

State of New Jersey  
Department of Education  
PO Box 500  
Trenton, New Jersey 08625-0500

**Carteret Public Schools**

599 Roosevelt Avenue  
Carteret, New Jersey 07008-2912  
Phone: 732-541-8960



*New Jersey K to 12 Education*

Collaborative Monitoring Report  
June 2022

**District:** Carteret Public Schools  
**County:** Middlesex  
**Dates Monitored:** March 28, 29, 30 and 31, 2022  
**Case Number:** CM-03-22

**Funding Sources:**

<b>Program</b>	<b>Funding Award</b>
Title I, Part A	1,525,809
Title I SIA	123,954
Title II, Part A	253,459
Title III	210,455
Title III Immigrant	3,247
Title IV, Part A	102,761
IDEA Part B, Basic and Preschool	1,046,784
CARES ESSER I	796,483
CRRSA ESSER II (includes all subgrants)	3,474,750
ARP ESSER (includes all subgrants)	7,793,941
ARP IDEA Basic and Preschool	231,980
Perkins V	0
<b>Total Funds</b>	<b>15,563,623</b>

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## **Background**

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The Every Student Succeeds Act (ESSA), the Individuals with Disabilities Education Act (IDEA) and other federal education laws require local education agencies (LEAs - school districts and charter schools) to provide programs and services to schools within their local jurisdiction. The provision of these programs and services is based on the pertinent authorizing statutes specified in each of the federal education laws.

The laws further require that state education agencies, in this case, the New Jersey Department of Education (NJDOE) to monitor the implementation and execution of federal programs by the subrecipients. The monitors thereby determine whether the funds are being properly used by the district for their intended purposes and achieving the overall objectives of the funding initiatives.

## **Introduction**

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The NJDOE visited the Carteret Public Schools (CPS or district) virtually, except where noted, to monitor the district's use of federal funds. The NJDOE also examined related program plans, as applicable, to determine whether the school's programs are meeting the intended purposes and objectives, as specified in the current year's applications and authorizing statutes.

The goal of the monitoring is to determine whether the funds were spent in accordance with the requirement of each program, federal and state laws, and applicable regulations. The monitoring of CPS included staff interviews, as well as, the review of documents and records related to the requirements of these programs:

- Title I, Part A (Title I);
- Title I SIA;
- Title II, Part A (Title II-A);
- Title III;
- Title III Immigrant;
- Title IV, Part A (Title IV-A);
- IDEA Part B - Basic and Preschool;
- Coronavirus Aid Relief, and Economic Security Act, Elementary and Secondary School Emergency Relief (ESSER) Fund (CARES ESSER I);
- Coronavirus Response and Relief Supplemental Appropriations ESSER Fund (CRRSA ESSER II) and applicable subgrants;
- American Rescue Plan Act (ARP) ESSER and applicable subgrants; and
- ARP IDEA - Basic and Preschool.

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The scope of work performed included the review of records and documentation which included:

- accounting records
- annual audits
- board minutes
- grant applications program plans and needs assessments
- grant awards
- payroll records
- purchase orders
- student records

The scope of work performed also included interviews with:

- instructional staff to verify implementation of Individualized Education Programs (IEPs)
- child study team members and speech-language specialists
- the program administrator regarding the IDEA grant

In addition, a sampling of computing devices and equipment purchased with federal funds was selected and physically examined without exception.

### **Expenditures Reviewed**

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The grants and programs reviewed included Title I, Title I SIA, Title II-A, Title III, Title III Immigrant, Title IV-A, IDEA Basic and Preschool, ARP IDEA Basic and Preschool from July 1, 2021 through February 28, 2022. In addition, CARES ESSER I, CRRSA ESSER II, ARP ESSER and all applicable subgrants were reviewed from commencement of the related project periods through February 28, 2022. A sampling of purchase orders and/or salaries and wages from each program was selected for examination.

### **General Overview of Uses of Federal Funds**

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#### **Title I Projects**

The purpose of the Title I, Part A program is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps. CPS serves grades PK–12 and funds four of its five schools with Title I, Part A funds. Targeted assistance school program models are operated in two of the district’s served schools and schoolwide program models in two served schools. During the 2021-2022 school year, the district programmed and budgeted its Title I, Part A allocation for activities in the following areas:

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1. in-class support programs;
2. instructional materials and supplies;
3. pull-out programs;
4. extended day/year programs;
5. parent and family engagement;
6. professional development;
7. college and career readiness;
8. social-emotional learning; and
9. STEM/STEAM activities.

