



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor
June 28, 2010

BRET SCHUNDLER
Commissioner

Dr. H. Major Poteat, Superintendent
Winslow Township Board of Education
30 Coopers Folly Road
Atco, NJ 08004

Dear Mr. Poteat:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Winslow Township 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 May 10, 2010. 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 Winslow Township 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 Anthony Hearn at (609) 633-2492.

Sincerely,

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

RJC/LDM/tc:Winslow Twp. Board of Education Cover Letter
Enclosures

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WINSLOW TOWNSHIP BOARD OF EDUCATION
30 COOPERS FOLLY ROAD
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American Recovery & Reinvestment Act 2009
New Jersey K-12 Education

ARRA MONITORING REPORT
JUNE 2010

District: Winslow Township Board of Education
County: Camden
Dates On-Site: May 10 and 11, 2010
Case #: ARRA-089-09

FUNDING SOURCES

Program	Funding Award
State Fiscal Stabilization Fund – Education Stabilization Fund	6,938,877
State Fiscal Stabilization Fund – Government Services Fund	268,614
ARRA - Title I	622,300
ARRA – Title I SIA	40,394
Total ARRA Funds	<u>\$7,870,185</u>
Title I	961,165
Title I SIA	72,460
Total Non-ARRA Funds	<u>1,033,625</u>
Total Funds	<u><u>\$8,903,810</u></u>

**WINSLOW TOWNSHIP SCHOOL DISTRICT
ARRA MONITORING REPORT
JUNE 2010**

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 Winslow Board of Education 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 on-site 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); ARRA-Title I; ARRA-Title I SIA; FY 2009-2010 Title I; and FY 2009-2010 Title I SIA for the period July 1, 2009 through May 10, 2010. 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:

Elements comprising the review included the following:

- ESF expenditures for salary of \$5,396,902;
- GSF expenditures for salary of \$208,922;
- ARRA - Title I expenditures of \$180,295;
- ARRA - Title I SIA expenditures of \$20,483
- Title I expenditures of \$305,465; and
- Title I SIA funds had not been expended at the time of the monitoring visit.

In addition, the team reviewed the district's plans for spending the balance of the funding.

**WINSLOW TOWNSHIP SCHOOL DISTRICT
ARRA MONITORING REPORT
JUNE 2010**

GENERAL DISTRICT OVERVIEW OF USES OF TITLE I AND IDEA FUNDS

ARRA - Title I Projects

The Winslow Township Public School District received an FY 2010 Title I, Part A allocation of \$961,165 and an ARRA-Title I, Part A allocation of \$622,300. The district operates targeted assistance programs in seven of its nine schools that are at or above the district poverty rate of 43.55%, including the New Jersey Regional Day School located in the district. Winslow Township High School is the only non-funded school.

FY 2010 Title I, Part A funds support the salaries of three Reading Coaches. The coaches model instructional strategies and provide professional development to assist teachers in addressing the needs of low-performing students. The district uses a portion of the Title I funds toward the NCLB Director's salary, extended day programs and the newly implemented Writing Clinic in Schools Five and Six.

The ARRA-Title I, Part A funds enabled the district to expand the use of content area coaches by assigning Math Coaches, in addition to the Reading Coaches. The district earmarked the ARRA-Title I funds to expand the extended day program in Schools Five and Six. Additionally, Standards Solution was hired as a consultant to provide in-class professional development to help teachers prepare students for the state assessments.

DETAILED FINDINGS AND RECOMMENDATIONS

SFSF Funds

No findings

Title I

Finding 1: The district is not maintaining control of their program to provide equitable services to eligible nonpublic school students. The district is allowing the nonpublic school official at Erial Christian School to certify the time and activity report of the Title I teacher.

Citation: NCLB §1120(d): *Participation of Children Enrolled in Private Schools (Public Control of Funds).*

Required Action: The district must cease having the nonpublic school official co-sign the Time and Activity Report of the Title I teacher. The district must develop a mechanism to become the sole entity responsible for the verification and authorization of the Title I teacher's Time and Activity Report.

**WINSLOW TOWNSHIP SCHOOL DISTRICT
ARRA MONITORING REPORT
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Finding 2: There is no evidence that the district is providing equitable services to the families and teachers of eligible students in nonpublic schools that receive Title I services.

Citation: NCLB §1120(a): *Participation of Children Enrolled in Private Schools (General Requirement)*.

Required Action: The district must develop and implement a process to identify the needs of teachers and families of nonpublic students receiving Title I services.

Finding 3: The schools do not have a school-level Title I parental involvement policy.

Citation: NCLB §1118(b): *School Parental Involvement Policy*, United States Department of Education's Title I, Part A Parent Involvement Non-Regulatory Guidance (Item D-1).

Required Action: The district should provide technical assistance to its schools in the development of school-level parent involvement policies and ensure that its schools work with their stakeholder groups to develop a school-level parent involvement policy. Each school must distribute its school parent involvement policy to parents of the Title I students and send a copy to the NJDOE for review.

Finding 4: The district's 2008-2009 Comprehensive Annual Financial Report (CAFR) identifies amounts due to grantor for federal funds of \$11,441 from expired NCLB and IDEA grants.

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 refund the NCLB amounts of \$11,441 in a check made payable to "Treasurer, State of NJ" with clear identification as to the grant and the grant year to which the funds pertain. The check can be mailed with the Corrective Action Plan for processing.

ADMINISTRATIVE

Recommendation 1: 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.

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

WINSLOW TOWNSHIP SCHOOL DISTRICT
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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 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 ARRA and 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 Local Finance Notice 2010-3 issued January 15, 2010 for more information on competitive contracting for school 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.