

PERFORMANCE AUDIT

Southmoreland School District Westmoreland County, Pennsylvania

February 2021



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

Mr. Vincent A. Mascia, Jr., Superintendent
Southmoreland School District
200 Scottie Way
Scottdale, Pennsylvania 15683

Ms. Michelle Williams, Board President
Southmoreland School District
200 Scottie Way
Scottdale, Pennsylvania 15683

Dear Mr. Mascia and Ms. Williams:

We have conducted a performance audit of the Southmoreland School District (District) for the period July 1, 2015 through June 30, 2019, 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 Appendix A of this report:

- Transportation Operations
- Bus Driver Requirements
- Financial Stability
- Administrator Separations

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 full results in this report. However, we communicated the full results of our review of school safety to District officials, the Pennsylvania Department of Education, and other appropriate officials as deemed necessary.

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.

Our audit identified noncompliance and significant internal control deficiencies in the areas of transportation operations and bus driver requirements. Those deficiencies are detailed in the first two findings of this report. We also identified areas of noncompliance in the District's development and filing of the required Disaster Response and Emergency Preparedness Plan and those areas of noncompliance are documented in the third finding of this report. A summary of the results is presented in the Executive Summary section of this report.

We also found that the District performed adequately in the areas of financial stability and administrator separations. Our audit findings and recommendations have been discussed with the District's management, and their responses are included in the audit report. We believe the implementation of our recommendations will improve the District's operations and facilitate compliance with legal and relevant requirements.

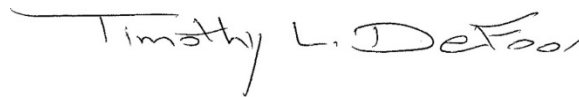
Mr. Vincent A. Mascia, Jr.

Ms. Michelle Williams

Page 2

We appreciate the District's cooperation during the course of the audit.

Sincerely,

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General

February 16, 2021

cc: **SOUTHMORELAND SCHOOL DISTRICT** Board of School Directors

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Executive Summary

Audit Work

The Pennsylvania Department of the Auditor General conducted a performance audit of the Southmoreland School District (District). Our audit sought to answer certain questions regarding the District's application of best practices and compliance with certain relevant state laws, regulations, contracts, and administrative procedures.

Our audit scope covered the period July 1, 2015 through June 30, 2019, except as otherwise indicated in the audit scope, objectives, and methodology section of the report (see Appendix A). Compliance specific to state subsidies and reimbursements was determined for the 2015-16 through 2018-19 school years.

Audit Conclusion and Results

Our audit found that the District applied best practices and complied, in all significant respects, with certain relevant state laws, regulations, contracts, and administrative procedures, except for three findings.

Finding No. 1: The District Failed to Comply with Provisions of the Public School Code and Associated Regulations by Not Maintaining Complete Records for and Properly Monitoring Its Contracted Bus Drivers.

The District failed to meet its statutory obligations related to the employment of individuals having direct contact with students during the 2019-20 school year by not maintaining complete, updated records and not monitoring qualifications for all drivers transporting students. We found that the District failed to maintain a comprehensive database of all driver qualifications and did not properly and continuously monitor and update driver records throughout employment. We also found that the

District failed to follow the provisions of its own transportation policy (see page 8).

Finding No. 2: The District's Failure to Implement Internal Controls Led to Inaccurate Transportation Data Reported to PDE Resulting in an \$18,741 Net Underpayment to the District.

The District did not implement internal controls over inputting, calculating, and reporting transportation data resulting in an \$18,741 net underpayment in regular transportation subsidy payments from the Pennsylvania Department of Education for the 2015-16 through 2018-19 school years (see page 13).

Finding No. 3: The District Failed to Adequately Develop and File Its Required Disaster Response and Emergency Preparedness Plan.

The District failed to adequately develop and update its disaster response and emergency preparedness plan as required by the state Emergency Management Services Code and its associated regulations and to file its required plan with the county emergency management agency. The District also failed to comply with the requirement of the "Safe Schools Act" to review its bullying prevention policy every three years (see page 17).

Status of Prior Audit Findings and Observations.

There were no findings or observations in our prior audit report.

Background Information

School Characteristics 2019-20 School Year*	
Counties	Westmoreland and Fayette
Total Square Miles	42.01
Number of School Buildings	4
Total Teachers	132
Total Full or Part-Time Support Staff	96
Total Administrators	12
Total Enrollment for Most Recent School Year	1,885
Intermediate Unit Number	7
District Career and Technical School	Central Westmoreland Career & Technology Center

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

Mission Statement*

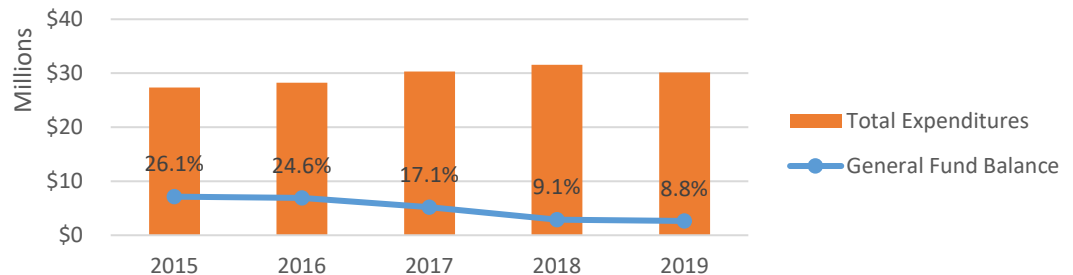
High Quality Learning For All.

Financial Information

The following pages contain financial information about the Southmoreland School 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**.

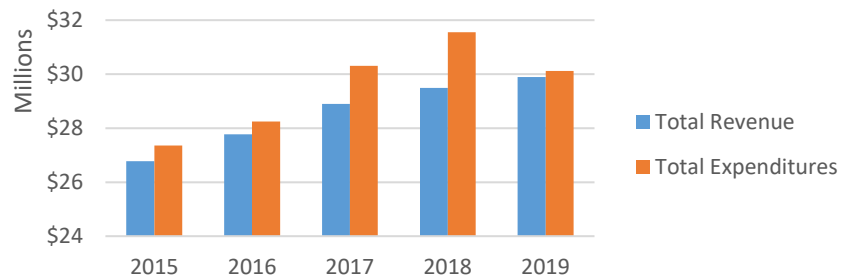
General Fund Balance as a Percentage of Total Expenditures

	General Fund Balance
2015	\$7,146,554
2016	\$6,942,498
2017	\$5,193,199
2018	\$2,876,133
2019	\$2,645,302



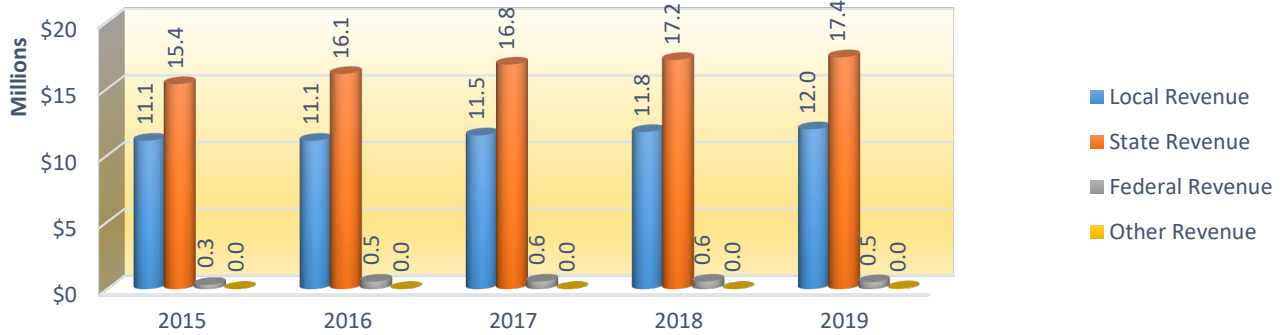
Revenues and Expenditures

	Total Revenue	Total Expenditures
2015	\$26,777,779	\$27,355,578
2016	\$27,777,532	\$28,249,209
2017	\$28,901,288	\$30,310,701
2018	\$29,494,015	\$31,550,531
2019	\$29,892,632	\$30,123,462

