



State of New Jersey  
DEPARTMENT OF EDUCATION  
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Commissioner

August 20, 2012

REVISED REPORT

Dr. Joseph Massare, Superintendent  
Penns Grove-Carneys Point Regional School District  
100 Iona Avenue  
Penns Grove, NJ 08069

Dear Dr. Massare:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Penns Grove-Carneys Point Regional 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 June 11, 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 Penns Grove-Carneys Point Regional 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:Penns Grove-Carneys Point Reg. BOE Cover Letter/ Ed Jobs  
Enclosures

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

EDUCATION JOBS CONSOLIDATED MONITORING REPORT  
AUGUST 2012

**District:** Penns Grove-Carneys Point Regional School District  
**County:** Salem  
**Dates On-Site:** June 11 and 12, 2012  
**Case #:** Ed Jobs-059-11

**FUNDING SOURCES**

Program	Funding Award
Ed Jobs	\$ 736,241
Title I	1,326,418
IDEA Basic	555,453
IDEA Preschool	21,686
Title IIA	166,762
Title III	49,991
Carl D. Perkins	16,805
Total Funds	<u>\$ 2,873,356</u>

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**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 Penns Grove-Carney's Point Regional 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; Title I; Title IIA; Title III; Carl D. Perkins and IDEA for the period July 1, 2010 through June 11, 2012.

The scope of work performed included the review of documentation including grant applications, program plans and needs assessments, grant awards, annual audits, board minutes, payroll records, accounting records, purchase orders, a review of student records, classroom visitations and interviews with instructional staff to verify implementation of Individualized Education Programs (IEP) a review of student class and related service schedules, interviews of child study team members and speech-language specialists and an interview of the program administrator regarding the IDEA grant, as well as current district policies and procedures. 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 Educational Jobs Act, Title I, Title IIA, Title III, Carl D. Perkins and IDEA from July 1, 2010 through June 11, 2012. A sampling of purchase orders was taken from the entire population and later identified as to the grant that was charged.

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**GENERAL DISTRICT OVERVIEW OF USES OF TITLE I, IDEA and CARL D. PERKINS FUNDS**

**Title I Projects**

The district used its FY 2011-2012 Title I, Part A funds to implement targeted assistance programs in the district. Primarily, the district provides tutoring services through in-class support at the elementary school-level and replacement English and mathematics at the middle and high schools. The district also provides supplemental programs for HSPA mathematics and English, and extensive professional development through coaching in mathematics and language arts.

**IDEA Projects (Special Education)**

The FY 2011-2012 IDEA Basic and Preschool funds are being used to reduce district tuition costs for students receiving special educational services in approved private schools for students with disabilities.

**Carl D. Perkins**

The district maintains two Career Technical Education programs for FY 2011-2012 (Agriculture and Chemical Engineering). The Chemical Engineering program is the only such program operating in the State of New Jersey and is recognized as a Program of Study with an articulation agreement with Rowan University. The Agriculture Program is working toward an articulation agreement with Cumberland County Community College.

**DETAILED FINDINGS AND RECOMMENDATIONS**

**Ed Jobs Act**

There were no findings for Ed Jobs.

**Title I**

**Finding 1:** The district is not operating a valid Title I program. The district is operating a full replacement program for all students and using Title I funds to support the salary of the primary classroom teacher at the middle and high schools; therefore, supplanting state/local funds. Districts must use state and/or local funds, rather than federal funds, to provide core academic programs required for all students. Title I legislation and a subsequent policy letter clarify that using Title I funds to support the salary of the primary classroom teacher providing instruction to Title I and non-Title I students supplants state/local funds.

***Citation:*** NCLB §1115(c) *Targeted Assistance Programs, Components of a Targeted Assistance Program*; USDE Policy letter October 6, 2008; NCLB §1120A(b): *Fiscal Requirements (Federal Funds to Supplement, Not Supplant, Non-Federal Funds)*.

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**Required Action:** For the 2011-2012 school year, the district must reverse the charges for the replacement program staff and revise its Title I program for FY 2012-2013 to provide supplemental instructional opportunities to identified students, rather than instruction in the core academic areas. The district must submit the documentation or changes to the NJDOE for review, or risk withholding of reimbursement requests for Title I funds.

**Finding 2:** The district did not inform parents of its Title I program exit criteria in its notification letter.

**Citation:** ESEA §1118(c): *Parental Involvement (Policy Involvement)*.

**Required Action:** In the notification letter to families of students in the Title I program, the district must include the multiple measures it uses to identify students for eligibility. The letter must also include the reason for identification, as well as clearly defined exit criteria. The district's notification letters must be updated for FY 2012-2013 to include more specificity regarding exit criteria. The revised letter must be submitted to the NJDOE for review before the district issues it to parents.

