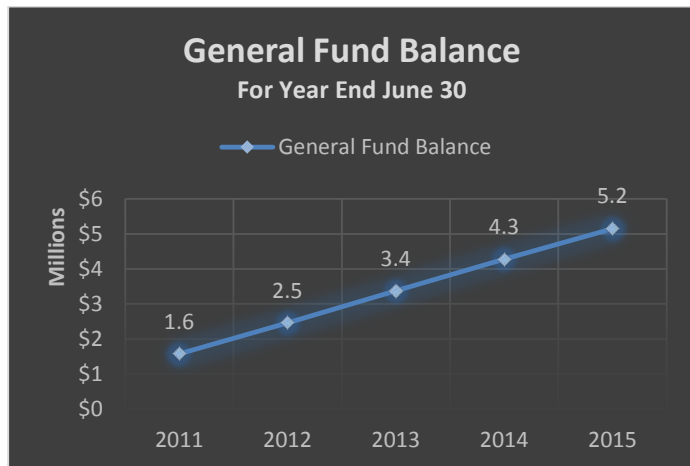
B - Source: United States Census  
<http://www.census.gov/2010census>

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

**“Rocketing our students into the future. We are committed to our students becoming leaders in the 21<sup>st</sup> Century, using critical thinking and interpersonal skills to succeed in a global society.”**

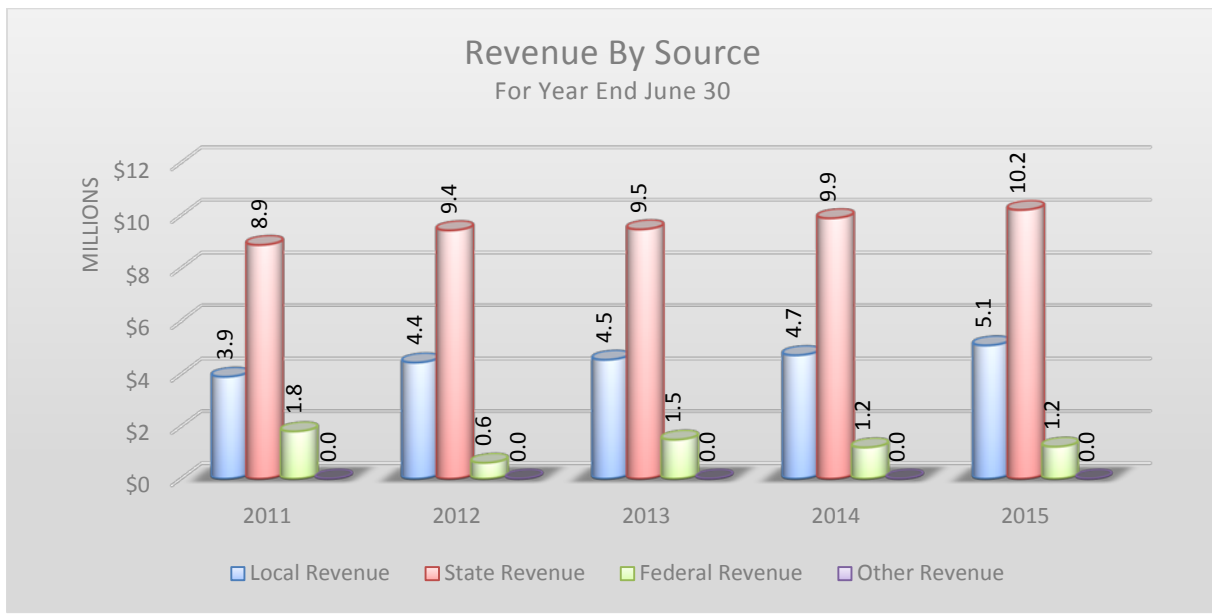
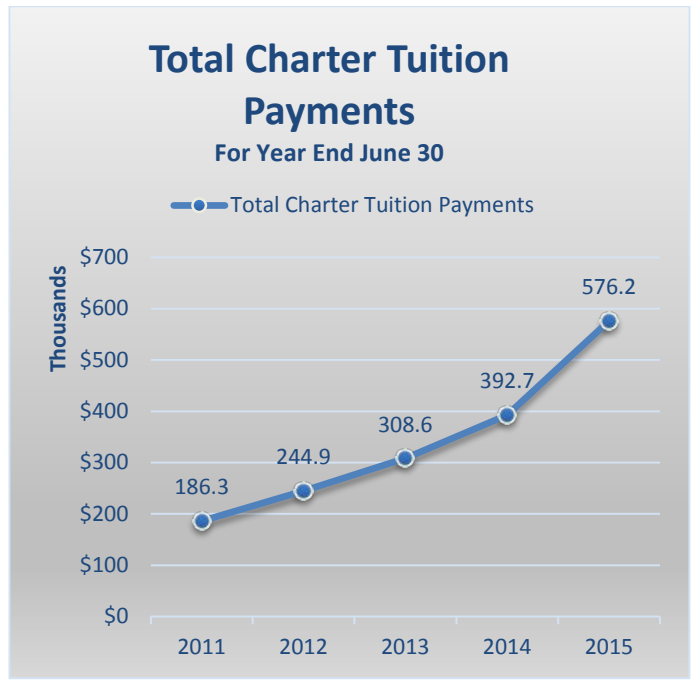
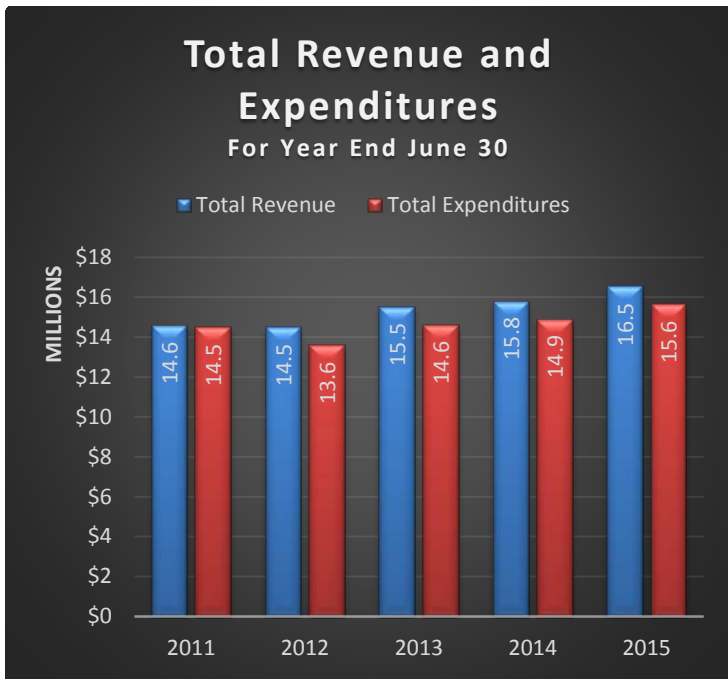
## Financial Information

