



NJDOE News

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Commissioner Davy Appoints State Monitor for Beverly City

David Shafter, the current state monitor in Willingboro and a former school business administrator, has been appointed as the state monitor for the Beverly City Schools by Commissioner of Education Lucille E. Davy. Shafter, a certified public accountant and former supervisory auditor for the U.S. Government Accountability Office, will continue to work in Willingboro as he assumes similar responsibilities in Beverly City.

"Mr. Shafter will work with the current school administration to begin efforts immediately to return fiscal integrity and sound fiscal health to the district business operations," Commissioner Davy said. "As state monitor, Mr. Shafter will have oversight of the fiscal management and expenditure of Beverly City's funds and be responsible for directing all business office activities."

Commissioner Davy noted that the district's annual financial audits have contained significant findings in the following areas:

- Repeat audit findings of 10 out of 19 findings from the prior year.
- Deficits in the general fund for the 2004-05 and 2005-06 budget years.
- Violations of the Public School Contracts Law in which goods and services were not obtained through proper use of bid and quote thresholds.
- Failure to receive approval for transfers over 10 percent of line items and use of surplus.
- Failure to receive approval for short term loans due to cash flow problems.
- Improper recording of general ledger, accounts payable and encumbrances payable.

Shafter will work with local school administrators in Beverly to develop and implement a comprehensive action plan that will address the district's ongoing financial deficiencies and develop policies to ensure that appropriate financial internal controls are in order. In addition, he will monitor expenditures for 2007-08 to ensure that all purchases are consistent with the approved budget and consistent with district needs, and assist in developing the 2008-09 budget.

Shafter will serve a two-year term as fiscal monitor in Beverly, beginning on Monday, December 3, 2007. He will be paid \$600 per day, two days per week, by the local school board. For the remaining three days, he will continue to work as fiscal monitor in Willingboro, where he is paid the same daily rate by Willingboro.

"We expect and hope that everyone will cooperate and work collaboratively with Mr. Shafter as we continue our efforts to bring excellence to the Beverly City school system," Commissioner Davy said.

Shafter holds a bachelor's degree in business education from Temple University and a master's degree in business administration from Penn State University. He is a former comptroller for the Trenton School District, and school business administrator for the East Windsor Regional School District. He later served in Willingboro as business administrator before being appointed as fiscal monitor there in July 2007.

Since April 2006, the presence of a fiscal monitor in Willingboro has significantly improved fiscal conditions in the district. The leadership provided by the fiscal monitor has helped to erase a \$10 million deficit in the district's budget and reduced recommendations in the district's annual audit from 26 to 10. In addition, an audit of Willingboro prior to the fiscal monitor's arrival carried a "disclaimer," indicating that fiscal conditions were so poor, an opinion could not be rendered by an auditor. Since a fiscal monitor has been assigned, the audit's status improved first to "qualified" and most recently to "unqualified," the highest opinion a district can receive.