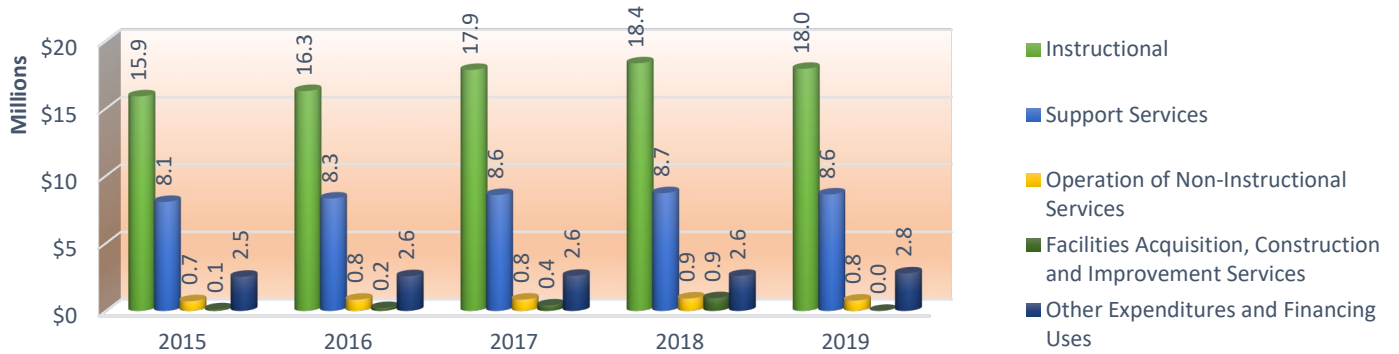


Financial Information Continued

Revenues by Source

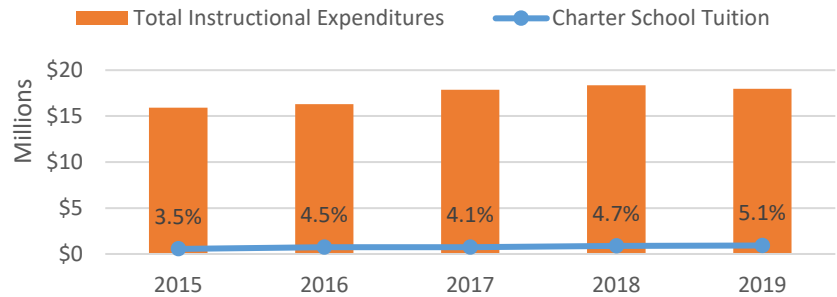


Expenditures by Function

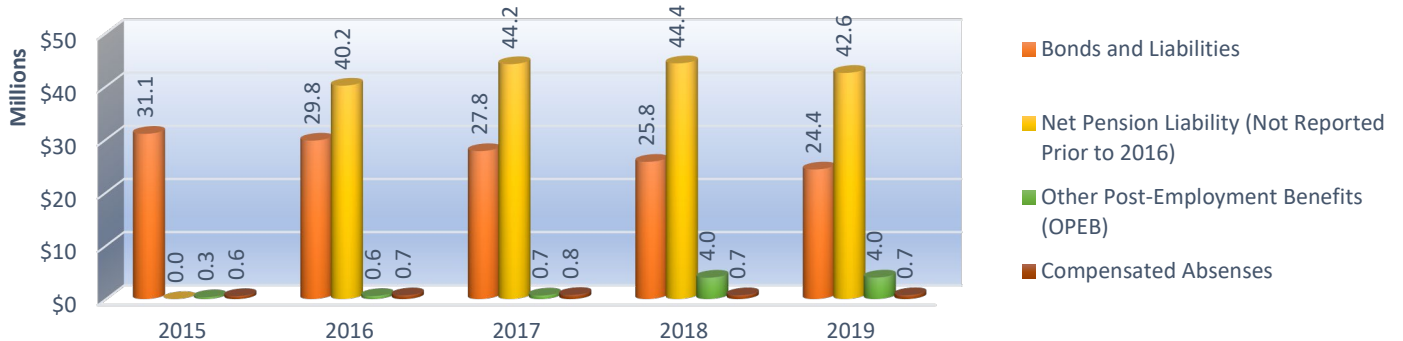


Charter Tuition as a Percentage of Instructional Expenditures

	Charter School Tuition	Total Instructional Expenditures
2015	\$550,328	\$15,913,838
2016	\$729,407	\$16,309,836
2017	\$732,573	\$17,876,428
2018	\$870,210	\$18,368,297
2019	\$921,622	\$17,958,757



Long-Term Debt

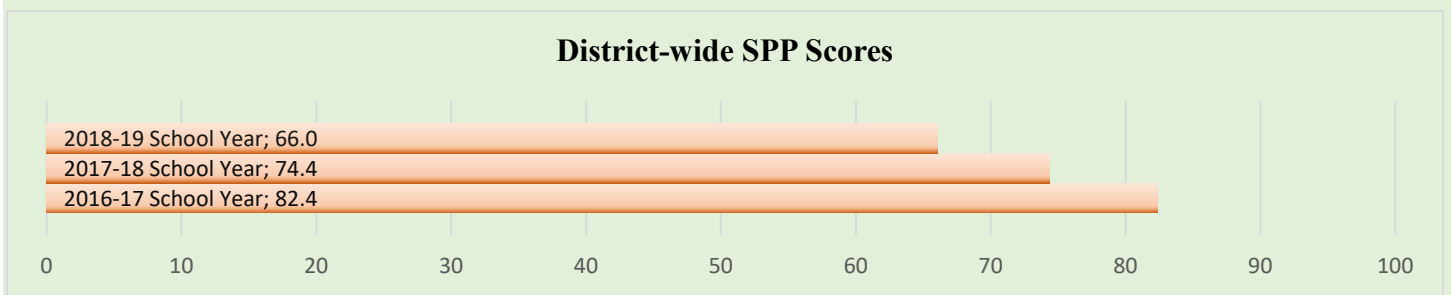


Academic Information

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 2016-17, 2017-18, and 2018-19 school years.¹ 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.²



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

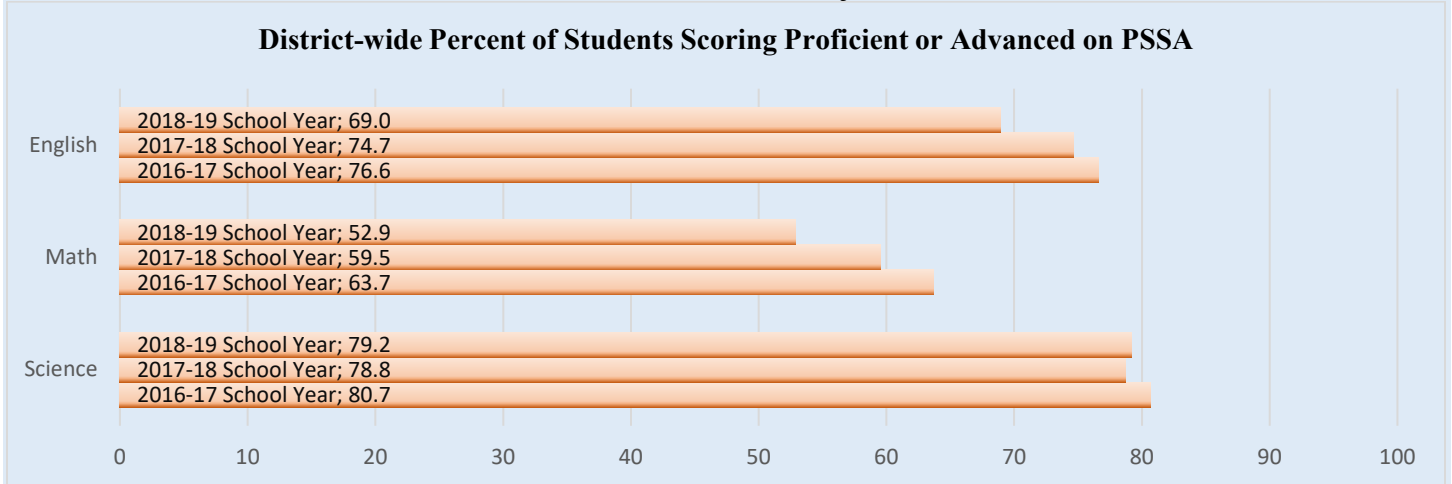
² PDE started issuing a SPP score for all public school buildings beginning with the 2012-13 school year. For the 2014-15 school year, PDE only issued SPP scores for high schools taking the Keystone Exams as scores for elementary and middle scores were put on hold due to changes with PSSA testing. PDE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

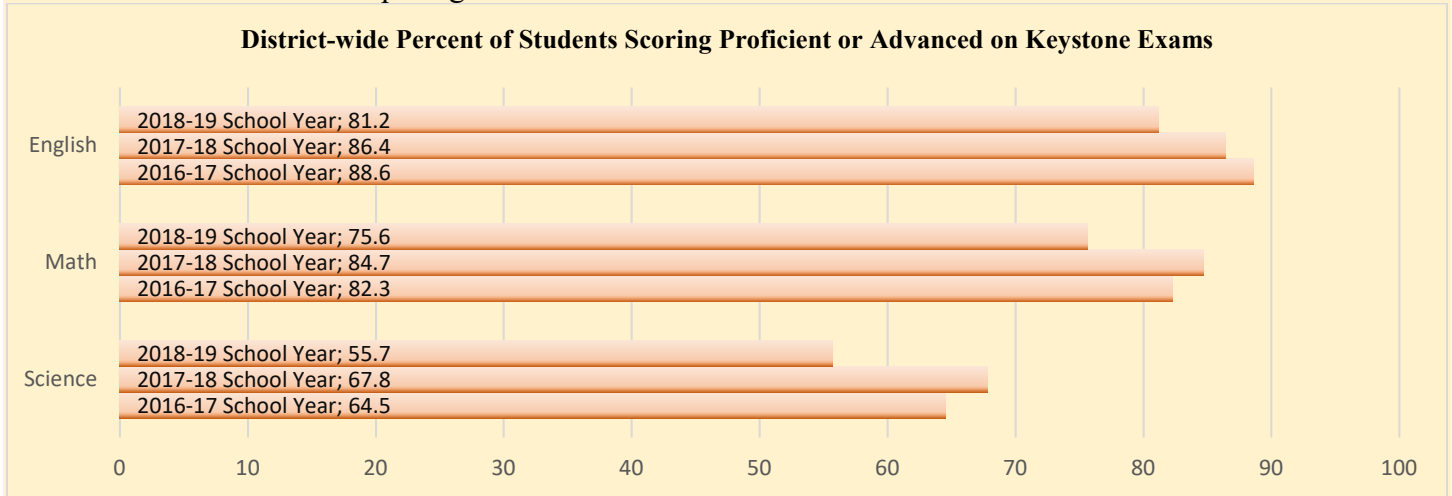
The 2014-15 school year marked the first year that PSSA testing was aligned to the more rigorous PA Core Standards. The state uses a grading system with scoring ranges that place an individual student's performance into one of four performance levels: Below Basic, Basic, Proficient, and Advanced. The state's goal is for students to score Proficient or Advanced on the exam in each subject area.