The following pages contain financial information about the 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**.



<sup>1</sup> 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.

## Financial Information Continued



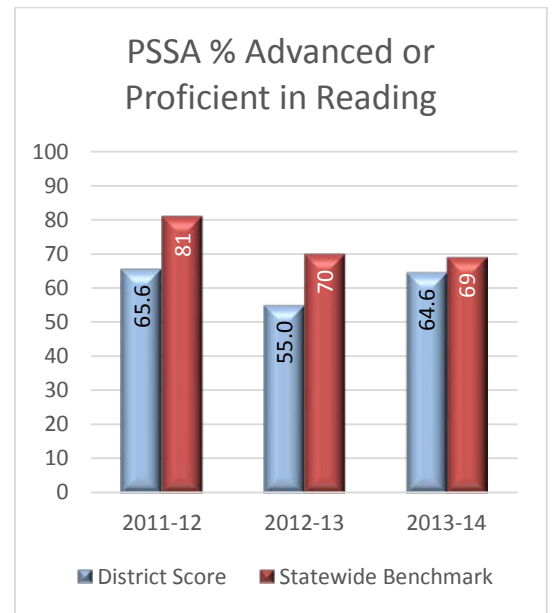
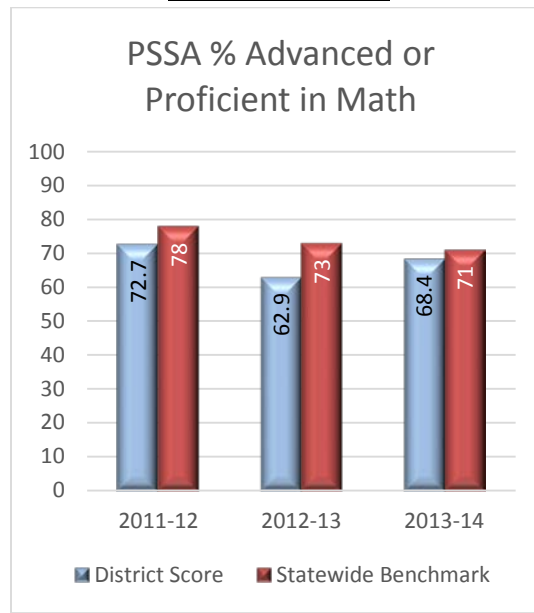
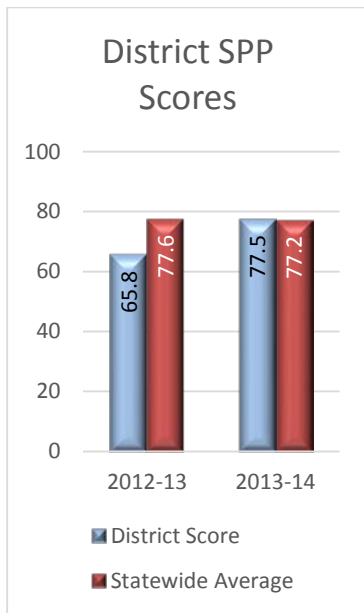
## Academic Information