**Finding 3:** The district does not have the required supporting documents to verify the activity of staff charged to the Title I grant at the middle and high schools as required by federal law. The documentation must reflect what the staff is doing, when and where and must match their funded percentage.

**Citation:** OMB Circular A-87, Attachment B, Section 8(h): *Cost Principles for State, Local and Indian Tribal Governments (Compensation for personal services)*.

**Required Action:** The district must identify staff who are working exclusively with students in the Title I program. The district may then charge the salaries of these staff to the grant and verify the time and activity of staff charged to the grant. The district must submit a revised list of FY 2011-2012 Title I funded staff, salaries, funding percentages and time sheets to date to the NJDOE for review (including administrative staffing).

**Finding 4:** The district's use of Title I, Part A funds to purchase Wi-Fi services supplants state and local funds. The installation of Wi-Fi benefits all students, not just those in the Title I program.

**Citation:** NCLB §1120A(b): *Fiscal Requirements (Federal Funds to Supplement, Not Supplant, Non-Federal Funds)*.

**Required Action:** The district must reverse the charges related to the installation and maintenance of the Wi-Fi network and allocate state/local funds, rather than Title I funds, to support these expenditures.

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**Finding 5:** The district is not tracking expenditures by attendance areas to ensure that the expenses for Title I schools are consistent with each attendance area's allocation on Eligibility Page, Step 4 of the FY 2011-2012 NCLB Consolidated Application.

**Citation:** EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 20, Standards for financial management systems; NCLB §9306(a)(5): *Other General Assurances (Assurances)*.

**Required Action:** The district must track Title I school-level allocations reflected in the FY 2011-2012 NCLB Consolidated Application for Title I funds (Eligibility Page, Step 4). The tracking for FY 2011-2012 must be submitted to the NJDOE for review.

**Finding 6:** The district does not have a mechanism to track mandatory reserves such as School in Need of Improvement (SINI) and District in Need of Improvement (DINI) professional development, parental involvement and administrative costs in its accounting system to ensure accuracy of final reports.

**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 track its restricted reserves to ensure and verify spending of restricted amounts for FY 2011-2012. The district must submit a list of account numbers being used for this purpose with a description of the accounts.

**Title IIA**

There were no findings for Title IIA.

**Title III**

There were no findings for Title III.

**Carl D. Perkins**

There were no findings for Carl D. Perkins.

**IDEA (Special Education)**

**Finding 7:** The district's notices of meetings for students eligible for special education and related services did not consistently include all required components. Specifically, notices did not inform the parents of their right to invite other persons with expertise regarding their child when convening to review and or revise the IEP, all the purposes of a meeting when multiple purposes were planned and that transition planning would be discussed, when required. The files

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of students eligible for speech-language services did not consistently contain evidence that notice of a meeting was provided. Noncompliance was due to a lack of implementation of district procedures.

**Citation:** N.J.A.C. 6A:14-2.3(k)3,5; 20 U.S.C. §1414(b)(1); and 34 CFR §300.304(a).

**Required Action:** The district must ensure that parents are provided notice of a meeting that contains all required components, early enough to ensure that the parent has an opportunity to attend, and that this documentation is maintained in student files. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review copies of notices of IEP meetings conducted between July 2012 and November 2012.

**Finding 8:** The district did not consistently provide written notice to parents containing all required components. Specifically, written notice of eligibility for students evaluated for special education and related services did not include the options considered and why those options were rejected. In addition, written notice of eligibility for students eligible for speech-language services did not consistently include the following required components: an explanation of why the district is taking the action; a description of the options considered and the reasons they were rejected; a description of the factors used in making the determination; a description of other relevant factors; and the Short Procedural Safeguards Statement (SPSS). Also, the district did not consistently document the provision of written notice to parents who were not in attendance at meetings. Noncompliance was due to a lack of implementation of district procedures.

**Citation:** 20 U.S.C. §1414(b)(1)(c)(4)(A); 34 CFR §300.304(a)(4); and 34 CFR §300.305(a) and N.J.A.C. 6A:14-2.3(f) and 2.3(g)1-7.

**Required Action:** The district must ensure that parents are provided with written notice of proposed actions that contains all required components. In order to demonstrate correction of noncompliance, the district must provide training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review copies of written notice for meetings conducted between July 2012 and November 2012.