Academic Information Continued

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.³ 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.

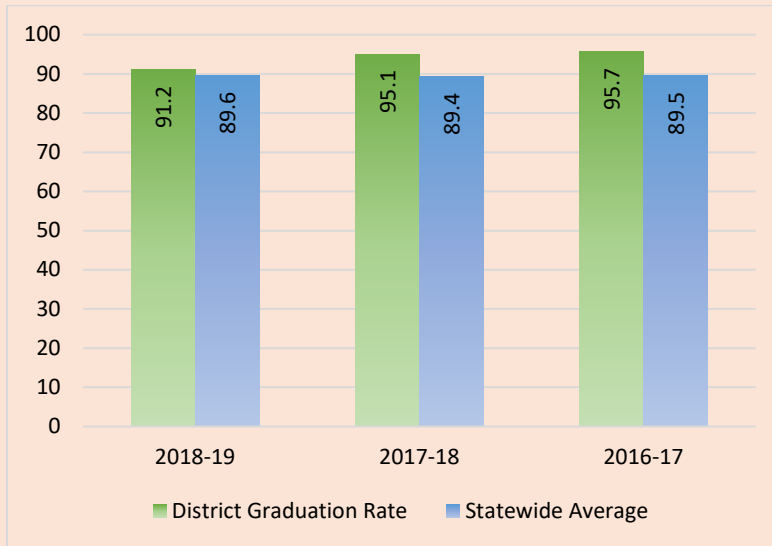


³ Act 158 of 2018, effective October 24, 2018, amended the Public School Code to further delay the use of Keystone Exams as a graduation requirement until the 2021-22 school year. See 24 P.S. § 1-121(b)(1). Please refer to the following link regarding further guidance to local education agencies (LEAs) on Keystone end-of-course exams (Keystone Exams) in the context of the pandemic of 2020: <https://www.education.pa.gov/Schools/safeschools/emergencyplanning/COVID-19/Pages/Keystone-Exams.aspx>

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.⁴



⁴ 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>.

Findings

Finding No. 1

The District Failed to Comply with Provisions of the Public School Code and Associated Regulations by Not Maintaining Complete Records for and Properly Monitoring Its Contracted Bus Drivers

Criteria relevant to the finding:

Chapter 23 (relating to Pupil Transportation) of the State Board of Education's regulations, among other provisions, provides that the board of directors of a school district is responsible for the selection and approval of eligible operators who qualify under the law and regulations. *See*, in particular, 22 Pa. Code § 23.4(2).

Section 111 of the Public School Code (PSC) requires state and federal criminal background checks and Section 6344(b) of the Child Protective Services Law (CPSL) requires a child abuse clearance. *See* 24 P.S. § 1-111 and 23 Pa.C.S. § 6344(b), as amended. Additionally, administrators are required to maintain copies of all required clearances. *See* 24 P.S. § 1-111(b) and (c.1) and 23 Pa.C.S. § 6344(b.1).

Furthermore, both the PSC and the CPSL now require recertification of the required state and federal background checks and the child abuse clearance every 60 months (or every five years). *See* 24 P.S. § 1-111(c.4) and 23 Pa.C.S. § 6344.4.

The Southmoreland School District (District) failed to meet its statutory obligations related to the employment of individuals having direct contact with students for the 2019-20 school year by not maintaining complete, updated records and monitoring qualifications for all bus drivers transporting students. We also found that the District was not following its own transportation policy, which prohibited a driver from being employed until after the driver had complied with the mandatory background checks for criminal history and child abuse, and the District had evaluated the results of the background checks. By not adequately maintaining and monitoring driver qualifications, the District could not ensure that all contracted bus drivers remained properly qualified and cleared to transport students throughout employment.

Background

The District employs its own van drivers and utilizes a transportation contractor to provide bus drivers to transport District students. The weaknesses noted in this finding apply to both District van drivers and contracted bus drivers (drivers).

Employment Requirements

Several state statutes and regulations established the minimum required qualifications for drivers under, among others, the Public School Code (PSC) and the Child Protective Services Law (CPSL). The ultimate purpose of these requirements is to ensure the protection, safety, and welfare of the students transported on school buses and vans.

*Criteria relevant to the finding
(continued):*

With regard to criminal background checks, Sections 111(b) and (c.1) of the PSC require prospective school employees who 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, as well as a report of Federal criminal history record information obtained from the Federal Bureau of Investigation. *See* 24 P.S. § 1-111(b) and (c.1).

Moreover, Section 6344(a.1) and (b)(1) of the CPSL require school employees to obtain a Pennsylvania Child Abuse History Clearance to certify whether an applicant is named in the Statewide database as an alleged perpetrator in a pending child abuse investigation or as the perpetrator of a founded report or an indicated report. *See* 23 Pa.C.S. § 6344(a.1) and (b)(1).

As for contracted school bus drivers, Section 111(a.1)(1) specifies that bus drivers employed by a school entity through an independent contractor who have direct contact with children must also comply with Section 111 of the PSC. *See* 24 P.S. § 1-111(a.1)(1). *See also* CPSL 23 Pa.C.S. § 6344(a.1)(1).

Pursuant to Section 111(c.4) of the PSC, administrators are required to review the background clearances and determine if the clearance reports disclose information that may require further action. *See* 24 P.S. § 1-111(c.4).

Regardless of whether they hire their own drivers or use a contractor's drivers, school districts are required to verify and have on file a copy of the following documents for each employed or contracted driver, *before* he or she can transport students with Board of School Directors' (Board) approval:

1. Driver qualification credentials,⁵ including:
 - a. Valid driver's license (Commercial driver's license if operating a school bus).
 - b. Valid school bus endorsement card commonly referred to as an "S" card, indicating completion of skills and safety training (if operating a school bus).
 - c. Annual physical examination (if operating a school bus).
2. Criminal history reports/clearances:
 - a. State Criminal History Report (PSP clearance).⁶
 - b. Federal Criminal History Record, based on a full set of fingerprints (FBI clearance).
 - c. PA Child Abuse History Clearance.

Missing and Expired Driver Qualification Records and Background Clearances

In September 2020, we requested and reviewed the personnel files of all 62 contracted drivers employed by the District's transportation contractor and all five District employed drivers for our review period to determine whether the District complied with driver requirements, including Board approval of all drivers and the maintenance and monitoring of required documentation throughout employment.

On September 2, 2020 and September 19, 2020, we reviewed the District's personnel files for the 67 total drivers and found that required documentation was either not on file or out of date for 23 drivers (34 percent). Some drivers had more than one missing or expired document. The District worked with its contractor to obtain the missing or out of date documentation, but upon our follow-up review on September 23, 2020, we found seven drivers continued to have missing documentation, for which some drivers continued to have more than one missing document, as noted below:

- 2 drivers were missing the Federal Criminal History Clearance.
- 1 driver was missing the PA Child Abuse History Clearance.
- 3 drivers were missing the required "S" endorsement.
- 1 driver was missing the physical examination record.

⁵ Pennsylvania's Vehicle Code, 75 Pa.C.S. §§ 1508.1 (relating to physical examinations) and 1509 (relating to Qualifications for school bus driver endorsement).

⁶ Pennsylvania State Police.

*Criteria relevant to the finding
(continued):*

Administrators are also required to review the required documentation according to Section 111(g)(1) of the PSC. This section provides that an administrator, or other person responsible for employment decisions in a school or institution under this section who willfully fails to comply with the provisions of this section commits a violation of this act, subject to a hearing conducted by the Pennsylvania Department of Education (PDE), and shall be subject to a civil penalty up to \$2,500. See 24 P.S. § 1-111(g)(1).

Section 111(e) of the PSC lists convictions for certain criminal offenses that require an absolute ban to employment. Section 111(f.1) to the PSC requires that a **ten, five, or three** year look-back period for certain convictions be met before an individual is eligible for employment. See 24 P.S. § 1-111(e) and (f.1).

Section 8.2 of Title 22, Chapter 8 (relating to Criminal Background Checks) of the State Board of Education's regulations requires, in part, "(a) School entities shall require a criminal history background check **prior to hiring an applicant or accepting the services of a contractor**, if the applicant, contractor or contractor's employees would have direct contact with children." (Emphasis added.) See 22 Pa. Code § 8.2(a).

