



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHRISTOPHER D. CERF
Acting Commissioner

September 27, 2011

Ms. Anna Belin-Pyles, Interim Superintendent
Plainfield Public Schools
1200 Myrtle Avenue
Plainfield, NJ 07060

Dear Ms. Belin-Pyles:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Plainfield Board of Education**. The funding sources reviewed include titled programs for the American Recovery and Reinvestment Act (ARRA) in particular, and/or No Child Left Behind Act (NCLB), the Individuals with Disabilities Education Act (IDEA) and State Fiscal Stabilization Funds (Education Stabilization Fund and Government Stabilization Fund). The review covered the period July 1, 2009 through December 31, 2009. The resulting report is enclosed. Please provide a copy of the report to each board member. All issued ARRA monitoring reports will be posted on the department's website at <http://www.nj.gov/education/arra/>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Plainfield 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 school 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 Steven Hoffmann at (973) 621-2750.

Sincerely,

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

RJC/LDM/tc:Plainfield Board of Education Cover Letter
Enclosures

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American Recovery & Reinvestment Act 2009 (ARRA)
New Jersey K-12 Education

**ARRA MONITORING REPORT
SEPTEMBER 2011**

District: Plainfield Public Schools
County: Union
Dates on-Site: January 12, 13, 14, 15, and 19, 2010
Case #: ARRA-010-09

FUNDING SOURCES

Program	Funding Award
State Fiscal Stabilization Fund – Education Stabilization Fund	\$ 14,174,397
State Fiscal Stabilization Fund – Government Services Fund	548,712
ARRA-Title I	1,560,798
ARRA-Title I SIA	105,673
ARRAI-DEA Basic	1,948,710
ARRA-IDEA Preschool	70,038
ARRA Food Service Grant	7,835
Total ARRA Funds	<u>\$18,416,163</u>
Title I	\$2,539,230
Title I SIA	-
IDEA Basic	1,655,849
IDEA Preschool	42,057
Total Non-ARRA Funding	<u>\$4,237,136</u>
Total	<u>\$ 22,653,299</u>

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BACKGROUND

The *American Recovery and Reinvestment Act of 2009 (ARRA)* and other federal laws require local education agencies (LEAs) to provide programs and services to their schools based on the requirements specified in each of the authorizing statutes (ESEA, IDEA and ARRA). 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 Plainfield Public Schools to monitor the district's use of *ARRA* 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 onsite visit included staff interviews and documentation reviews related to the requirements of the following programs: State Fiscal Stabilization Funds (SFSF) including the Education Stabilization Fund (ESF) and Government Services Fund (GSF); Title I; Title I SIA; ARRA-Title I; ARRA-Title I SIA; IDEA Basic; IDEA Preschool; ARRA-IDEA Basic; and ARRA-IDEA Preschool for the period July 1, 2009 through December 31, 2009. The monitoring also included a review of the district's most recent ARRA section 1512 and SFSF cash management quarterly reports to determine whether ARRA expenditures, jobs estimates and related information were reported accurately.

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, and 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 following dollar amounts of expenditures were reviewed for each program monitored for the period of July 1, 2009 through December 31, 2009:

- ESF 100% of expenditures totaling \$4,845,804 were reviewed;
- GSF 100% of expenditures totaling \$548,712 were reviewed;
- Title I 100% of expenditures totaling \$380,513 were reviewed;
- ARRA-Title I 96% of expenditures totaling \$356,549 were reviewed;
- ARRA-Title I SIA 100% of expenditures totaling \$58,214 were reviewed;
- IDEA Basic 100% of expenditures totaling \$892,454 were reviewed;
- IDEA Preschool 100% of expenditures totaling \$40,950 were reviewed;
- ARRA IDEA Basic 100% of expenditures totaling \$362,175 were reviewed;
- ARRA IDEA Preschool 100% of expenditures totaling \$53,195 were reviewed; and

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- ARRA Food Service Grant 100% of expenditures totaling \$7,835 were reviewed.

GENERAL DISTRICT OVERVIEW OF USES OF TITLE I FUNDS AND IDEA FUNDS

ARRA-Title I Projects

The district needs assessment identified several critical areas in which federal funding would be used to address these concerns. The areas identified include: closing the achievement gap, language arts literacy, mathematics, and science. Both language arts literacy and mathematics were also identified in a recent CAPA visit, as well as the specific indicators missed towards making Adequate Yearly Progress. Target populations of greatest concern include all students, those that are economically disadvantaged, along with racial and ethnic populations, Limited English Proficient (LEP), and disabled students.

Instructional staff needs identified in the district's Electronic Web Enabled Grant (EWEG) application for Title I and ARRA-Title I funds were focused on improving the effectiveness and classroom use of technology, student based assessment, advancing new instructional skills and strategies while using data driven methods to improve learning in language arts and mathematics.

Several scientifically based methods chosen to address these needs that were witnessed through classroom observations included the use of Balanced Literacy, Connected Math, Everyday Math, Read 180, along with differentiated learning strategies, data analysis of various assessment measures. The district has also budgeted for Supplemental Educational Services, School Choice and Parental Involvement to meet the required reserves for these specific purposes.

