



State of New Jersey  
DEPARTMENT OF EDUCATION  
PO Box 500  
TRENTON, NJ 08625-0500

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

CHRISTOPHER D. CERF  
Commissioner

September 26, 2012

Mr. Reubin Mills, Interim Superintendent  
Camden City Board of Education  
201 North Front Street  
Camden, NJ 08102

Dear Mr. Mills:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Camden City Board of Education**. The funding sources reviewed include titled programs for the Education Jobs Act of 2010 (Ed Jobs) in particular, and/or Elementary and Secondary Education (ESEA) and the Individuals with Disabilities Education Act (IDEA). The review covered the period July 1, 2010 through July 16, 2012. The resulting report is enclosed. Please provide a copy of the report to each board member. All issued Ed Jobs monitoring reports will be posted on the department's website at <http://www.state.nj.us/education/finance/jobs/monitor/>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Camden City Board of Education is required, pursuant to N.J.A.C. 6A:23A-5.6, to publicly review and discuss the findings in this report at a public board meeting no later than 30 days after receipt of the report. Within 30 days of the public meeting, the board must adopt a resolution certifying that the findings were discussed in a public meeting and approving a corrective action plan which addresses the issues raised in the undisputed findings and/or an appeal of any **monetary** findings in dispute (emphasis added). A copy of the resolution and the approved corrective action plan and/or appeal must be sent to this office within 10 days of adoption by the board. Direct your response to my attention.

Also, pursuant to N.J.A.C. 6A:23A-5.6(c), you must post the findings of the report and the board's corrective action plan on your district's website.

By copy of this report, your auditor is requested to comment on all areas of noncompliance and recommendations in the next certified audit submitted to the New Jersey Department of Education. If you have any questions, please contact Anthony Hearn at (609) 633-2492.

Sincerely,

Robert J. Cicchino, Director  
Office of Fiscal Accountability and Compliance

RJC/AH/dk:Camden City BOE Cover Letter/ Ed Jobs  
Enclosures

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**STATE OF NEW JERSEY  
DEPARTMENT OF EDUCATION  
PO BOX 500  
TRENTON, NJ 08625-0500**

**CAMDEN CITY SCHOOL DISTRICT  
201 NORTH FRONT STREET  
CAMDEN, NJ 08102  
PHONE: (856) 966-2000**



**Education Jobs Fund Program**  
*New Jersey K-12 Education*

**EDUCATION JOBS CONSOLIDATED MONITORING REPORT  
SEPTEMBER 2012**

**District:** Camden City School District  
**County:** Camden  
**Dates On-Site:** July 16, 17 and 18, 2012  
**Case #:** Ed Jobs-013-11

**FUNDING SOURCES**

Program	Funding Award
Ed Jobs	\$ 9,627,577
IDEA Basic	4,861,401
IDEA Preschool	179,518
Carl D. Perkins	170,582
Total Funds	<u>\$ 14,839,078</u>

**CAMDEN CITY SCHOOL DISTRICT  
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SEPTEMBER 2012**

**BACKGROUND**

The *Education Jobs Act of 2010 (Ed Jobs)* and other federal laws require local education agencies (LEAs) to provide programs and services to their districts based on the requirements specified in each of the authorizing statutes (ESEA, IDEA and Ed Jobs). The laws further require that state education agencies such as the New Jersey Department of Education (NJDOE) monitor the implementation of federal programs by sub recipients and determine whether the funds are being used by the district for their intended purpose and achieving the overall objectives of the funding initiatives.

**INTRODUCTION**

The NJDOE visited the Camden City School District to monitor the district's use of *Ed Jobs* funds and the related program plans, where applicable, to determine whether the district's programs are meeting the intended purposes and objectives, as specified in the current year applications and authorizing statutes, and to determine whether the funds were spent in accordance with the program requirements, federal and state laws, and applicable regulations. The on-site visit included staff interviews and documentation reviews related to the requirements of the following programs: Ed Jobs; Carl D. Perkins and IDEA for the period July 1, 2010 through July 16, 2012.

The scope of work performed for the fiscal monitoring included the review of grant applications, program plans and needs assessments, grant awards, annual audits, board minutes, payroll records, accounting records, purchase orders, service plans of nonpublic students, a review of student class and related service schedules, as well as current district policies and procedures. Additionally, an interview was conducted with the program administrator regarding the IDEA Grant. The monitoring team members also conducted interviews with district personnel, reviewed the supporting documentation for a sample of expenditures and conducted internal control reviews

**EXPENDITURES REVIEWED**

The grants that were reviewed included Education Jobs Act, Carl D. Perkins and IDEA from July 1, 2010 through July 16, 2012. A sampling of purchase orders was taken from the entire population and later identified as to the grant that was charged.