**Finding 9:** The district did not consistently provide copies of evaluation report(s) to parents at least 10 days prior to the determination of eligibility for students eligible for special education and related services and students eligible for speech-language services. Noncompliance was due to lack a of implementation of district procedures.

**Citation:** N.J.A.C. 6A:14-3.5(a); 20 U.S.C. §1414(b)(4); and 34 CFR §300.306(a).



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**Required Action:** The district must ensure the provision of copies of evaluation report(s) not less than 10 days prior to the determination of eligibility. To demonstrate implementation of the procedures, the district must conduct training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review documentation of provision of evaluation reports for evaluations conducted between July 2012 and November 2012.

**Finding 10:** The district did not consistently convene IEP team meetings with the required participants. Specifically, eligibility meetings for students eligible for special education and related services and identification and annual review meetings for students eligible for speech-language services did not consistently include the general education teacher when required. Noncompliance was due to a lack of implementation of district procedures.

**Citation:** N.J.A.C. 6A:14-2.3(k)1(i-vii); 20 U.S.C. §1414(d)(1)(B); and 34 CFR §300.321(a).

**Required Action:** The district must ensure that IEP team meetings (identification, eligibility, and annual review meetings) are conducted with required participants and that documentation of attendance is maintained in student's records. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review documentation of participation for identification, eligibility and IEP meetings conducted between July 2012 and November 2012.

**Finding 11:** The district did not consistently document all required considerations and statements in each IEP for students eligible for special education and related services and students eligible for speech-language services.

Specifically, IEPs for students eligible for special education and related services did not consistently include:

- documentation of special considerations;
- goals and objectives, criteria and evaluation procedures;
- frequency, duration and location of related services; and
- documentation of the factors considered when determining the need for extended school year services (ESY).

In addition, IEPs for students eligible for speech-language services did not consistently include:

- documentation of participation in statewide assessments;
- documentation of special considerations; and
- documentation of the factors considered when determining the need for ESY services.

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Noncompliance was due to a lack of implementation of district procedures.

**Citation:** N.J.A.C. 6A:14-3.7(c)1-11, (e) 1-17, and (f); N.J.A.C. 6A:14-4.3(c); 20 U.S.C. §1414(d)(3)(A)(B); and 34 CFR §300.324(a)(1)(2).

**Required Action:** The district must ensure that each IEP contains the required components. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding district procedures. To demonstrate that the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise IEPs for the specific students whose IEPs were identified as noncompliant. Additionally, a monitor from the NJDOE will conduct an on-site visit to review the revised IEPs and a random sample of additional IEPs for meetings conducted between July 2012 and November 2012. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

**Finding 12:** The district did not consistently document in the IEPs of students removed from the general education setting for more than 20 percent of the day, including students placed in separate settings, consideration of placement in the least restrictive environment. Specifically, IEPs did not consistently include:

- the supplementary aids and services considered;
- an explanation of why the supplementary aids and services were rejected;
- a comparison of the benefits of general education and the benefits of special education;
- the potentially beneficial or harmful effects which a placement in general education may have on students with disabilities or other students in the class; and
- for those students placed in separate settings, activities to transition the student to a less restrictive environment.

Noncompliance was due to a lack of implementation of district procedures.

**Citation:** N.J.A.C. 6A:14-4.2 (a)8(i),(ii) and (iii); N.J.A.C. 6A:14-4.2(a)4.

**Required Action:** The district must ensure that when determining the educational placement of a child with a disability, the IEP team considers the general education class first and that all required decisions regarding the placement are documented in the IEP for each student removed from general education for more than 20 percent of the school day. The district must also ensure that for students placed in separate settings, the IEP team identifies activities to transition the student to a less restrictive environment and document them in each IEP. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members regarding the district's procedures. To demonstrate that the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise IEPs for the specific students with IEPs that were identified as noncompliant. Additionally, a monitor

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from the NJDOE will conduct an on-site visit to review the revised IEPs and a random sample of additional IEPs for meetings conducted between July 2012 and November 2012. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

**Finding 13:** The district did not consistently complete post-school transition IEP components for students eligible for special education and related services beginning at age 14. Specifically, IEPs did not consistently identify the courses of study, the statement of the need for consultation, the liaison for postsecondary services and the interagency linkages. Noncompliance was due to a lack of implementation of district procedures.