The District did not provide specific reasons as to why it failed to maintain complete, updated records for all drivers transporting District students. However, in interviews with District officials, we learned that the District relied on the contractor to provide initial and updated driver documentation for all contracted bus drivers and lacked an adequate monitoring system to ensure all required driver documentation, including District employed van drivers, was complete and remained updated.

Lack of On-Going Monitoring Procedures

We found that the District failed to maintain a comprehensive database of all driver qualifications and did not properly and continuously monitor and update driver records throughout employment. Instead, the District was relying on its contractor to provide required and updated documentation for the contracted bus drivers and had no ongoing, internal review process for District van drivers. While the District indicated that it maintained a spreadsheet with expiration dates of all licenses and clearances, it was never provided during our review, and the results of our testing found incomplete records and over-reliance on the contractor. It should be noted that the importance of monitoring has been heightened by amendments to the PSC and CPSL requiring that all background clearances be renewed every five years.⁷ Without an adequate and ongoing process to monitor the expiration dates of items, which pertain to qualifications and clearances, the District would be unaware of when drivers with expired credentials and/or clearances are transporting students.

Additionally, by not adequately monitoring bus driver requirements, the District failed to follow its Policy No. 810, *Transportation*, which states, in part:

A school bus driver shall not be employed until s/he has complied with the mandatory background check requirements for criminal history and child abuse and the district has evaluated the results of that screening process.

The District's lack of monitoring of ongoing driver qualifications and clearances caused the District to have incomplete files, which resulted in the District not complying with the PSC, the CPSL, the state Vehicle Code, the State Board of Education's regulations, Pennsylvania Department of Education (PDE) guidance, and its own transportation policy.

⁷ See 24 P.S. § 1-111(c.4) and 23 Pa.C.S. § 6344.4. Please note that our General Assembly has continually refined and enhanced the background clearance requirements first enacted in the mid-1990s and related child protection provisions by enacting more than 20 pieces of legislation since 2013, including improved reporting and mandated reporter requirements, to ensure that individuals such as bus drivers do not have criminal offenses on their record that would preclude them from having direct contact with children and to prevent and decrease child abuse in Pennsylvania. See <http://www.keepkidssafe.pa.gov/about/cpsl/index.htm> (accessed July 14, 2020).

*Criteria relevant to the finding
(continued):*

See also PDE's
"Clearances/Background Check"
web site for current school and
contractor guidance
([https://www.education.pa.gov/
Educators/Clearances/Pages/
default.aspx](https://www.education.pa.gov/Educators/Clearances/Pages/default.aspx)).

Policy No. 810, *Transportation*,
adopted March 14, 1983, and last
revised June 21, 2007.

Conclusion

The District and its Board did not meet their statutory duties to ensure that all drivers were qualified and eligible to transport students throughout employment. Specifically, the District and its Board failed to comply with all applicable laws, regulations, PDE guidance documents, and its board policy by failing to obtain, review, and maintain all required driver qualifications and clearances and by not properly monitoring and updating ongoing driver requirements. Ensuring that ongoing credential and clearance requirements are satisfied are vital student protection legal and governance obligations and responsibilities placed on the District and its Board. The ultimate purpose of these requirements is to ensure the safety and welfare of students transported on school buses and vans. The use of a contractor to provide student transportation does not negate these legal obligations and responsibilities.

Recommendations

The *Southmoreland School District* should:

1. Comply with the PSC's requirements to obtain, review, and maintain all driver credentials and background clearances.
2. Develop and implement standardized written procedures requiring the District to determine driver eligibility prior to employment and to conduct routine and ongoing monitoring of bus driver records. These procedures should ensure that all required credentials and clearances are obtained, reviewed, and on file at the District prior to individuals transporting students, and that all required documentation is continuously monitored, updated, and complete. The procedures should also require the administration to attest in an open and public meeting before the Board that the list of drivers provided for approval contains only drivers for whom the District has obtained all of the required records in accordance with the State Board of Education's regulations.
3. Follow the District's transportation policy establishing the District's duty to ensure all driver requirements have been met and that District has evaluated the results of the screening process for all drivers.
4. Promptly update any board policies and procedures specific to transportation and contracted services to address the requirements of all laws, regulations, and the PDE guidance document that governs transportation and student safety of all District students. These policies should clearly establish the District's and the Board's statutory duty to ensure that drivers are qualified and have obtained all clearances, regardless of whether they are employed by a contractor, before the District authorizes them to transport District students, as well as the requirement to obtain updated clearances every five years.

Management Response

District management provided the following response:

“The Southmoreland Transportation Department will implement the following operational changes to address the recommendations provided by the audit findings.

“Contractor shall submit to the school a list of all drivers and required documentation before August 1st of the upcoming school year, who may or may not be driving transportation with regards to fulfilling contractor’s agreement. School shall review and give contractor notice as to any driver not acceptable without reason.

“The district will take all drivers submitted and place all documentation on a district spreadsheet and update files as received by contractor. The updated file will be located in the district transportation folder and will be reviewed monthly by the Transportation Director, secretary and Transportation contractor. The signed copy will be placed in the district transportation files each month. All drivers’ individual files will have a checklist attached verifying that the required documentation had been reviewed and placed in file.

“Once the documentation has been verified by the district, qualified drivers will be presented to the board to be reviewed and placed on the agenda for approval during the public voting meeting. A copy of the board minutes showing that the business was addressed approving the drivers will be placed in the transportation files showing the dates of board approval.

“All drivers hired during the school year will follow the same procedures as listed above and will be presented to the board after being verified and documentation reviewed by district. They will be placed on the next available meeting agenda for approval.”

Auditor Conclusion

We are encouraged that the District is taking appropriate measures to implement our recommendations along with other corrective actions. We will determine the effectiveness of these actions during our next audit of the District.

Finding No. 2

The District's Failure to Implement Internal Controls Led to Inaccurate Transportation Data Reported to PDE Resulting in an \$18,741 Net Underpayment to the District

Criteria relevant to the finding:

Student Transportation Subsidy

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...have been approved by the Department of Education...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 the utilized passenger capacity of vehicles for reimbursement purposes..." See 24 P.S. § 25-2541(a).

We found that the District did not implement internal controls over inputting, calculating, and reporting transportation data resulting in an \$18,741 net underpayment in regular transportation reimbursements from PDE. This underpayment was caused by the District inaccurately reporting the number of miles traveled to transport students during the 2015-16 through 2018-19 school years.

Background: School districts receive two separate transportation reimbursement payments from PDE. The regular transportation reimbursement is broadly based on the number of students transported, the number of days each vehicle was used to transport students, and the number of miles that vehicles are in service, both with and without students. The supplemental transportation reimbursement is based on the number of charter school and nonpublic school students transported at any time during the school year. The errors identified in this finding pertain to the District's regular transportation reimbursement.

Since the above listed components are integral to the calculation of the District's regular transportation reimbursement, it is essential for the District to properly calculate, record, and report this information to PDE. Therefore, the District should have a strong system of internal control over transportation operations that should include, but not be limited to, segregation of duties and written procedures.

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 reimbursements.⁸ The sworn statement includes the superintendent's signature attesting to the accuracy of the reported data. Because of this statutorily required attestation, the District should ensure it has implemented an adequate internal control system to provide it with the confidence it needs to sign the sworn statement.

⁸ See 24 P.S. § 25-2543.

Criteria relevant to the finding (continued):

Sworn Statement and Annual Filing Requirements

Section 2543 of the PSC, which is entitled, “**Sworn statement** of amount expended for reimbursable transportation; payment; withholding” of the PSC 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, data pertaining to pupil transportation for the prior and current school year. . . . The Department 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.” (Emphases added.) See 24 P.S. § 25-2543.

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 December 11, 2020)

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.

Mileage Reporting Errors

PDE guidelines state that school districts must report the number of miles per day to the nearest tenth mile that each vehicle travels with and without students, and if that figure changes during the year, districts should calculate and report an average number of miles per day. The District’s transportation contractor provided it with monthly odometer readings for each vehicle used to transport students. The District entered the mileage data into an Excel spreadsheet that was used to calculate the averages required to be reported to PDE. We found that the District did not accurately input the mileage reported by its contractor in its Excel spreadsheet for multiple vehicles in each year of the audit period. These data entry errors resulted in inaccurate data being reported to PDE and led to a cumulative net underpayment as detailed in the table below.

Southmoreland School District Regular Transportation Reimbursement Data			
School Year	Number of Vehicles with Errors	Annual Mileage Over/(Under) Reported to PDE	Overpayment/(Underpayment)
2015-16	5	(6,657.2)	(\$ 8,198)
2016-17	5	(14,256.0)	(\$18,115)
2017-18	5	(6,615.2)	(\$ 9,047)
2018-19	4	11,428.5	\$16,619
Totals	19	(16,099.9)	(\$18,741)

The District entered mileage data into its Excel spreadsheet sequentially by vehicle number. For each year of the audit period, the District accurately input this data up to and including a specific vehicle and then inaccurately reported that same data for the next consecutive four or five vehicles.

For example, during the 2018-19 school year, the District accurately reported mileage data up to and including vehicle No. 41 and then inaccurately reported the same mileage data for vehicle No. 41 for vehicles No. 42 through No. 45. The actual mileage for vehicles No. 42 through No. 45 was less than the mileage for vehicle No. 41, which resulted in an overpayment. For the 2015-16 through 2017-18 school years, the actual mileage traveled was greater than the inaccurately reported mileage data resulting in the District being underpaid for those three years.