Behavioral risk factors were also identified throughout the district including alcohol, tobacco, violence, weapons, bullying, gang related activities, delinquency, truancy, attendance, along with school climate. The district chose to focus on bullying, truancy, and attendance as priorities for the use of federal funds.

IDEA and ARRA-IDEA Projects

The district noted that a needs assessment was conducted, which identified six areas that ARRA funds are likely to have the greatest impact on the delivery of special education services. The targeted project for ARRA IDEA includes:

1. Professional Development to support in-district programs for autistic, moderately behaviorally impaired and multiple disabled students previously served in segregated settings.
2. Hire staff that would include four teachers, four paraprofessionals, one behaviorist, and one occupational therapist in an effort to expand in-district programs.
3. Improve academic achievement and reduce the referrals for students at risk for classification due to the disproportionate number of African Americans with ED and Other Health Impaired, by providing access to highly specialized programs, materials and expanding learning time.

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4. Provide free appropriate public education to students with disabilities who require out-of-district placements through budgeting newly incurred tuition costs.
5. Expand the technological capacity for Child Study Team members to track student outcomes, create behavioral improvement plans and to conduct functional behavioral plans.
6. Provide services for students with disabilities that attend nonpublic schools.

A logic model was developed by the district that includes outcome measurements and evaluation of the above projects in order to determine the effectiveness of the proposed projects.

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

The review of this area yielded no findings.

IDEA

Finding 1:

Condition: The district's ARRA-IDEA Plan narrative on the EWEG system does not reflect the actual expenditures for services provided to students.

Citation: 34 CFR § 300.1 §300.202.

Required Action: The district should review the ARRA plan recorded in EWEG and, if necessary, amend the application to assure concurrence between the grant application and the program expenditures.

Finding 2:

Condition: The district could not document their compliance with services to nonpublic schools with regard to their consultation with representatives of students with disabilities, enrolled in private schools, located within the LEA, prior to the development of the IDEA-B application.

Citation: IDEA Regulation 34 CFR 300 and 301 (*Assistance to States for the Education of Children With Disabilities and Preschool Grants for Children With Disabilities*).

Required Action: The district must develop procedures to capture consultations specifically for IDEA and ARRA-IDEA services and obtain confirmation of consultation forms from the nonpublic schools.

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Finding 3:

Condition: The district was not in compliance with services to nonpublic schools with regard to their contract with an outside provider, communication of how requested services are handled and did not provide a list of services that match the student service plans.

Citation: IDEA Regulation 34 CFR 300 and 301 (*Assistance to States for the Education of Children With Disabilities and Preschool Grants for Children With Disabilities*).

Required Action: The district must revise contracts with its nonpublic provider that provide for payments based on specific services provided. The district must develop procedures for requests for additional services that come through the district and not the provider. The district must have a specific list of students and services under IDEA and ARRA-IDEA and revise the service plans to match these lists.

Finding 4:

Condition: The district did not consistently provide verification of consultation with nonpublic schools for both IDEA Basic and ARRA-IDEA Basic. The district was not able to produce a separate list of nonpublic students who received services under IDEA Basic and ARRA-IDEA nonpublic program activities. The Individual Service Plans (ISP) did not specify the services provided by separate funding sources; specifically the IDEA Basic proportionate share and ARRA-IDEA nonpublic proportionate share.

Citation: IDEA Regulations 34CFR §300.130-300.144.

Required Action: The district must develop procedures to consistently capture consultation with nonpublic schools and obtain confirmation of consultation. The district must develop separate lists of nonpublic students and services under both IDEA Basic and ARRA-IDEA Basic grants. The ISPs must be revised to reflect the funding source and services.

Financial Management and Reporting

Finding 1:

Condition: On several occasions the district failed to issue a purchase order prior to services being rendered (confirming order). District policy and state regulations require that a properly executed purchase order be issued prior to services being rendered.

Citation: N.J.S.A 18A:18A(2)(v) *Public School Contracts Law*.

Required Action: Purchase orders should be issued to all vendors prior to goods or services being provided.

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Finding 2:

Condition: The district was paying two employees salaries in excess of the amounts authorized in the board minutes.

- The minutes of June 16, 2009 reflect that one Social Worker charged to IDEA was to be paid \$81,500. Payroll records reflect that she was actually paid \$81,849.84.
- The minutes of October 20, 2009 reflect the appointment of a teacher charged to ARRA-IDEA who was previously paid as a Long Term Substitute. The date of her permanent appointment reflects her salary back to September 1, 2009. An adjustment to her salary was inaccurately calculated and if she continues to receive the current rate of pay, she would be paid an excess \$636.54 for this school year.

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 should adjust the employees' salaries to ensure they are paid the appropriate amount in accordance with the board minutes.

Finding 3:

Condition: The district charged prior year back tuition totaling \$8,777.28 to the grant for the current year. Back tuition adjustments should come from general funds.

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 prior year tuition should be reclassified to the general fund.

Recommendation 1: Although the district does not have formal written policies for requesting reimbursement from the EWEG system, the district's practices for requesting reimbursement were verified through questions concerning the district's internal controls.

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 should have a formal board policy concerning the reimbursement of grant funds and should submit this to the NJDOE for review.

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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 all findings and implementation of all recommendations contained in this report.

If you have any questions, please contact Steve Hoffmann via phone at (973) 621-2750 or via email at steven.hoffmann@doe.state.nj.us.