**CAMDEN CITY SCHOOL DISTRICT  
EDUCATION JOBS CONSOLIDATED MONITORING REPORT  
SEPTEMBER 2012**

**GENERAL DISTRICT OVERVIEW OF USES OF IDEA AND CARL D. PERKINS FUNDS**

**IDEA Projects (Special Education)**

The FY 2011-2012 IDEA Basic and Preschool funds were used to reduce district tuition expenditures for students receiving special educational services in approved private schools for students with disabilities. In addition, funds were allocated for extended school year services for students who require education beyond the regular school year. Funds were also allocated for consultative and direct services, including occupational therapy, physical therapy, discrete trial and specialized evaluations. The district has allocated its nonpublic proportionate share for in-class resource services and additional speech-language therapy. The programmatic review of the IDEA grant was done on July 16, 2012.

**Carl D. Perkins**

The FY 2011-2012 Carl D. Perkins allocation supports Career and Technical Education (CTE) programs at Camden High School, Woodrow Wilson High School and Creative Arts High School. The district has two approved programs of study in Sales, Distribution, & Marketing Operations, General (52.1801) and Restaurant Cooking/Kitchen Assistance (52.0905) aligned to postsecondary credits. Funding was used to support a total of 15 CTE programs.

**DETAILED FINDINGS AND RECOMMENDATIONS**

**Ed Jobs Act**

**Finding 1:** The district's Cash Management Report does not match the records of the district.

**Citation:** EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 20, Standards for financial management systems.

**Required Action:** The district must accurately reflect cash drawn down versus cash expended and update any drawdown schedules submitted.

**IDEA (Special Education)**

There were no findings for the IDEA Basic and Preschool grant.

**Carl D. Perkins**

**Finding 2:** The evidence of reimbursement records is negligent, the first reimbursement was submitted in May 2012 in the amount of \$63,652.

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**Citation:** New Jersey Carl D. Perkins guidelines stipulates reimbursements request should be submitted on a timely basis for funds provided through Carl D. Perkins Career and Technical Education Improvement Act of 2006, P.L. 109-270, CFDA #84.048A and/or N.J.S.A 18A:54-1 *et seq.* Reimbursements should be submitted by the 15<sup>th</sup> of each month. According to *Carl D. Perkins §135(b)* funds are required to be targeted to support the overall career and technical education program and EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 20, Standards for financial management systems.

**Required Action:** The district must establish a system of internal controls for continuous reimbursement process to ensure Carl D. Perkins funds are spent timely and reimbursements are submitted on a regular basis.

**Administrative**

**Recommendation 1:** The district has internal control policies and procedures to prevent contracting with disbarred vendors, but they have not been implemented.

**Citation:** EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 36, Procurement.

**Recommended Action:** The district should implement the internal control policies to prevent errors from potentially occurring.

**Recommendation 2:** Under the New Jersey's Public School Contracts Law (PSCL), districts are not required to advertise for bids or competitively contract the provision of goods and services by vendors on the state contract list. In accordance with the PSCL [N.J.S.A. 18A:18A:10(a)], a board of education may place its order with a vendor offering the lowest price, including delivery charges, that best meets the requirements of the board of education. However, for all federal funds, districts need to review 34 CFR Part 80.36 on procurement requirements. The federal procurement regulations under this section do not include all the exemptions allowed under the PSCL and therefore, it is our understanding these federal regulations require districts to competitively contract or bid all goods and services over the bid threshold, whether exempt under PSCL or not. The federal rules do include provisions for procurement by "noncompetitive proposals," but only under certain circumstances.

The NJDOE has requested clarification from the federal government regarding vendors on the state contract list and we are still waiting for a definitive response. It is the department's position and recommendation to the federal government that such contracts do not need any additional documentation beyond the statutory requirement under N.J.S.A. 18A:18A:10(c) that prior to placing orders, the board of education shall document with specificity that the goods and services selected best meet the requirements of the board of education. See LFN 2010-3 issued January 15, 2010 for more information on competitive contracting for districts and professional development services.

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**Citation:** EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 36, Procurement.

**Recommended Action:** The district should review 34 CFR Part 80.36 and use open and competitive procedures where at all possible. The district should also analyze and include documentation in its files that demonstrates the district ensured the costs were reasonable.

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

If you have any questions, please contact Anthony Hearn via phone at (609) 633-2492 or via email at [anthony.hearn@doe.state.nj.us](mailto:anthony.hearn@doe.state.nj.us).