Significant Internal Control Deficiencies

The District did not have internal controls over the input, calculation, and reporting of transportation data. Specifically, we found that the District did not implement adequate segregation of duties when it placed responsibility on only one employee for inputting, calculating, and reporting transportation data. A review process by another District employee of the data input into the District's Excel spreadsheet most likely would have revealed the input errors we identified in this finding. Additionally, we found that the District did not have written procedures regarding the input, calculation, and reporting of transportation data. Having clear and concise written procedures is essential to ensuring that District employees understand the reporting requirements and can complete tasks effectively and consistently.

The District employee solely responsible for this process was adequately trained in PDE's reporting requirements, and we did not find errors in the District's calculations of mileage data. This employee also had multiple other duties and responsibilities, which according to District officials may have contributed to the input errors identified during our review.

Future Reimbursement Adjustment: We have provided PDE with reports detailing the transportation data reporting errors for the 2015-16 through 2018-19 school years. We recommend that PDE adjust the District's future transportation reimbursement amount by the \$18,741 that we identified as an underpayment.

Recommendations

The *Southmoreland School District* should:

1. Develop and implement an internal control system governing the process for inputting, processing, and reporting transportation data. The internal control system should include, but not be limited to, the following:
 - A review of transportation data is conducted by an employee other than the person who prepared the data, before it is submitted to PDE.
 - The development of clear and concise written procedures to document the transportation data collection and reporting process.
2. Review the transportation report completed for the 2019-20 school year and, if necessary, submit revisions to PDE.

The *Pennsylvania Department of Education* should:

3. Adjust the District's future transportation reimbursements to resolve the underpayment of \$18,741.

Management Response

District management provided the following response:

“The calculation error discovered during the audit resulting in the district reimbursement error has been corrected on the worksheet. Several of the cells had been corrupted leading to the error. They are now updated and the cells used for calculating figures are protected. The sheet used for this year's figures are correct.

“The district transportation data collection procedure will include the following internal controls. The final transportation data will be collected and inputted by the transportation department secretary and director. The data will be finalized and sent to the Business Mgr. and Superintendent to verify the information and calculations prior to submission. Once they review the data, they will sign off and date a cover sheet that will be included with the copy of the submitted report to the PDE. The transportation department will then submit the report to the PDE and print a copy of all submitted data. The transportation director will sign the copy of the final sheet and file it as final year transportation reimbursement data report.”

Auditor Conclusion

We are pleased that the District is in the process of implementing our recommendations and taking appropriate corrective actions. We continue to stress the importance of establishing written procedures over the collection, accuracy verification, and reporting of transportation data to PDE to ensure that the District reports accurate data. We will evaluate the effectiveness of the District's corrective actions during our next audit of the District.

Finding No. 3

The District Failed to Adequately Develop and File Its Required Disaster Response and Emergency Preparedness Plan

Criteria relevant to the finding:

Emergency Management Services Code (EMS Code)

Subsection (g) of Section 7701 (relating to Duties concerning disaster prevention) of the Emergency Management Services Code (EMS Code) provides:

“Plans.--Every school district [and other school entities] and custodial child care facility, in cooperation with the local Emergency Management Agency and the Pennsylvania Emergency Management Agency, shall develop and implement a comprehensive disaster response and emergency preparedness plan consistent with the guidelines developed by the Pennsylvania Emergency Management Agency and other pertinent State requirements. The plan shall be reviewed **annually** and modified as necessary. A copy of the plan shall be provided to the county emergency management agency.” (Emphasis added.) See 35 Pa.C.S. § 7701(g).

The State Board of Education’s Safe Schools regulations,

Subsections (a) and (b) of Section 10.24 (relating to Emergency and nonemergency response and preparedness). See 22 Pa. Code § 10.24(a) and (b).

The District failed to adequately develop and update its disaster response and emergency preparedness plan (Plan) as required by the state Emergency Management Services Code (EMS Code) and its associated regulations and to file its required Plan with the county emergency management agency (EMA).⁹ The District also failed to comply with the requirement of the “Safe Schools Act”¹⁰ (Act) to review its bullying prevention policy every three years in accordance with the Act and the District’s policy. The failure to comply with these important provisions could potentially jeopardize the safety and security of the District’s students, staff, contractors, and visitors in the event of a disaster or an emergency.

Background on Disaster Response and Emergency Preparedness Plans

Pursuant to the EMS Code, all Pennsylvania school entities are required to “develop and implement a comprehensive disaster response and emergency preparedness plan consistent with the guidelines developed by the Pennsylvania Emergency Management Agency (PEMA) and other pertinent state requirements.”¹¹ The Plan is required to be developed in cooperation with local emergency management agencies, as well as with PEMA.¹² School entities are also required to *annually* review and modify the Plan, as necessary. Further, a copy of the Plan must be provided to the respective county EMA.¹³

When properly written and executed, a Plan serves as the primary directive in the event of a disaster, or emergency situation. According to the Pennsylvania *All Hazards School Safety Planning Toolkit*, a guide for assisting districts with the development of such plans, “[s]chools should use this plan to form a reference document that can be used in training,

⁹ 35 Pa.C.S. § 7101 *et seq.* and the State Board of Education’s Safe Schools regulations, 22 Pa. Code Chapter 10, see in particular, 22 Pa. Code § 10.24.

¹⁰ .See Article XIII-A. Safe Schools of the Public School Code.

¹¹ 35 Pa.C.S. § 7701(g).

¹² See 35 Pa.C.S. §§ 7313(4) and 7701(g). Subsection (4) of Section 7313 (relating to Powers and duties) of the EMS Code, PEMA is “[t]o provide technical advice and assistance to Commonwealth agencies, **political subdivisions, schools** and custodial child care facilities in the preparation of disaster emergency management plans or components thereof and to **periodically review such plans and suggest or require** revisions.” (Emphases added.) Ibid.

¹³ 35 Pa.C.S. § 7701(g).

Criteria relevant to the finding
(continued):

The Pennsylvania *All Hazards School Safety Planning Toolkit* offers best practices specific to comprehensive disaster response and emergency preparedness planning that applies to all school entities. See

<http://www.pema.pa.gov/planningandpreparedness/communityandstateplanning/Pages/All-Hazards-School-Safety-Planning-Toolkit.aspx>

Bullying Prevention

Subsection (c) of Section 1303.1-A of the Public School Code's "Safe Schools Act" (Act) states:

"Each school entity shall **review its policy every three (3) years** and annually provide the office with a copy of its policy relating to bullying, including information related to the development and implementation of any bullying prevention, intervention and education programs. The information required under this subsection shall be attached to or made part of the annual report required under section 1303-A(b)." (Emphasis added.) See 24 P.S. § 13-1303.1-A(c).

exercising, and collaboration with responders, and as a reference during an incident."¹⁴ Further, the Plan should be customized to meet local needs and capabilities.¹⁵

According to both the Pennsylvania *All Hazards School Safety Planning Toolkit* and the U.S. Department of Education's (DOE) *Guide for Developing School Emergency Operations Plans*, the Plan should address the four phases of an emergency: 1) prevention/mitigation; 2) preparedness; 3) response; and 4) recovery. A well-detailed comprehensive plan should include, but not be limited to the following:¹⁶

- Organization and assignment of responsibilities
- Direction, control, and coordination
- Information collection, analysis, and dissemination
- Training and exercises
- Plan development and maintenance

In addition, the Plan should address the following functions, at a minimum:

- Communications
- Evacuation
- Shelter-in-place
- Lockdown
- Accounting for all persons
- Reunification
- Continuity of Operations
- Security
- Recovery
- Health and Medical

¹⁴ The Pennsylvania Department of Education's Office of Safe Schools webpage provides a link to the Pennsylvania *All Hazards School Safety Planning Toolkit*, which provides guidance to districts, charter schools, and other local education agencies (LEAs) in developing safety plans. <https://www.pema.pa.gov/Preparedness/Planning/Community-Planning/School-Safety/Pages/All-Hazards-School-Planning-Toolkit.aspx> Chapter I, Introduction, 0010 Purpose and Guidance Section A(2). Accessed December 8, 2020.

¹⁵ Ibid., Section B. Accessed December 8, 2020.

¹⁶ Issued by the U.S. DOE, the Federal Emergency Management Agency, and several other agencies, "*Guide for Developing School Emergency Operations Plans*" 2013. pgs. 25-27. https://rems.ed.gov/docs/REMS_K-12_Guide_508.pdf. Accessed December 8, 2020. Link also accessible from the Readiness and Emergency Management for Schools, U.S. DOE's Technical Assistance Center. <https://rems.ed.gov/>. Accessed December 8, 2020.

*Criteria relevant to the finding
(continued):*

School Board Policy No. 249 *Bullying/Cyberbullying* states, “The Superintendent or designee, in cooperation with other appropriate administrators, shall review this policy every three (3) years and recommend necessary revisions to the Board.”