The district is commended for the development and distribution of its Title I, Part A Handbook. This resource provides all stakeholders, who hold an interest in the district’s successes, with specific and detailed information on the rules and requirements of the Title I, Part A program, the types of Title I-funded evidence-based programs and services being implemented, and the ways in which the district ensures it meets all Title I, Part A legislative requirements.

#### **Title I SIA Projects**

The School Improvement Award (SIA) is allocated to districts with schools identified as needing comprehensive support and improvement (CSI) or targeted support and improvement (TSI). The SIA exclusively supports evidence-based practices, as defined by ESSA, which demonstrate a statistically significant effect on improving student outcomes, as reflected in studies with strong, moderate, or promising evidence of effectiveness.

CPS receives School Improvement Award (SIA) funds for two schools identified as “Targeted” based on the indicators outlined in the Department’s ESSA plan. These funds are used to enhance English Language Arts and Math outcomes through the acquisition of needed resources including classroom libraries with titles that represent varied cultures and backgrounds and personnel to provide small group Math instruction. Funds are also used for professional development, parent engagement activities, Social Emotional Learning programming and an assessment platform to monitor student progress.

#### **Title II-A Projects**

The purpose of the Title II, Part A (Title II-A) program is to build systems of support for excellent teaching and learning while increasing student achievement consistent with the challenging State academic standards. CPS uses Title II-A funds to recruit, hire, and retain effective teachers. Title II-A funds also are utilized to increase the knowledge base of elementary teachers, grades K–3, on effective methods to differentiate instruction for children in these early grades. High-quality professional development also has been implemented with these funds.

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**Title III Projects**

The purpose of the Title III program is to improve the education of English learners (ELs) by helping them learn English and meet challenging state academic content and student academic achievement standards. CPS uses Title III funds for professional and technical services and supplies.

**Title III Immigrant Projects**

The purpose of Title III Immigrant funds is to provide enhanced instructional opportunities for immigrant students and their families. CPS uses Title III Immigrant funds for salaries and supplies.

**Title IV-A Projects**

The purpose of the Title IV, Part A (Title IV-A) program to provide all students with access to a well-rounded education, improve school conditions for student learning, and incorporate the use of technology to improve the academic and digital literacy of all students. CPS uses Title IV-A funds to mitigate learning loss and close academic achievement gaps. Funds are used to purchase supplies for the district's science, technology, engineering, and mathematics (STEM) think tank program implemented in the schools. Finally, professional development programs to train teachers and school leaders on effective ways to use various technology programs are implemented with Title IV-A funds.

**IDEA Grant**

The purpose of the IDEA grant is to provide federal entitlement funds to assist with the excess costs of providing special education and related services to students with disabilities. The majority of the FY 2022 IDEA basic and preschool funds are being used to reduce district tuition costs for students receiving special educational services in out of district placements. Additional IDEA funds are being used for supplies and materials to support students with disabilities in the classroom. The district also uses IDEA funds to employ a behavior analyst and to provide professional development to staff. The nonpublic funds are used to provide educational support for students with disabilities who attend nonpublic schools located within the district.

**CARES ESSER I**

The purpose of the CARES ESSER I funding is to address the impact COVID-19 has had, and continues to have, on elementary and secondary schools. CARES ESSER I funds are used primarily for social and emotional support services for district staff and students; educational technology such as televisions and iPads for classroom instruction, software subscriptions, mobile hotspots; cleaning and sanitizing supplies; instructional supplies; transportation costs for extended learning opportunities. In addition, CARES ESSER funds have been expended for staff professional development on best instructional practices in on-line classroom. CARES ESSER funds are budgeted for, among other things: access to student meals and tutoring services to address regression and individual learning needs.

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The nonpublic allocation is being spent for instructional supplies.

