

YORK COUNTY SCHOOL OF TECHNOLOGY

YORK COUNTY, PENNSYLVANIA

PERFORMANCE AUDIT REPORT

DECEMBER 2011

The Honorable Tom Corbett
Governor
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania 17120

Ms. M. Ann Rinker
Joint Operating Committee Chairperson
York County School of Technology
2179 South Queen Street
York, Pennsylvania 17402

Dear Governor Corbett and Ms. Rinker:

We conducted a performance audit of the York County School of Technology (YCST) to determine its compliance with applicable state laws, regulations, contracts, grant requirements and administrative procedures. Our audit covered the period January 28, 2010 through June 17, 2011, except as otherwise indicated in the report. Additionally, compliance specific to state subsidy and reimbursements was determined for the school years ended June 30, 2010 and June 30, 2009. Our audit was conducted pursuant to 72 P.S. § 403 and in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Our audit found that the YCST complied, in all significant respects, with applicable state laws, regulations, contracts, grant requirements, and administrative procedures, except as detailed in two findings noted in this report. A summary of these results is presented in the Executive Summary section of the audit report.

Our audit findings and recommendations have been discussed with YCST's management and their responses are included in the audit report. We believe the implementation of our recommendations will improve YCST's operations and facilitate compliance with legal and administrative requirements. We appreciate the YCST's cooperation during the conduct of the audit.

Sincerely,

/s/

JACK WAGNER
Auditor General

December 22, 2011

cc: **YORK COUNTY SCHOOL OF TECHNOLOGY** Joint Operating Committee Members



Table of Contents

	Page
Executive Summary	1
Audit Scope, Objectives, and Methodology	3
Findings and Observations	6
Finding No. 1 – Failure to Have All School Bus Drivers’ Qualifications on File	6
Finding No. 2 – Certification Deficiency	8
Status of Prior Audit Findings and Observations	10
Distribution List	11



Executive Summary

Audit Work

The Pennsylvania Department of the Auditor General conducted a performance audit of the York County School of Technology (YCST). Our audit sought to answer certain questions regarding the School's compliance with applicable state laws, regulations, contracts, grant requirements, and administrative procedures; and to determine the status of corrective action taken by the YCST in response to our prior audit recommendations.

Our audit scope covered the period January 28, 2010 through June 17, 2011, except as otherwise indicated in the audit scope, objectives, and methodology section of the report. Compliance specific to state subsidy and reimbursements was determined for school years 2009-10 and 2008-09.

School Background

According to School officials, in school year 2009-10 the YCST provided educational services to 1,529 secondary pupils and 2,436 post-secondary pupils through the employment of 116 teachers, 55 full-time and part-time support personnel, and 16 administrators. The operation, administration and management of the school are directed by a joint operating committee (JOC) which comprises 14 members from the following school districts:

Central York	South Eastern
Dallastown Area	South Western
Dover Area	Southern York County
Eastern York	Spring Grove Area

Hanover Public	West York Area
Northeastern York	York City
Red Lion Area	York Suburban

The JOC members are appointed by the individual school boards at the December meeting, each to serve a three year term. Lastly, the YCST received more than \$2.2 million in state funding in school year 2009-10.

Audit Conclusion and Results

Our audit found that the YCST complied, in all significant respects, with applicable state laws, regulations, contracts, grant requirements, and administrative procedures, except for two compliance-related matters reported as findings.

Finding No. 1: Failure to Have All School Bus Drivers' Qualifications on File. Our audit of school bus drivers' qualifications found that two individuals did not have the proper clearances on file for the 2010-11 school year (see page 6).

Finding No. 2: Certification Deficiency. Our current audit of professional employees' certification found one individual was teaching without appropriate certification (see page 8).

Status of Prior Audit Findings and Observations. With regard to the status of our prior audit recommendations to the YCST from an audit we conducted of the 2007-08 and 2006-07 school years, we found the YCST had taken appropriate corrective action in implementing our recommendations pertaining to the certification deficiencies identified in our prior audit (see page 10).

Audit Scope, Objectives, and Methodology

Scope

What is a school performance audit?

School performance audits allow the 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 PA Department of Education, and other concerned entities.

Our audit, conducted under authority of 72 P.S. § 403, is not a substitute for the local annual 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.

Our audit covered the period January 28, 2010 through June 17, 2011.

Regarding state subsidy and reimbursements, our audit covered school years 2009-10 and 2008-09.

While all LEAs have the same school years, some have different fiscal years. Therefore, for the purposes of our audit work and to be consistent with Department of Education reporting guidelines, we use the term school year rather than fiscal year throughout this report. A school year covers the period July 1 to June 30.

Objectives

What is the difference between a finding and an observation?

Our performance audits may contain findings and/or observations related to our audit objectives. Findings describe noncompliance with a law, regulation, contract, grant requirement, or administrative procedure. Observations are reported when we believe corrective action should be taken to remedy a potential problem not rising to the level of noncompliance with specific criteria.