Act 44 of 2018

Please note that the Pennsylvania General Assembly adopted enhanced school safety and security provisions through Act 44 of 2018 with varying effective dates. A PowerPoint presentation linked below provides a good overview of this new legislation: [https://www.pccd.pa.gov/schoolsafety/Documents/Website%20Powerpoint%20\(Overview%20of%20Act%2044\).pdf](https://www.pccd.pa.gov/schoolsafety/Documents/Website%20Powerpoint%20(Overview%20of%20Act%2044).pdf)

Weakness Identified in the District’s Planning Efforts

We found several areas of concern during our review of the District’s planning efforts regarding disaster response and emergency preparedness. While the District had a Plan, we found that it was outdated and inadequate when compared to PEMA guidelines and the planning best practices noted above because it was **missing key components** of all four phases of Emergency Management (Prevention-Mitigation, Preparedness, Response, and Recovery). Additionally, planning efforts lacked sufficient community partnerships and training.

Due to the sensitive nature of these issues, we did not include the specifics of these concerns in this public report. Rather, we confidentially shared the results of our review of the District’s safety planning efforts with designated school officials and distributed them via an encrypted, confidential email to appropriate law enforcement agencies having jurisdiction over the District.

Having a comprehensive and updated Plan is extremely important to ensure that administrators and staff know their roles and responsibilities during an emergency situation, and that emergency response protocols are uniform among the District’s school buildings.

District administration indicated it was unaware of PEMA guidelines and planning best practices. The District did not realize the extent of key information to be included in its Plan.

Bullying Prevention

The District failed to review its bullying policy every three years in accordance with the Act and District Policy 249, *Bullying/Cyberbullying*. The District’s bullying prevention policy was last revised on January 19, 2017. Under the three year requirement of the Act and the District’s own policy, the bullying policy should have been reviewed by no later than January 19, 2020; however, as of October 28, 2020, the policy has not been reviewed.

Reviewing and updating the District’s bullying prevention policy is important to ensure that the District is ready and able to address the prevention, reporting, and the investigation of instances of bullying at its schools.

Although District administration could not provide a specific explanation as to why the policy had not been reviewed, District administration did indicate it was in the process of reviewing and updating all board policies including the bullying prevention policy.

Conclusion

In conclusion, the District did not comply with the EMS Code's requirement to develop and file a comprehensive disaster response and emergency preparedness plan consistent with the guidelines developed by PEMA and other pertinent state requirements, and it failed to review its bullying policy every three years as required by the Act. The weaknesses in the District's planning efforts increase the risk of the District not adequately preparing for, responding to, or recovering from a potential emergency or problem situation, and the District's failure to review its bullying policy increases the risk of the District not being able to resolve potential problem situations.

Recommendations

The *Southmoreland School District* should:

1. Collaborate with community partners, such as first responders, EMA, community groups, etc. to develop and implement a comprehensive disaster response and emergency preparedness plan that includes all four phases of emergency management, in accordance with PEMA guidelines.
2. File a copy of its safety Plan with the local EMA, as required, and file any revisions to the Plan as needed thereafter. This should include any building floor plans.
3. Provide training to staff and students on the comprehensive plan.
4. Review its safety Plan annually, and modify, as necessary.
5. Review its anti-bullying policy every three years, as required by law and the District's board policy, and document that the policy was reviewed and updated, if necessary.

Management Response

District management provided the following response:

“The District will develop and reconstruct the District's School Emergency Operation Plan in accordance with the PA All Hazards School Safety Planning Kit and the US Department of Education's Guide for Developing School Emergency Operations Plan. In addition, the updated Emergency Operations Plan will be filed with the county Emergency Management Agency and shared with all local first responders.

“The updated Emergency Operations Plan will be reviewed annually and training will be provided to all staff and students and a record of these trainings will be kept on file.

“In accordance with the Safe Schools Act, the district will review and update Policy 249 every three years.”

Auditor Conclusion

We are encouraged that the District recognizes the importance of developing a comprehensive disaster response and emergency preparedness plan, and filing the plan with appropriate agencies and first responders. We will determine the effectiveness of the District’s corrective actions during our next audit of the District.

Status of Prior Audit Findings and Observations

Our prior audit of the Southmoreland School District resulted in no findings or observations.

Appendix A: 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 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,¹⁷ 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.

Our audit focused on the District's effectiveness and/or compliance with applicable statutory provisions and related regulations in the areas of Transportation Operations, Bus Driver Requirements, School Safety, including fire and security drills, Financial Stability, and Administrator Separations. The audit objectives supporting these areas of focus are explained in the context of our methodology to achieve the objectives in the next section. Overall, our audit covered the period July 1, 2015 through June 30, 2019. The scope of each individual objective is also detailed in the next section.

The District's management is responsible for establishing and maintaining effective internal control to provide reasonable assurance that the District's objectives will be achieved.¹⁸ *Standards for Internal Control in the Federal Government* (also known as and hereafter referred to as the Green Book), issued by the Comptroller General of the United States, provides a framework for management to establish and maintain an effective internal control system. The Department of the Auditor General used the Green Book as the internal control analysis framework during the conduct of our audit.¹⁹ The Green Book's standards are organized into five components of internal control. In an effective system of internal control, these five components work together in an integrated manner to help an entity achieve its objectives. Each of the five components of internal control contains principles, which are the requirements an entity should follow in establishing an effective system of internal control. We illustrate the five components and their underlying principles in Figure 1 on the following page.

¹⁷ 72 P.S. §§ 402 and 403.

¹⁸ District objectives can be broadly classified into one or more of the following areas: effectiveness of operations; reliability of reporting for internal and external use; and compliance with applicable laws and regulations, more specifically in the District, referring to certain relevant state laws, regulations, contracts, and administrative procedures.

¹⁹ Even though the Green Book was written for the federal government, it explicitly states that it may also be adopted by state, local, and quasi-government entities, as well as not-for-profit organizations, as a framework for establishing and maintaining an effective internal control system. The Green Book is assessable at <https://www.gao.gov/products/GAO-14-704G>

Figure 1: Green Book Hierarchical Framework of Internal Control Standards

Principle	Description
Control Environment	
1	Demonstrate commitment to integrity and ethical values
2	Exercise oversight responsibility
3	Establish structure, responsibility, and authority
4	Demonstrate commitment to competence
5	Enforce accountability
Risk Assessment	
6	Define objectives and risk tolerances
7	Identify, analyze, and respond to risks
8	Assess fraud risk
9	Identify, analyze, and respond to change

Principle	Description
Control Activities	
10	Design control activities
11	Design activities for the information system
12	Implement control activities
Information and Communication	
13	Use quality information
14	Communicate internally
15	Communicate externally
Monitoring	
16	Perform monitoring activities
17	Evaluate issues and remediate deficiencies

In compliance with generally accepted government auditing standards, we must determine whether internal control is significant to our audit objectives. We base our determination of significance on whether an entity’s internal control impacts our audit conclusion(s). If some, but not all, internal control components are significant to the audit objectives, we must identify those internal control components and underlying principles that are significant to the audit objectives.

In planning our audit, we obtained a general understanding of the District’s control environment. In performing our audit, we obtained an understanding of the District’s internal control sufficient to identify and assess the internal control significant within the context of the audit objectives. Figure 2 represents a summary of the internal control components and underlying principles that we identified as significant to the overall control environment and the specific audit objectives (denoted by an “X”).

Figure 2 – Internal Control Components and Principles Identified as Significant

Principle →	Internal Control Significant ?	Control Environment					Risk Assessment					Control Activities			Information and Communication			Monitoring	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
General/overall	Yes	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	
Transportation	Yes				X			X	X		X		X	X	X	X	X		
Bus Drivers	Yes										X		X			X	X		
Administrator Separations	No																		
Financial	No																		
Safe Schools	No																		

With respect to the principles identified, we evaluated the internal control(s) deemed significant within the context of our audit objectives and assessed those controls to the extent necessary to address our audit objectives. The results of our evaluation and assessment of the District's internal control for each objective is discussed in the following section.

Objectives/Scope/Methodology

In order to properly plan our audit and to guide us in selecting objectives, we reviewed pertinent laws and regulations, the District's annual financial reports, annual General Fund budgets, and the independent audit reports of the District's basic financial statements for the July 1, 2015 through June 30, 2019 fiscal years. We conducted analytical procedures on the District's state revenues and the transportation reimbursement data. We reviewed the prior audit report and we researched current events that possibly affected District operations. 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 effectiveness in four areas as described below. As we conducted our audit procedures, we sought to determine answers to the following questions, which served as our audit objectives.

Transportation Operations

- 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?²⁰
 - ✓ To address this objective, we assessed the District's internal controls for obtaining, processing and reporting transportation data to PDE. We initially selected and reviewed 16 of the 42 vehicles used to transport students during the 2018-19 school year. Ten of the vehicles were randomly selected.²¹ The other six vehicles were selected and reviewed due to the District reporting the same mileage for these vehicles. Additionally, we reviewed six vehicles in each of the 2015-16 through 2017-18 school years that had identical mileage reported for each vehicle.²² Our testing determined the accuracy of the vehicle data entered from odometer readings and student rosters and the vehicle data calculated and reported to PDE.

Conclusion: The results of our procedures identified areas of noncompliance and significant internal control deficiencies related to the input, calculation, and reporting of transportation data reported to PDE for transportation reimbursement. Those results are detailed in Finding No. 2 beginning on page 13 of this report.