The following table and charts consist of School Performance Profile (SPP) scores and Pennsylvania System of School Assessment (PSSA) results for the entire District obtained from PDE’s data files.<sup>2</sup> These scores are presented in the District’s audit report for **informational purposes only**, and they were not audited by our Department.

SPP benchmarks represent the statewide average of all district school buildings in the Commonwealth.<sup>3</sup> PSSA benchmarks and goals are determined by PDE each school year and apply to all public school entities.<sup>4</sup> District SPP and PSSA scores were calculated using an average of all of the individual school buildings within the District. Scores below SPP statewide averages and PSSA benchmarks/goals are presented in red.

### Districtwide SPP and PSSA Scores

District	SPP Scores		PSSA % Advanced or Proficient in Math			PSSA % Advanced or Proficient in Reading		
	2012-13	2013-14	2011-12	2012-13	2013-14	2011-12	2012-13	2013-14
<i>Statewide Benchmark</i>	77.6	77.2	78	73	71	81	70	69
<i>Southern Huntingdon County SD</i>	65.8	77.5	72.7	62.9	68.4	65.6	55.0	64.6
<i>SPP Grade<sup>5</sup></i>	<b>D</b>	<b>C</b>						



<sup>2</sup> PDE is the sole source of academic data presented in this report. All academic data was obtained from PDE’s publically available website.

<sup>3</sup> Statewide averages for SPP scores were calculated based on all district school buildings throughout the Commonwealth, excluding charter and cyber charter schools.

<sup>4</sup> PSSA benchmarks apply to all district school buildings, charters, and cyber charters. In the 2011-12 school year, the state benchmarks reflect the Adequate Yearly Progress targets established under No Child Left Behind. In the 2012-13 and 2013-14 school years, the state benchmarks reflect the statewide goals based on annual measurable objectives established by PDE.

<sup>5</sup> The following letter grades are based on a 0-100 point system: A (90-100), B (80-89), C (70-79), D (60-69), F (59 or below)

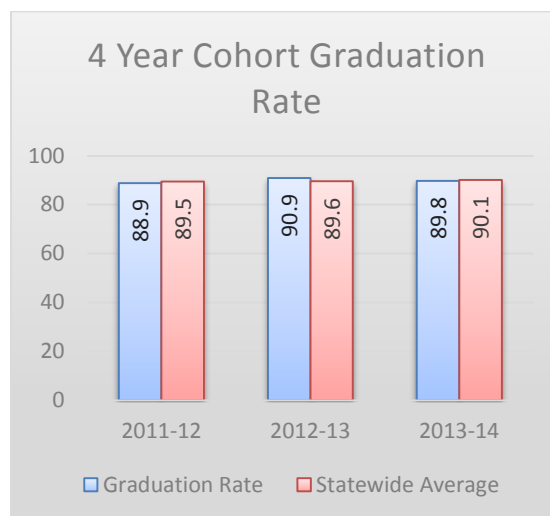
## Individual School Building SPP and PSSA Scores

The following table consists of SPP scores and PSSA results for each of the District's school buildings. Any blanks in PSSA data means that PDE did not publish a score for that school for that particular year.<sup>6</sup>