Performance audits draw conclusions based on an evaluation of sufficient, appropriate evidence. Evidence is measured against criteria, such as, laws, regulations, and defined business practices. Our audit focused on assessing the YCST's compliance with applicable state laws, regulations, contracts, grant requirements and administrative procedures. However, as we conducted our audit procedures, we sought to determine answers to the following questions, which serve as our objectives:

- ✓ Were professional employees certified for the positions they held?
- ✓ Is the School's pupil transportation department, including any contracted vendors, in compliance with applicable state laws and procedures?
- ✓ Does the School ensure that Joint Operating Committee members appropriately comply with the Public Official and Employee Ethics Act?

- ✓ Are there any declining fund balances which may impose risk to the fiscal viability of the School?
- ✓ Did the School pursue a contract buyout with an administrator and if so, what was the total cost of the buy-out, reasons for the termination/settlement, and do the current employment contract(s) contain adequate termination provisions?
- ✓ Were there any other areas of concern reported by local auditors, citizens, or other interested parties which warrant further attention during our audit?
- ✓ Is the School taking appropriate steps to ensure school safety?
- ✓ Did the School use an outside vendor to maintain its membership data and if so, are there internal controls in place related to vendor access?
- ✓ Did the School take appropriate corrective action to address recommendations made in our prior audits?

Methodology

What are internal controls?

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;
- Compliance with applicable laws, regulations, contracts, grant requirements and administrative procedures.

Government Auditing Standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings, observations 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.

YCST management is responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the School is in compliance with applicable laws, regulations, contracts, grant requirements, and administrative procedures. Within the context of our audit objectives, we obtained an understanding of internal controls and assessed whether those controls were properly designed and implemented.

Any significant deficiencies found during the audit are included in this report.

Our audit examined the following:

- Records pertaining to bus driver qualifications, professional employee certification, state ethics compliance, and financial stability.
- Items such as Joint Operating Committee meeting minutes.

Additionally, we interviewed selected administrators and support personnel associated with YCST operations.

Lastly, to determine the status of our audit recommendations made in a prior audit report released on November 5, 2010, we performed additional audit procedures targeting the previously reported matters.

Findings and Observations

Finding No. 1

Failure to Have All School Bus Drivers' Qualifications on File

Criteria relevant to the finding:

Public School Code (PSC) Section 111 (24 P.S. § 1-111) requires prospective school employees who would have direct contact with children, including independent contractors and their employees, to submit a report of criminal history record information obtained from the Pennsylvania State Police. Section 111 lists convictions of certain criminal offenses that, if indicated on the report to have occurred within the preceding five years, would prohibit the individual from being hired. Section 111 also requires applicants to submit a copy of the Federal criminal history record with the application for employment.

Our audit of the personnel records of bus drivers for the 2010-11 school year found that two individuals did not have the federal criminal history record information (known as FBI clearances) required by PSC Section 111 on file.

Several different state statutes and regulations establish the minimum required qualifications for school bus drivers. The purpose of these requirements is to ensure the safety and welfare of the students transported in school buses. We reviewed the following five requirements:

1. possession of a valid driver's license;
2. completion of school bus driver skills and safety training;
3. passing a physical examination;
4. lack of convictions for certain criminal offenses; and
5. official child abuse clearance statement.

The first three requirements were set by regulations issued by the Pennsylvania Department of Transportation and the fifth requirement was set by Section 6355 of the Child Protective Services Law. As explained further in the box to the left, the fourth requirement was set by the PSC.

We reviewed the personnel records of a random sample of 5 of the 28 drivers currently employed by the York County School of Technology's (YCST) transportation contractor. Our review found that the school did not have the FBI clearances on file for two drivers at the time of the audit. The School had submitted the application and fingerprints for both individuals in January and February 2009; however, school personnel failed to obtain the final reports. Our testing was expanded to include all individuals; no other discrepancies were found.

On May 17, 2011, we informed YCST management of the missing documentation and instructed them to immediately obtain the necessary documents so that they could ensure the drivers were properly qualified to continue to have direct contact with children. On June 1, 2011, the YCST provided us with the two clearances, each showing clean records.

By not having the required bus drivers' qualification documents on file, the School was not able to review the documents to determine whether all drivers were qualified to transport students. If unqualified drivers transport students, there is an increased risk to the safety and welfare of students.

The failure to have the records on file at the School was a result of the school's transportation coordinator failing to follow-up on the status of the FBI clearances for the drivers.

Recommendations

The *York County School of Technology* should:

Develop a system that can track the status of all current bus drivers' qualification records. This will ensure that all bus drivers transporting pupils are properly qualified for their position and that the school is in compliance with the PSC.

Management Response

Management stated the following:

The York County School of Technology acknowledges that the FBI clearances were not on file for the bus drivers. The YCST has other required clearances for the two drivers. The FBI clearance is available online only and for a specified time frame, which had expired at the time of the audit. The clearances were accessible in the past.