**CRRSA ESSER II**

The purpose of CRRSA ESSER II funding is to provide money to LEAs to assist in: safely reopening schools, measuring and effectively addressing significant learning loss, and testing, repairing, and upgrading projects to improve air quality in buildings. CRRSA ESSER II funds and the applicable subgrants have been budgeted for sanitation supplies, educational technology, stipends for tutoring and extended learning opportunities, the implementation of programs to support the mental health of students and staff and to mitigate learning loss.

**ARP ESSER**

The purpose of ARP ESSER funding is to assist LEAs in preparing for and responding to the impact of COVID-19 on educators, students, and families. Additional uses of funds include, but are not limited to:

1. hiring new staff and avoiding layoffs; and
2. addressing learning loss through summer learning or summer enrichment, extended day, comprehensive afterschool programs, or extended school year programs.

The ARP ESSER main allocation is used primarily for the salaries of teachers to address learning loss, a nurse, guidance counselor and a principal of special projects to oversee programs which address learning loss during the school day, after-school programs, summer learning opportunities, and family engagement events. ARP ESSER funds have been expended for educational technology such as televisions for classroom instruction, personal protective equipment and licenses for virtual meetings. In addition, the district budgeted ARP ESSER funds and the applicable subgrants to provide staff and students with resources needed for academic, social and emotional growth, dealing with trauma and staff professional development/coaching.

**ARP IDEA**

ARP IDEA is a supplemental award to the IDEA, Part B funds, intended to support districts in the recovery from the impact of the COVID-19 pandemic, to reopen schools safely and sustain safe operations.

ARP IDEA Basic funds are being used for the implementation of new instructional programs. In addition, the Basic Allocation is budgeted for training high school staff on differentiation, educational technology such as iPads and tuition for students attending approved private schools for students with disabilities. The Preschool allocation is budgeted for out-of-district tuition costs.

## **Detailed Findings and Recommendations**

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The Detailed Findings and Recommendations are disaggregated into the following sections:

1. Multiple Grants Section – findings necessitating the reversal of charges for multiple grants due to the lack of adequate supporting documentation;
2. Grant Specific Programmatic and Fiscal Section — findings directly attributable to the federal awards covered during the monitoring; and
3. Administrative Section - crosscutting administrative findings may be found in this section.

### **Multiple Grants Section**

There are no findings which warrant mention in this section.

### **Grant Specific Programmatic and Fiscal Section**

#### **Title I**

##### **Finding 1:**

The district provided evidence of its district-level parent and family engagement policy; however, the policy was not approved by the district's board of education (board). In addition, the policy incorrectly referred to Section 1118 of the No Child Left Behind Act (NCLB) rather than Section 1116 of the Elementary and Secondary Education Act (ESEA). It is important for the district to have a policy in place in order to establish expectations and objectives for meaningful parent and family involvement. The content and effectiveness of the policy should be evaluated annually to ensure the academic quality of the district.

Pursuant to ESEA legislation, parents and families must be involved in the development of the written district-level parent and family engagement policy, as well as be informed of the ways in which they can further participate in the academic performance and achievement of their children.

##### **Citation(s):**

ESEA §1116 (a)(2): Local Educational Agency Policy – Written Policy

##### **Required Action(s):**

The district must ensure that it reviews and updates its district-level parent and family engagement policy to include all currently applicable ESEA citations. The district must submit a copy of the updated district-level parent and family engagement policy with the corrective action plan (CAP), for review by staff in the Office of Supplemental Educational Programs. In addition, the district must post the updated district-level parent and family engagement policy on its website.

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**Recommended Action(s):**

To further enhance knowledge regarding policies and procedures related to parent and family engagement, it is recommended that the district administrators and staff review the parent and family engagement resources available on the NJDOE website at [Title I, Part A Parent Family Engagement](#). For additional assistance, please contact the Office of Supplemental Educational Programs at [titleone@doe.nj.gov](mailto:titleone@doe.nj.gov).

**Finding 2:**

The district provided evidence of school-level parent and family engagement policies; however, these policies included outdated language and inaccurate legislative citations from NCLB. In addition, these policies were not board approved within the last school year. Pursuant to ESEA legislation, the district must:

- Implement and make publicly available updated board approved school-level parent and family engagement policies, annually;
- Involve parents and families in the development of each written school-level parent and family engagement policy; and
- Inform parents and families of the ways in which they can further participate in the academic performance and achievement of their children.