²⁰ See 24 P.S. § 25-2541(a)

²¹ The transactions selected were selected either because we considered them to have a higher risk of noncompliance or as a result of random sampling. Audit sampling methodology was not applied to achieve this test objective; accordingly, the results of this audit procedure are not, and should not be, projected to the population.

²² The District reported 44 vehicles used to transport students during the 2015-16 and 2016-17 school years and 42 vehicles used to transport students during the 2017-18 school year.

Bus Driver Requirements

- Did the District ensure that all bus drivers transporting District students are board approved and had the required driver's license, physical exam, training, background checks, and clearances²³ as outlined in applicable laws?²⁴ Also, did the District adequately monitor driver records to ensure compliance with the ongoing five-year clearance requirements and ensure it obtained updated licenses and health physical records as applicable throughout the school year?
 - ✓ To address this objective, we assessed the District's internal controls for maintaining, reviewing and monitoring required bus driver qualification documents. We determined if all drivers were approved by the District's Board of School Directors. We selected all 67 drivers transporting students as of March 13, 2020, and we reviewed documentation to ensure the District complied with the requirements for those 67 drivers. We also determined if the District had monitoring procedures to ensure that all drivers had updated clearances, licenses, and physicals.

Conclusion: The results of our procedures identified areas of noncompliance and significant internal control deficiencies related to maintaining, reviewing, and monitoring bus driver qualification requirements. Our results are detailed in Finding No. 1 beginning on page 8 of this report.

School Safety

- Did the District comply with requirements in the Public School Code and the Emergency Management Code related to emergency management plans, bullying prevention, memorandums of understanding with local law enforcement?²⁵ 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 but not limited to, safety plans, training schedules, anti-bullying policies, safety committee meetings, school climate surveys, and memorandums of understanding with local law enforcement.

Conclusion: Due to the sensitive nature of school safety, the full results of our review of school safety is not described in our audit report. The full results were shared with District officials, PDE's Office of Safe Schools, and other appropriate law enforcement agencies deemed necessary. However, our review of this objective did identify areas of noncompliance which are detailed in Finding No. 3 beginning on page 17 of this report.

²³ 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.

²⁴ PSC 24 P.S. § 1-111, CPSL 23 Pa.C.S. § 6344(a.1), PSC (Educator Discipline) 24 P.S. § 2070.1a *et seq.*, state Vehicle Code 75 Pa.C.S. §§ 1508.1 and 1509, and State Board of Education's regulations 22 *Pa. Code Chapter 8*.

²⁵ Safe Schools Act 24 P.S. § 13-1301-A *et seq.*, Emergency Management Services Code 35 Pa.C.S. § 7701.

- Did the District comply with the fire and security drill requirements of Section 1517 of the Public School Code?²⁶ Also, did the District accurately report the dates of drills to PDE and maintain supporting documentation to evidence the drills conducted and reported to PDE?
 - ✓ To address this objective, we obtained and reviewed the fire and security drill records for the 2018-19 school year. We determined if a security drill was held within the first 90 days of the school year for each building in the District and if monthly fire drills were conducted in accordance with requirements. We also obtained the Accuracy Certification Statement that the District filed with PDE and compared the dates reported to the supporting documentation.

Conclusion: The results of our procedures for this portion of the school safety objective did not disclose any reportable issues.

Financial Stability

- Based on an assessment of financial indicators, was the District in a declining financial position, and did it comply with all statutes prohibiting deficit fund balances and the over expending of the District's budget?
 - ✓ To address this objective, we reviewed the District's annual financial reports, general fund budgets, and independent auditor's reports for the 2015-16 through 2018-19 fiscal years. The financial and statistical data was used to calculate the District's general fund balance, operating position, charter school costs, debt ratio, and current ratio. These financial indicators are deemed appropriate for assessing the District's financial stability. The financial indicators are based on best business practices established by several agencies, including Pennsylvania Association of School Business Officials, the Colorado Office of the State Auditor, and the National Forum on Education Statistics

Conclusion: The results of our procedures for this objective did not disclose any reportable issues.

Administrator Separations

- Were all individually contracted employees who separated employment from the District compensated in accordance with their contracts? Also, did all final payments to the separated employees comply with the Public School Code²⁷ and Public School Employees' Retirement System (PSERS) guidelines?
 - ✓ To address this objective, we reviewed the board meeting minutes, employment contracts, and payroll and leave records for the one individually contracted administrator who separated employment from the District during the period of July 1, 2015 through June 30, 2019. We reviewed the final payouts to determine if the administrator was compensated in accordance with the contract and that only allowable wages were reported to PSERS.

Conclusion: The results of our procedures for this objective did not disclose any reportable issues.

²⁶ Public School Code (Fire and Security Drills) 24 P.S. § 15-1517.

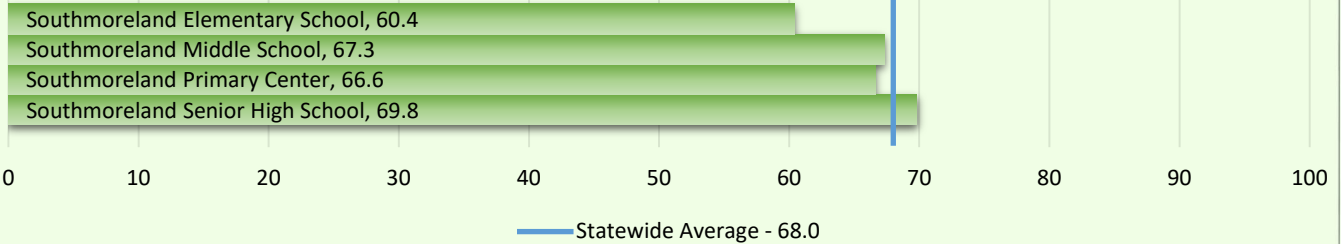
²⁷ 24 P.S. § 10-1073(e) (2) (v).

Appendix B: Academic Detail

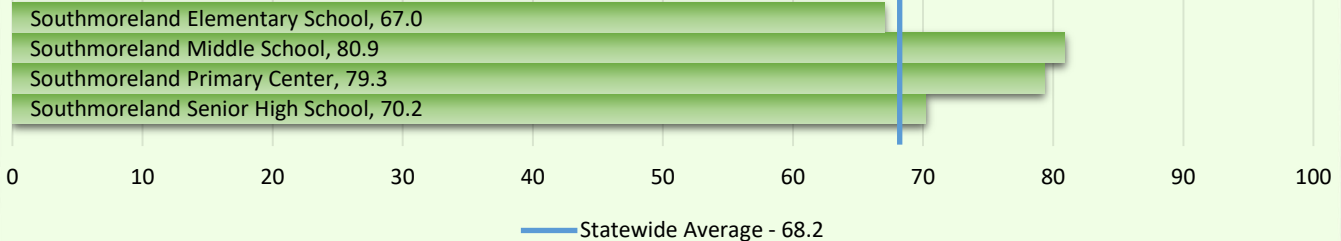
Benchmarks noted in the following graphs represent the statewide average of all public school buildings in the Commonwealth that received a score in the category and year noted.²⁸ Please note that if one of the District's schools did not receive a score in a particular category and year presented below, the school will not be listed in the corresponding graph.²⁹

SPP School Scores Compared to Statewide Averages

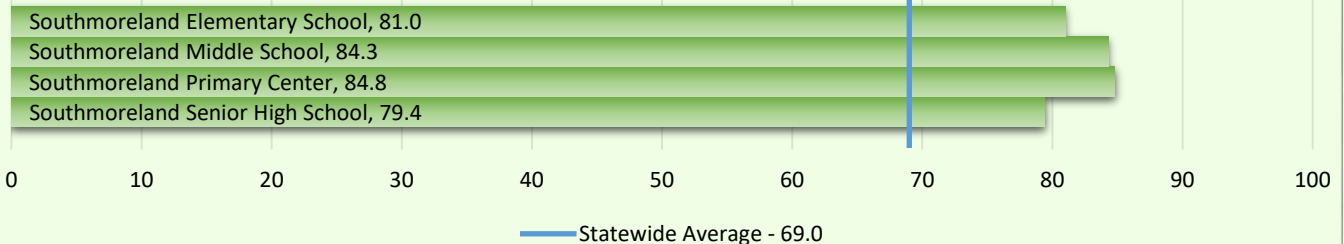
2018-19



2017-18



2016-17

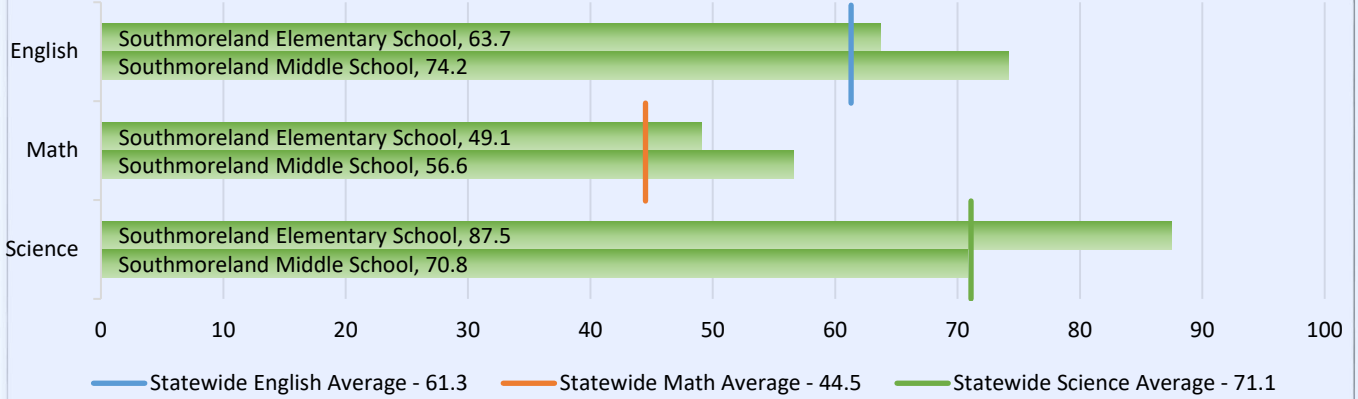


²⁸ Statewide averages were calculated by our Department based on individual school building scores for all public schools in the Commonwealth, including district schools, charters schools, and cyber charter schools.