School Name	SPP Scores		PSSA % Advanced or Proficient in Math			PSSA % Advanced or Proficient in Reading		
	2012-13	2013-14	2011-12	2012-13	2013-14	2011-12	2012-13	2013-14
<i>Statewide Benchmark</i>	<b>77.6</b>	<b>77.2</b>	<b>78</b>	<b>73</b>	<b>71</b>	<b>81</b>	<b>70</b>	<b>69</b>
<i>Rockhill Elementary School</i>	<b>64.2</b>	<b>86.0</b>	<b>82.9</b>	<b>59.0</b>	<b>59.3</b>	<b>69.8</b>	<b>55.1</b>	<b>62.6</b>
<i>Shade Gap Elementary School</i>	<b>64.9</b>	<b>81.5</b>	<b>61.6</b>	<b>52.0</b>	<b>77.5</b>	<b>69.9</b>	<b>39.5</b>	<b>71.8</b>
<i>Southern Huntingdon County High School/Middle School</i>	<b>64.3</b>	<b>54.3</b>	<b>71.9</b>	<b>67.6</b>	<b>59.1</b>	<b>60.8</b>	<b>62.2</b>	<b>56.6</b>
<i>Spring Farms Elementary School</i>	<b>69.6</b>	<b>88.2</b>	<b>74.5</b>	<b>73.0</b>	<b>77.6</b>	<b>61.8</b>	<b>63.1</b>	<b>67.4</b>

## 4 Year Cohort Graduation Rates

The 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.<sup>7</sup>



<sup>6</sup> PDE's data does not provide any further information regarding the reason a score was not published.

<sup>7</sup> <http://www.education.pa.gov/Data-and-Statistics/Pages/Cohort-Graduation-Rate-.aspx#.V1BFcdTD-JA>

## **Finding**

---

**F**or the audited period, our audit of the District resulted in no findings.



## Status of Prior Audit Findings and Observations

---

Our prior audit of the District released on June 25, 2013, resulted in two findings and one observation. As part of our current audit, we determined the status of corrective action taken by the District to implement our prior audit recommendations. We reviewed the District's written response provided to the Pennsylvania Department of Education (PDE), interviewed District personnel, and performed audit procedures as detailed in each status section below.

### Auditor General Performance Audit Report Released on June 25, 2013

---

#### **Prior Finding No. 1: Certification Deficiency**

Finding Summary: Our prior audit of the District found one teacher taught a course without possessing the appropriate certificate.

Recommendations: We recommended that the District should:

Review all certificates at least annually to determine that all professional employees are properly certified for the positions assigned.

We also recommended that PDE should:

Adjust the District's allocations to recover the subsidy forfeiture resulting from the deficiency.

Current Status: Beginning with the 2012-13 school year, the District no longer offers the course taught by the teacher cited in this finding. Subsequently, the teacher cited in this finding separated from employment with the District.

As of June 30, 2016, PDE has not adjusted the District's allocations to resolve the subsidy forfeiture. We again recommended that PDE adjust the District's allocations to recover the subsidy forfeiture resulting from this deficiency.

---

**Prior Finding No. 2: Errors in Reporting Nonresident Membership Resulted in an Underpayment of \$8,577 in Tuition for Children Placed in Private Homes**

Finding Summary: Our prior audit of the District’s student membership reports submitted to PDE found errors in reporting nonresident membership that resulted in an underpayment to the District of \$8,577 in tuition.

Recommendations: We recommended that the District should:

1. Review membership data thoroughly prior to submission to PDE to ensure students are properly classified prior to submitting report to PDE.
2. Review reports submitted subsequent to the years audited and submit revised reports to PDE.

We also recommended that PDE should:

3. Adjust the District’s allocations to correct the underpayment of \$8,577.

Current Status: Our review of the District’s nonresident student membership found that for the 2013-14 school year the District correctly classified students placed in private homes prior to submitting reports to PDE. The District did implement our prior recommendations.

In June 2016, PDE adjusted the District’s allocations to correct the underpayment.

---

**Prior Observation: The District Lacks Sufficient Internal Controls Over Its Student Record Data**

Observation Summary: Our prior audit of the District’s student information entered into the Pennsylvania Information Management System (PIMS) indicated that the District’s controls over data integrity needed to be improved.

Recommendations: We recommended that the District should:

1. Retain end-of-year reports generated by the District’s child accounting software used for reporting student data to PIMS and reconcile the data to PIMS reports.
2. Cross-train several of its personnel in the District’s child accounting system.