**Citation(s):**

ESEA §1116(b)(1): Parent and Family Engagement — School Parent and Family Engagement Policy

**Required Action(s):**

The district must establish policies and procedures to ensure all Title I-funded schools have been board approved, written school-level parent and family engagement policies in place for the FY 2023 school year. In addition, the district must post these school-level parent and family engagement policies on the district's website. The school-level parent and family engagement policies must be developed and reviewed with the active engagement of parents and families, as well as be widely distributed to parents and families on an annual basis. Parents and families must be informed of the ways in which they can further participate in the academic performance and achievement of their children. In this way, parents and families are afforded opportunities to become effective partners in the district's ongoing parent involvement process.

The district must submit a copy of these policies and procedures regarding the development of school-level parent and family engagement policies as part of the submission of its CAP, for review by staff in the Office of Supplemental Educational Programs.



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**Recommended Action(s):**

To further enhance knowledge regarding policies and procedures related to parent and family engagement, it is recommended that the district administrators and staff review the parent and family engagement resources available on the NJDOE website at [Title I, Part A Parent Family Engagement](#). For additional assistance, please contact the Office of Supplemental Educational Programs at [titleone@doe.nj.gov](mailto:titleone@doe.nj.gov).

**Finding 3:**

The district provided evidence of its notification to parents and adult students (18 of age or older) concerning information disclosed to military recruiters, postsecondary institutions, or prospective employers, when requested; however, the notification included incorrect ESEA section citations. Pursuant to ESEA legislation, parents must be notified that districts routinely disclose names, addresses, and telephone numbers to military recruiters, postsecondary institutions, or prospective employers, subject to a parent's request not to disclose such information without prior written consent. The notification must advise parents of how they can opt-out of the public, nonconsensual disclosure of this information and the method and timeline within which to do so.

**Citation(s):**

ESEA §8528(a)(2): Armed Forces Recruiter Access to Students and Student Recruiting Information – Consent

**Required Action(s):**

For the FY 2023 school year, the district must distribute the required notification, including accurate ESEA citations, regarding the disclosure of students' names, addresses, and telephone numbers, upon request, to military recruiters, postsecondary institutions, or prospective employers. The dated notification must include details on how parents may opt-out of this public, nonconsensual disclosure of information, as well as the method and timeline within which to do so. In addition, the district must post this notification on its website in an easily accessible location.

**Finding 4:**

The district did not upload its Educational Stability for Children in Foster Care policies and procedures, to include transportation procedures, to its FY 2022 ESEA Consolidated Subgrant Application. Pursuant to ESEA legislation, each district is required to provide to the NJDOE a current, Board approved copy of the written transportation procedures for children in foster care. These transportation policies and procedures must delineate how transportation to maintain children in foster care in their school of origin, when in their best interest, will be provided, arranged, and funded in a cost-effective manner for the duration of the children's time in foster care.

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**Citation(s):**

ESEA §11112 (c)(5)(B) Local Educational Agency Plans – Assurances

**Required Action(s):**

The district must ensure it uploads its Educational Stability for Children in Foster Care policies and procedures, to include a copy of the current, board approved written transportation procedures for children in foster care, to the district's FY 2023 ESEA Consolidated Subgrant Application.

**Recommended Action(s):**

The district is encouraged to access the NJDOE website [Educational Stability for Children in Foster Care](#) for specific information regarding the establishment of its Educational Stability policies and procedures.

**Additional Recommended Action(s):**

The NJDOE recognizes and acknowledges that the COVID-19 pandemic presented the district with many unforeseen challenges during the 2021-2022 school year. Inevitably, these circumstances impacted the district's Title I, Part A program, including the completion of a detailed comprehensive needs assessment (CNA), as well as the implementation of Annual School Plans (ASPs) in all applicable schools. The following recommendations are presented to assist the district in continuing to meet these challenges in the FY 2023 school year by further strengthening and enhancing its Title I, Part A programs and services:

**Comprehensive Needs Assessment**

It is recommended the district include more specific information regarding grade levels, target populations, performance targets, and the identification of data sources in the comprehensive needs assessment conducted for the district's ESEA Application, as well as those for all Annual School Plans (ASPs). In this way, all comprehensive needs assessment information is in alignment, and shows a clearer connection to data driven decision-making and the importance of stakeholder engagement.