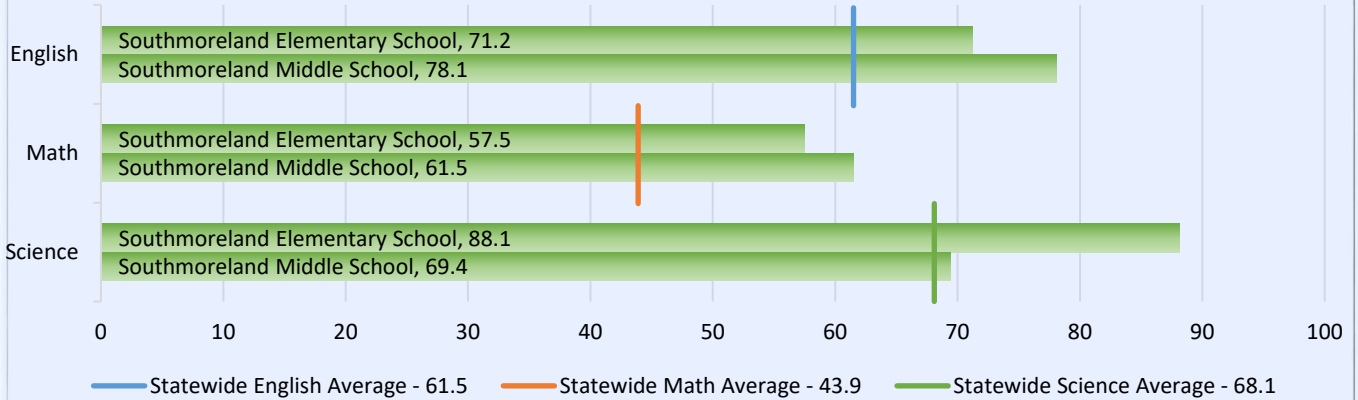
²⁹ PDE's data does not provide any further information regarding the reason a score was not published for a specific school. However, readers can refer to PDE's website for general information regarding the issuance of academic scores.

**PSSA Advanced or Proficient Percentage
School Scores Compared to Statewide Averages**

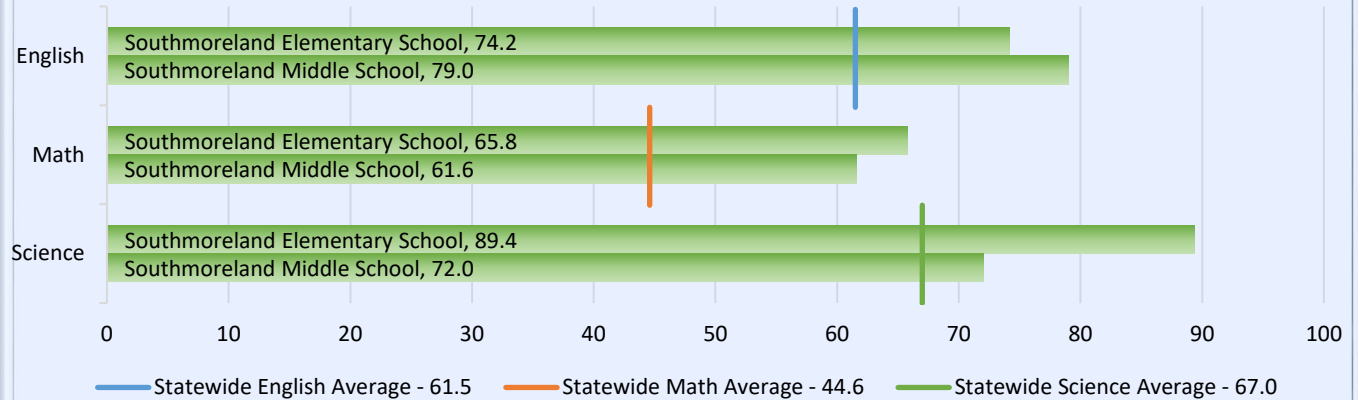
2018-19



2017-18

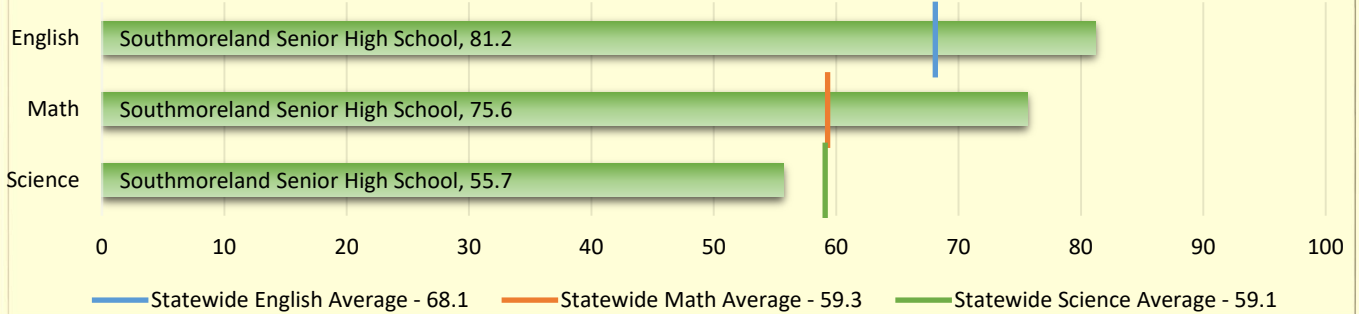


2016-17

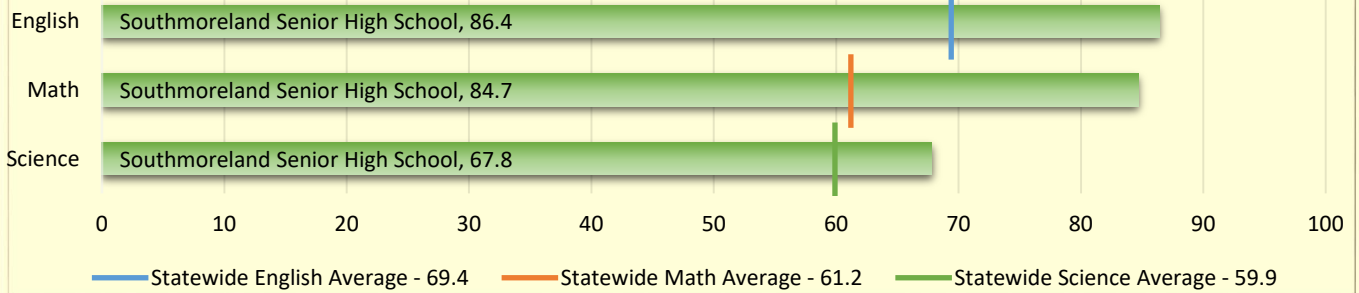


Keystone Advanced or Proficient Percentage School Scores Compared to Statewide Averages

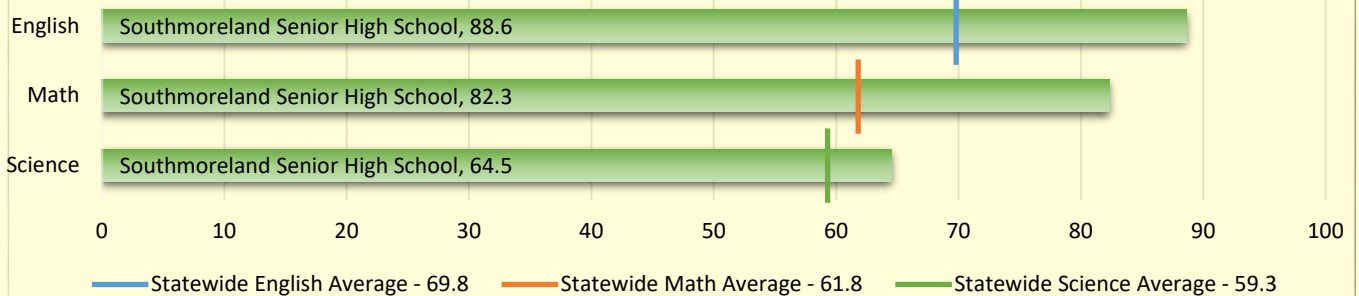
2018-19



2017-18



2016-17



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 Noe Ortega
Acting Secretary of Education
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