DCIU
Empowering Partnerships For Education
Jim Scanlon, Ed.D., Interim Executive Director

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sent via email and U.S. mail

PA Department of the Auditor General
Mr. Timothy DeFoor, Auditor General
613 north Street, Room 229
Harrisburg, PA 17120-0018
TDeFoor@paauditor.gov

Dear Mr. DeFoor,

Thank you for the opportunity to meet with you and your team on Monday, November 9, 2026 to discuss the next steps with the Delaware County Intermediate Unit (DCIU) state audit for years 2022-23, and 2023-24. We appreciate your opening comments at the October 28 press conference suggesting that there is confidence with new leadership at the DCIU to work with the auditor general's office, and we appreciate you providing us with this time to discuss how we are moving forward.

As a superintendent for 25 years, I recognize the importance of external review of procedures for the improvement of an organization. As someone who has only been in the role as Interim Executive Director of the DCIU since August 24, 2026, I believe I am able to look at this audit process without emotion.

The purpose of our meeting was to:

1. Provide an update on how we are addressing the findings in the DCIU Audit.
2. Ask for a joint statement to be released on how we have responded.
3. Provide Auditors with feedback on the process that may help with future state audits

We did not want to debate the audit findings but wanted to share how we are moving forward with this report. While there are some aspects of the audit that the DCIU does not agree with, those responses are already part of the final audit.

Included in this letter is a table (Appendix A) outlining our action steps, and timeline for completion of the four (4) findings and 21 recommendations from the audit. In summary, the overarching themes include the following five points we shared with you and your team on November 9.

1. **We will be writing a policy on serving food at meetings.** We do not currently have one, and in my short time at the DCIU, I do believe we spend too much on food at meetings, and we should make some reductions on what we are spending. A policy will provide guidelines for all to follow. We do need to ensure that our policy does not inhibit our culinary arts program in preparation for board meetings or other events. They use the preparation of a dinner as a teaching lesson.

The Auditor General's report cited $24 for a board meal as "excessive." We will write a policy that is tied to some percentage of the US General Service Administration Guidelines for our geographic area.

2. **We will no longer fund superintendent retreats out of state.** The report cited conferences held in Orlando and Annapolis MD, calling them "excessive and abusive" use of taxpayer funds. Historically, the DCIU has paid for these retreats. If school districts want to send a superintendent to out-of-state leadership training such as the Disney Institute, that should be paid by the sending school district. Because retreats for upper-level leadership are considered best practices, we will continue to hold them, but we will place parameters around locations in state, and/or solicit sponsors for paying the cost.

3. **We will revise our "Administrative Directives," to be called "Administrative Guidelines".** The auditors saw the word "directive" in our procedures and in several cases pointed out that we were not following the directive, or as they perceived the "mandate." We explained in our responses that these were guidelines to follow and not mandates. The past few weeks I surveyed all 29 Intermediate Units and more than 30 school districts in the Philadelphia area to determine if anyone was using the term "directives," as part of the procedures associated with their board polices. All are using the term "guideline," or "regulation," as recommended by the Pennsylvania School Boards Association. While this change is not a direct response to the audit, it has been brought to our attention because of the audit process.

4. **We will revise our Administrative Guideline to approve purchase orders in our e-finance system.** Our current guideline requires two administrative approvals, with the first at the program/ supervisor level. The auditors reviewed hundreds of purchases and compared the approval levels to our Administrative Guidelines. Our guidelines indicate we are to have two administrative approval levels with one at the program/supervisor level. Some of the purchase orders reviewed showed that a secretary was entering the purchase requisition on behalf of the administrator. The auditors cited this was not documented as administrative approval because a secretary entered the initial requisition. We will be revising our Administrative Guidelines to reflect or process and include the first level of approval to be "administrator or designee".

5. **We will refine our process to keep a list of all contracts** in the executive director's office, including multi-year and tracking board approval.

Also included is information already sent to auditor Mark Molnar, with documentation that was considered missing in the audit (Appendix B). This information was located in the online folders in which the auditors had access. A third attachment (Appendix C) includes more detailed information addressing the documentation for contracts in Finding 1.

In our meeting, we also provided some suggestions for your office to consider when conducting future audits. I would be happy to provide more details about those suggestions in a separate communication.

My immediate goal is to address the findings in this audit, share our path forward with our staff and parents, so we can move on with the business of educating more than 15,000 students in Delaware County.

Please let me know your thoughts on our path forward. This audit received a lot of public attention, and I would like to inform our staff and parents as soon as possible that we are working closely with your office to address these findings in a productive manner.

Thanks in advance for your consideration.

Sincerely,



Jim Scanlon
Interim Executive Director

cc: DCIU Board of Directors
Mr. Ed Norris, Chief Financial and Operations Officer

Attachments:

Appendix A – Recommendations Corrective Action Matrix
Appendix B – Information set to auditor, Mark Molnar, since public release of the DCIU State Audit
Appendix C – Additional Information Addressing Finding 1 (Contracts)