**Annual School Plan (ASP)**

It is recommended, whenever possible, to include more than one parent and more than one community member as representatives on all ASP stakeholder planning teams. This improves stakeholder engagement by having multiple individuals available to represent each stakeholder group during the development, implementation, and evaluation of all Annual School Plans (ASPs). Additionally, all ASPs must include budget detail, per SMART Goal, to show how school-level allocations of Title I funds are budgeted to support Title I programs and services.

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**Parent Right-to-Know Letter**

This 2021-2022 notification, included the following statement, “*children will exit the Title I program when **they show significant growth in Language Arts Literacy (LAL) and/or mathematics.***” To assist parents in more fully understanding the meaning of this phrase, if it is used in the 2022-2023 notification, the district must include specific information to explain what is meant by “*show significant growth in LAL and mathematics.*” In addition, the district notification must include the actual date on which the letter is distributed, not just the month and year.

**Finding 5:**

The district’s general ledger for Title I, Part A disclosed distinct subcodes and school codes are not being used to track the parent and family engagement reserve and nonpublic allocation. Amounts expended for this set-aside and nonpublic schools must be used for allowable program activities and accounted for separately to enhance the district’s ability to monitor unexpended balances, which may be carried forward, provided the funds are spent for their intended purpose or returned to the state.

**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §200.302(b)(3) Financial Management

**Required Action(s):**

The district must implement procedures to ensure that reserves and nonpublic funds are accounted for separately.

**Finding 6:**

A number of payroll transactions allocated to the Title I, Part A grant were selected for examination. The ending times on the timesheets reviewed omitted 30 minutes of “prep time” and the number of hours worked.

Pursuant to the Uniform Grant Guidance, charges for salaries and compensation must be based on records that among other things:

- accurately reflect what Title I-funded staff are doing, when and where they are working; and
- reasonably reflect the total activity for which the employee is compensated by the district, not exceeding 100% of compensated activities.

This documentation is necessary to verify that Title I, Part A funded staff are performing allowable Title I activities.

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**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §430(i) Standards for Documentation of Personnel Expenses

**Recommended Action(s):**

It is recommended that both district program and fiscal staff work collaboratively, to institute policies and procedures to ensure all Federally funded employees prepare timesheets which:

- reflect actual ending times;
- detail activities of worked; and
- comply with applicable Uniform Grant Guidance requirements.

**Title I SIA**

The review of the district's 2021-2022 Title I SIA program yielded no findings.

**Title II-A**

The review of the district's 2021-2022 Title II-A program yielded no findings.

**Title III**

The review of the district's 2021-2022 Title III program yielded no findings.

**Title III Immigrant**

The review of the district's 2021-2022 Title III Immigrant program yielded no findings.

**Title IV-A**

The review of the district's 2021-2022 Title IV-A program yielded no findings.

**IDEA Program**

**Finding 1:**

The district did not consistently maintain documentation of the description, frequency, duration and effectiveness of the interventions provided in the general education setting through the Intervention and Referral Service (I&RS).

**Citation(s):**

N.J.A.C. 6A:14-3.3(c) Location, referral and identification

**Required Action(s):**

The district must ensure that when the I&RS team identifies interventions to meet the needs of a struggling learner that the team identifies and maintains documentation of the nature, description, frequency, and duration of the interventions and measures the

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effectiveness. In order to demonstrate correction of noncompliance, the district must conduct training for administrators and I&RS staff and develop an oversight mechanism to ensure compliance with the requirements in the citation(s) listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation for students who were provided interventions in general education between September 2022 and December 2022
- review the oversight procedures

**Finding 2:**

The district did not consistently conduct all required sections of the functional assessment as a component of an initial evaluation for students referred for special education and related services and for students eligible for speech language services only.