3. Develop documents (e.g. procedures, manuals, policies or other written instructions) to ensure continuity over PIMS data submission if those persons involved were to leave the local education agency (LEA) suddenly or otherwise be unable to upload PIMS data to PDE.

Current Status:

Our review of PIMS data for the 2013-14 school year found that the District implemented Recommendation No. 1 and 2. District end-of-year reports used for child accounting reporting are retained by personnel and that data was correctly reported to PDE. The District is cross training its personnel in child accounting.

The District has not implemented Recommendation No. 3. The District still has not developed written procedures to ensure continuity over PIMS data submission. Therefore, we again recommend that the District develop documents (e.g. procedures, manuals, policies or other written instructions) to ensure continuity over PIMS data submission if those persons involved were to leave the District suddenly or otherwise be unable to upload PIMS data to PDE.

---

## **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 LEA. The results of these audits are shared with LEA management, the Governor, PDE, and other concerned entities.

Our audit, conducted under authority of Section 403 of The Fiscal Code,<sup>8</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, 2011 through June 30, 2015. In addition, the scope of each individual audit objective is detailed on the next page.

The District's management is responsible for establishing and maintaining effective internal controls<sup>9</sup> to provide reasonable assurance that the District is in compliance with certain relevant state laws, regulations, contracts, grant requirements, and administrative procedures (relevant requirements). In conducting our audit, we obtained an understanding of the District's internal controls, including any information technology controls that we consider 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.

---

<sup>8</sup> 72 P.S. § 403.

<sup>9</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, grant requirements, 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, financial reports, annual budgets, and new or amended policies and procedures. 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:

- Data Integrity
- Student Membership Status
- Bus Drivers 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 LEA ensure that the membership data it reported in the PIMS system was accurate, valid, and reliable?
  - To address this objective, we randomly selected 15 out of 1,309 total registered students (five resident, five nonresident, and five area vocational-technical students) from the vendor software listing for the 2013-14 school year and verified that each child was appropriately registered with the District. In addition, we selected all seven of seven school terms reported on the Summary of Child Accounting and verified the school days reported on the Instructional Time Membership Report and matched them to the School Calendar Fact Template. Our review of this objective did not disclose any reportable issues.
- ✓ Did the District correctly identify and report to PDE their nonresident students placed in private homes and was the District reimbursed correctly for these nonresident students?
  - To address this objective, we verified for the 2013-14 school year the existence and proper classification of all ten of the nonresident students placed in private homes and determined whether membership for these students was correctly reported to PDE. 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 as outlined in applicable laws?<sup>10</sup> Also, did the District have adequate written policies and procedures governing the hiring of new bus drivers?
  - To address this objective, we reviewed all four of the bus drivers hired by the District's bus contractors, over the period covering July 1, 2011 through April 8, 2016, and reviewed documentation to ensure the District complied with bus driver's requirements. We also determined if the District had written policies and procedures governing the hiring of bus drivers and if those procedures were sufficient to ensure compliance with bus driver hiring requirements. Our review of this objective did not disclose any reportable issues.
  
- ✓ Did the District take appropriate actions to ensure it provided a safe school environment?
  - To address this objective, we reviewed a variety of documentation including, safety plans, training schedules, and anti-bullying policies. In addition, we conducted on-site reviews at three out of the District's four school buildings (one from each education level) to assess whether the District had implemented basic safety practices. Due to the sensitive nature of school safety, the results of our review of this objective area are not described in our audit report. The results of our review of school safety are shared with District officials and, if deemed necessary, PDE.

---

<sup>10</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.*

## **Distribution List**

---

This report 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 Harristown Building #2  
333 Market Street  
Harrisburg, PA 17126

**The Honorable Timothy Reese**

State Treasurer  
Room 129 - Finance Building  
Harrisburg, PA 17120

**Mrs. Danielle Mariano**

Director  
Bureau of Budget and Fiscal Management  
Pennsylvania Department of Education  
4th Floor, 333 Market Street  
Harrisburg, PA 17126

**Dr. David Wazeter**

Research Manager  
Pennsylvania State Education Association  
400 North Third Street - Box 1724  
Harrisburg, PA 17105

**Mr. Nathan Mains**

Executive Director  
Pennsylvania School Boards Association  
400 Bent Creek Boulevard  
Mechanicsburg, PA 17050

This report is a matter of public record and is available online at [www.PaAuditor.gov](http://www.PaAuditor.gov). Media questions about the report 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](mailto:news@PaAuditor.gov).