The YCST required the two bus drivers to obtain a new FBI clearance. Both clearances came back clean. The transportation coordinator will ensure that YCST has copies of all required clearances for bus drivers.

Finding No. 2



Criteria relevant to the finding:

Section 1202 of the PSC provides, in part:

No teacher shall teach, in any public school, any branch which he has not been properly certificated to teach.

Section 2518 of the PSC provides, in part:

Any school district, intermediate unit, area vocational-technical school or other public school in this Commonwealth that has in its employ any person in a position that is subject to the certification requirements of the Department of Education but who has not been certificated for his position by the Department of Education. . . . shall forfeit an amount equal to six thousand dollars (\$6,000) less the product of six thousand dollars (\$6,000) and the district's market value/income aid ratio.

Certification Deficiency

Our audit of professional employees' certification for the period December 4, 2009 through June 14, 2011, found one individual was teaching Physics for the first semester of the 2010-11 school year without appropriate certification.

Information pertaining to the deficiency was submitted to the Bureau of School Leadership Teacher Quality (BSLTQ), Department of Education, for its review. BSLTQ subsequently confirmed the deficiency; the School is therefore subject to a subsidy forfeiture of \$347 for the 2010-11 school year.

Recommendations

The *York County School of Technology* should:

1. Take the necessary action required to ensure compliance with certification requirements.
2. Ensure only properly certified individuals holding current and valid certificates are allowed to teach students.

The *Department of Education* should:

3. Adjust the School's allocations to recover the \$347 subsidy forfeiture.

Management Response

Management stated the following:

The instructor holds an Instructional I Certificate in General Science. During the 2009-10 school year, the instructor taught one physics class under a Type 04 Emergency Permit and was observed several times during the school year and was found to be a successful and engaging teacher. Despite attempts to pass the Physics Content Knowledge (0265) Praxis test from June 13, 2009 to November 13, 2010, the instructor consistently fell just a few points shy of the score needed. In August 2010, it was discovered that a teacher was needed to teach two classes of physics during the 2010-11 school year. None of our current teachers were certified to teach physics, thus the aforementioned instructor volunteered considering they were already scheduled to take the Physics Praxis test for September 18, 2010. Because the instructor was scheduled to take the Praxis test in the beginning of the 2010-11 school year, we held off on applying for an emergency permit. Unfortunately, the instructor did not successfully pass the test, again by just a few points and immediately applied to take the test again on November 13, 2010; unfortunately with the same result. In the event the instructor is scheduled to teach physics during the 2011-12 school year, the York County School of Technology will apply for a Type 04 Emergency Permit.

Status of Prior Audit Findings and Observations

Our prior audit of the York County School of Technology (YCST) for the school years 2007-08 and 2006-07 resulted in one reported finding. The finding pertained to certification deficiencies. As part of our current audit, we determined the status of corrective action taken by the School to implement our prior recommendations. We performed audit procedures and questioned School personnel regarding the prior finding. As shown below, we found that the YCST did implement recommendations related to certification deficiencies.

School Years 2007-08 and 2006-07 Auditor General Performance Audit Report

Finding: Certification Deficiencies

Finding Summary: Our review of professional employees' certification for the period September 9, 2008 through December 3, 2009, found two certification deficiencies.

Recommendations: Our audit finding recommended that the YCST:

Require the individuals cited in this finding to obtain proper certification or reassign them to positions for which they are properly certified.

We also recommend that the Department of Education (DE):

Compute the subsidy forfeiture and recover it from the YCST's allocations.

Current Status: During our current audit procedures we found that the YCST did implement the recommendations; both individuals were reassigned to teach classes for which they are properly certified for the 2010-11 school year.

However, we found another certification deficiency, as noted in Finding No. 2 (see page 8).

DE withheld \$1,271 from the YCST's June of 2011 career and technology subsidy payment to assess the subsidy forfeiture.

Distribution List

This report was initially distributed to the school of technology superintendent of record, the joint operating committee, our website address at www.auditorgen.state.pa.us, and the following:

The Honorable Tom Corbett
Governor
Commonwealth of Pennsylvania
Harrisburg, PA 17120

The Honorable Ronald J. Tomalis
Secretary of Education
1010 Harristown Building #2
333 Market Street
Harrisburg, PA 17126

The Honorable Robert M. McCord
State Treasurer
Room 129 - Finance Building
Harrisburg, PA 17120

Ms. Nichole Duffy
Director, Bureau of Budget and Fiscal
Management
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

Dr. David Davare
Director of Research Services
Pennsylvania School Boards Association
P.O. Box 2042
Mechanicsburg, PA 17055

This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, PA 17120. If you have any questions regarding this report or any other matter, you may contact the Department of the Auditor General by accessing our website at www.auditorgen.state.pa.us.