**Citation(s):**

N.J.A.C. 6A:14-3.4(f)4(i-vi) Evaluation

**Required Action(s):**

The district must ensure that all components of the functional assessment are conducted as part of the initial evaluation process. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech language therapists and develop an oversight mechanism to ensure compliance with the requirements in the citation(s) listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review initial evaluation reports conducted between September 2022 and December 2022
- review the oversight procedures

**Finding 3:**

The district did not consistently document required participants were in attendance at identification, annual review, reevaluation planning, eligibility and IEP meetings for students referred and/or eligible for special education and related services. Specifically, the full child study team was not consistently in attendance at identification meetings and general education teachers were not consistently in attendance at all other meetings.

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**Citation(s):**

N.J.A.C. 6A:14-2.3(k)1(i-vii) Parental consent, notice, participation and meetings; 20 U.S.C. §1414(d)(1)(B) Individualized education program team, and 34 C.F.R. §300.321(a) IEP team

**Required Action(s):**

The district must ensure that meetings are conducted with required participants and that documentation of attendance and/or written parental consent to excuse a member of the IEP team is maintained in student files. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation(s) listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review meeting documentation, including sign-in sheets, for meetings conducted between September 2022 and December 2022
- review the oversight procedures

**Finding 4:**

The district school did not consistently document all required considerations and statements in each IEP for students eligible for special education and related services. Specifically, IEPs did not consistently include documentation whether the student will participate with nondisabled children in nonacademic and extracurricular activities and services to the maximum extent appropriate.

**Citation(s):**

20 U.S.C. §1414(d)(3)(A)(B) Evaluations, parental consent, and reevaluations; 34 C.F.R. §300.324(a)(1)(2) Development, review, and revision of IEP; N.J.A.C. 6A:14-3.7(c)1-11, (e) 1-17, and (f) Individualized education program; and N.J.A.C. 6A:14-4.10(a) Statewide assessment

**Required Action(s):**

The district must ensure that that each IEP contains all required components. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation(s) listed above. To demonstrate that the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise the IEPs for specific students with IEPs that were identified as noncompliant. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the special education monitor.

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A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation for students who were provided interventions in general education between September 2022 and December 2022
- review the oversight procedures

## **CRRSA ESSER II**

### **Finding 1:**

The district expended \$18,000 for concrete work relating to outdoor school spaces. Construction is authorized under Title VII of the ESEA (Impact Aid) and therefore, is an allowable use of the Governor’s Emergency Education Relief and ESSER funds under the CARES Act, the CRRSA Act and the ARP Act. Pursuant to ESEA legislation, the term “construction” means:

1. the preparation of drawings and specifications for school facilities;
2. erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities;
3. inspecting and supervising the construction of school facilities; and
4. debt service for such activities.

When expending federal funds for construction projects over \$2,000, local education agencies such as CPS, must comply with Davis-Bacon Act (DBA) and related Acts. The definition of construction is a bit more extensive under DBA and includes among other things, painting and decorating. DBA requires the payment of wage rates and fringe benefits prevailing in the area for each class of laborer and mechanic engaged in construction activity under contracts financed or assisted by federal funds based on determinations by the U.S. Department of Labor (USDOL). When federal and state legislation and regulations governing prevailing wages are in conflict, the most restrictive prevails.

LEAs must place a copy of the current prevailing wage determination issued by the USDOL in requests for price quotation, requests for proposals and invitation for bids. The New Jersey Prevailing Wage Act, as amended by P.L. 2021, c.301 (NJPW Act) addresses certain bids as well. Effective May 7, 2022, contractors submitting the lowest bid for a contract covered by the NJPW Act must certify to LEAs that the prevailing wages required by NJPW Act shall be paid, if that bid is 10 percent or more lower than the next lowest bid. The NJPW Act also requires contracts for public work expressly state the workers performing work under the contract shall not be paid less than the required prevailing wage rate.

LEAs must ensure that contracts and/or subcontracts for construction projects contain wage determinations and appropriate clauses required by the DBA. Wage determinations set forth by the DBA and USDOL resources to assist with compliance are available at

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[sam.gov/content/wage-determinations](https://sam.gov/content/wage-determinations) and [dol.gov](https://dol.gov), respectively. The wage determination and the DBA poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work. This information must be displayed in a prominent and accessible place, clearly visible by the workers.