**Citation:** N.J.A.C. 6A:14-3.7(e)11.

**Required Action:** The district must ensure that transition is discussed at each IEP meeting for students age 14 or above, and that decisions are documented in each IEP as required. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review the revised IEPs and a random sample of additional IEPs for transition meetings conducted between July 2012 and November 2012. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

**Finding 14:** The district did not consistently identify and maintain documentation of the type, frequency, duration and effectiveness of the interventions provided in the general education setting through the Intervention and Referral Service (I&RS). Noncompliance was due to a lack of consistent implementation of district procedures.

**Citation:** N.J.A.C. 6A:14-3.3(c).

**Required Action:** The district must ensure that the I&RS team determines the type, frequency, duration and effectiveness of the interventions provided in the general education setting. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and administrative staff regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review I&RS documentation for students referred for a child study team evaluation between July 2012 and November 2012.

**Finding 15:** The district did not consistently conduct a meeting within 20 calendar days of receipt of a written request for a child study team or a speech-language evaluation to determine if an evaluation was warranted. Noncompliance was due to a lack of implementation district procedures.

**Citation:** N.J.A.C. 6A:14- 3.3(e) and 3.6(b).

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**Required Action:** The district must ensure that identification meetings are conducted within 20 calendar days of receipt of a written request for evaluation to determine if an evaluation is warranted. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the district's procedures. Additionally, a monitor from the NJDOE will conduct an on-site visit to review documentation of timelines for initial referrals conducted between July 2012 and November 2012.

**Finding 16:** The district did not consistently complete all required components of the initial evaluation process for preschool and school-age students referred for special education and related services and for students referred for speech-language services.

Specifically, initial evaluation documentation of preschool students referred for a child study team evaluation did not consistently include evidence of multidisciplinary evaluation (minimum of two assessments by two members).

The initial evaluation documentation of school-age students referred for special education and related services did not consistently include evidence of:

- results of the vision/hearing screening and health summary;
- observation of the student in other than a testing situation; and
- an interview with the student's parent and teacher.

In addition, the initial evaluation documentation of students referred for speech-language services did not consistently include evidence of:

- a multidisciplinary evaluation (speech-language specialist assessment and teacher impact statement);
- observation of the student in other than a testing situation;
- an interview with the student's parent and teacher; and
- review of interventions and educational/developmental history.

Noncompliance was due to a lack of implementation of district procedures.

**Citation:** N.J.A.C. 6A:14-3.4(f)4(i-vi), (j), 14-2.5(b)6 and 3.6(b), 14-3.4(f)4(i-vi); 20 U.S.C. §1414(b)(4) and (5); and 34 CFR §300.306(c)(i).

**Required Action:** The district must ensure that a vision and audiometric screening is conducted for every student referred to the child study team, including parent referrals, with a copy of the results maintained in students' files, along with available health/medical summaries. The district must also ensure that all components of the functional assessment are conducted as part of all initial evaluations. For those students referred for a speech-language evaluation, the district must ensure that a multidisciplinary evaluation is conducted (minimum of two assessments by two team members) for students referred for speech-language services by obtaining the education impact

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statement from the general education teacher that indicates the educational impact of the speech problem on the student's progress in general education. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review documentation of vision/hearing screenings and health summaries, components of the functional assessment and multidisciplinary evaluations for initial referrals conducted between July 2012 and November 2012.

**Finding 17:** The district did not consistently conduct reevaluations within three years of the previous date of eligibility and within 60 days of obtaining parental consent for students eligible for special education and related services. In addition, reevaluations were not consistently conducted for students eligible for speech-language services. Noncompliance was due to a lack of implementation of district procedures.

**Citation:** N.J.A.C. 6A: 14-3.7(i) and 14-3.8(a) and 20 U.S.C. §1414(a)(2)(B)(ii) and (d); and 34 CFR §300.324(b)1.

**Required Action:** The district must ensure that reevaluations are conducted within three years of the previous date of eligibility and within 60 days of obtaining parental consent. In addition, the district must ensure that reevaluations are conducted for students eligible for speech-language services, when required. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review reevaluation timelines and procedures for students due for reevaluation between July 2012 and November 2012.

**Administrative**

**Recommendation 1:** The district does not have internal control policies and procedures to prevent contracting with disbarred vendors.

**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 update internal control policies to prevent errors from potentially occurring.

**Recommendation 2:** The district does not have formal written policies for requesting reimbursement from the Electronic Web Enabled Grant system; however, the district's practice for requesting reimbursement was verified through questions concerning the district's internal controls.

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

**Recommended Action:** The district must have a formal board policy concerning the reimbursement of grant funds and should submit this to the NJDOE for review.

**Recommendation 3:** 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.

**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).