The contractor and each subcontractor is required to pay their laborers and mechanics no less than weekly and to submit certified payroll records to the district each week that:

- are accompanied by a signed "Statement of Compliance" indicating the payrolls are correct and complete;
- contain wage rates not less than those determined by the Secretary of Labor; and
- reflect classifications for each employee which conform with work performed.

The contractor is responsible for submitting payroll records for all of its subcontractors.

The DBA and related Acts specify additional requirements for prime contracts over \$100,000. In particular, the Contract Work Hours Standard Act stipulates that contractors and subcontractors pay laborers and mechanics at least one and one-half times their regular rate of pay for all hours worked over 40 in a workweek. The overtime provision under the Fair Labor Standards Act may apply to DBA-covered contracts as well.

The district is required to obtain and review the weekly, certified payroll records to determine if any worker has been paid less than the prevailing wage. In the event the district determines the contractor or subcontractor has failed to pay any laborer or mechanic the prevailing wage, the district must:

- notify the contractor or subcontractor accordingly in writing; and
- take such action as may be necessary to suspend further payments of funds until the violations have ceased.

The penalties and sanctions for noncompliance with the DBA and related Acts can be rather significant.

**Citation(s):**

CARES Act §§18002(c)(3) and 18003(d)(1); CRRSA Act §§312(c)(3) and 313(d)(1); ARP Act §2001(e)(2); Davis-Bacon Regulations 29 C.F.R. §5.5 Contract provisions and related matters; ESEA §7013(3) Construction; Uniform Grant Guidance, Subpart E Federal Cost Principles such as §§200.403-200.404 and 200.439(b); 2 CFR Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards; EDGAR, 34 C.F.R. §§ 76.600 Compliance with the U.S. Constitution, statutes, regulations, stated institutional policies and regulations; and 75.600 Use of a grant for construction: Purpose of §§ 75.601-618; OMB Standard Forms 424B and 424D (Assurances for



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Non-Construction and Construction Programs Sample forms which are accessible at [Grants.Gov](https://www.grants.gov)). Also, refer to the assurances relating to labor standards; flood hazards; historic preservation; health and safety, energy conservations, and coastal barrier resources) and N.J.S.A. 34:11-56.25 et seq. New Jersey State Prevailing Wage Act.

**Required Action(s):**

For all budgeted construction project costs unpaid as of the date of this report of examination, the district must obtain and keep on file for seven (7) years, records evidencing adherence to prevailing wage requirements pursuant to the DBA and related Acts and the NJPW Act in relevant part.

**Finding 2:**

The district transferred CRRSA Mental Health funds totaling \$2,000 to a line item in which funds were not previously budgeted without filing an amendment application.

**Citation(s):**

EDGAR, 34 C.F.R. § 76.700 Compliance with the U.S. Constitution, statutes, regulations, stated institutional policies and regulations and [FY2022 ESEA Amendment Applications](#) (these instructions are updated annually)

**Required Action(s):**

The district must be sure to file amendment application to obtain approval for the use of CRRSA Mental Health funds in a previously unopened line item or reverse the related appropriation and expenditures. The district must submit records showing this correction to OFAC within (30) days from the date of this report of examination.

**Administrative Section**

**Finding 1:**

The district did not have formal written procedures that address Uniform Grant Guidance requirements, such as:

- determining the allowability of costs in accordance with federal cost principles the and the terms and conditions of the federal award; and
- the mandatory disclosure of all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award.

**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §200.302(b)(7) Financial Management and 2 C.F.R. §§200.400 – 200.476 Subpart E - Cost Principles; and §200.113 Mandatory disclosures

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**Required Action(s):**

The district must implement a process to ensure that appropriations of all federal grants are recorded appropriately in the financial records.

**Finding 2:**

The board meeting minutes provided for examination lacked mention that the district agreed to:

1. submit applications and/or amendment applications for certain grants/subgrants, including the dollar amount of the federal award; and
2. accept the funds upon subsequent approval of the applications.

**Citation(s):**

All Consolidated Grant Applications; refer to the Submit tab (Board Authorization) in Electronic Web-Enabled Grant (EWEG) system

**Required Action(s):**

While completing each Consolidated Grant Applications in EWEG, the district must enter the actual or anticipated date of a board resolution approving the submission of the grant application and acceptance of grant funds following subsequent approval. The board resolution must be kept on file for audit or monitoring purposes.

**Finding 3:**

The figures on the Revenue Report Summaries for one or more grants did not agree to the corresponding grant allocations reported in department's EWEG system.

**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §200.302 Financial Management

**Required Action(s):**

The district must implement a process to ensure the revenues from all federal grants are recorded appropriately in the financial records.

**Finding 4:**

The district utilized the same revenue code for its Title I, Part A and Title I SIA programs. The Uniform Minimum Chart of Accounts for New Jersey Public Schools and Approved Private Schools for Students with Disabilities (UMCOA) designates the use of revenue code range 4411 to 4416 for the following ESEA titled grants:

- Title I- Part A - Improving Basic Programs
- Title I- Part A - SIA School Improvement

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- Title I- Part D - Neglected, Delinquent, or At Risk

In addition, the district incorrectly used revenue codes of 4417 for Title IV-A and 4530 for CARES ESSER I programs. The correct revenue codes are 4471 and 4532, respectively.

**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §200.302(b)(3) Financial Management and UMCOA

**Required Action(s):**

The district must implement a process to ensure the use of revenue codes that comply with the department's prescribed UMCOA for the federal programs identified.

**Finding 5:**

The amounts appropriated for several federal grants in the district's accounting records could not always be reconciled with corresponding amounts awarded in the EWEG system.

**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §200.302 Financial Management

**Required Action(s):**

The district must implement a process to ensure that appropriations of all federal grants are recorded appropriately in the financial records.

**Finding 6:**

A number of purchase orders were examined during monitoring with dollar amounts equal to or greater than \$25,000. Such purchase orders meet one of a number of definitions of a covered transaction in 2 C.F.R. §180.220. Before entering into covered transactions, these regulations require the district to determine the vendor is not debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities. The covered transactions tested lacked any indication that verifications of this nature are being performed. Verifications may be accomplished by:

1. checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration and available at <https://www.beta.sam.gov/> ;
2. collecting a certification from the entity; or
3. adding a clause or condition to the covered transaction with that entity (2 C.F.R. section 180.300)

Copies of evidence demonstrating performance of the requisite verifications must be maintained.

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**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §200.214 Suspension and debarment

**Required Action(s):**

The district is required to implement procedures to confirm vendors are neither debarred, nor suspended prior to entering into purchase orders or contracts equal to or in excess of \$25,000.

**Finding 7:**

A number of purchase order voucher packets were selected and examined during monitoring. The district was unable to provide evidence that multiple quotes were obtained for more than one purchase order as required by 1) the New Jersey Public School Contracts Law (PSCL) and district policy or 2) procurement standards under Uniform Grant Guidance, whichever is most restrictive. Federal procurement standards do not include all exemptions allowed under the PSCL, specifically professional services.

**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §§200.317 - 327 Procurement Standards and N.J.S.A. 18A:18A-37(a) Award of purchases, contracts, or agreements

**Required Action(s):**

The district must adhere to the PSCL or applicable provisions of the Uniform Grant Guidance, whichever is most restrictive, when obtaining goods and services.

**Finding 8:**

Prior to the commencement of Collaborative Monitoring, the district opted not submit to reimbursement requests for a number of grants or certain expenditures in the event department required the reversal of unallowable costs. The district is reminded to submit reimbursement requests on a monthly basis, but no less than quarterly.

**Citation(s):**

Uniform Grant Guidance, 2 C.F.R. §200.305 Federal Payment; [Office of Grants Management, General Federal Entitlement Grant Guidance](#); and [Policies and Procedures for Reimbursement of Federal and Other Grant Expenditures](#)

**Required Action(s):**

The district is required to submit reimbursement requests on a monthly basis, or at least quarterly. In addition, the district is responsible for maintaining supporting documentation for seven (7) years and for making it available to the NJDOE, the United States Department of Education, and/or their authorized representatives upon request.

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The NJDOE thanks you for your time and cooperation during the monitoring visit and looks forward to a successful resolution of every finding and implementation of all required actions and recommendations contained in this report.

If you have any questions, please contact Lisa D. McCormick via phone at (609) 376-3608 or via email at [lisa.mccormick@doe.nj.gov](mailto:lisa.mccormick@doe.nj.gov).