



State of New Jersey

DEPARTMENT OF EDUCATION
PO Box 500
TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

DAVID C. HESPE
Commissioner

May 23, 2016

Dr. Michael Salvatore, Superintendent
Long Branch Public Schools
540 Broadway
Long Branch, NJ 07740

Dear Dr. Salvatore:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Long Branch Board of Education**. The funding sources reviewed include titled programs for the Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Education Act (IDEA). The review covered the period July 1, 2014 through February 4, 2016. The resulting report is enclosed. Please provide a copy of the report to each board member. All issued Consolidated Monitoring Reports will be posted on the department's website at <http://www.state.nj.us/education/compliance/monitor/>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Long Branch 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 Kathryn Holbrook at (609) 292-0198.

Sincerely,

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

RJC/KH/dk:Long Branch BOE CM Cover Letter
Enclosures

www.nj.gov/education

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**STATE OF NEW JERSEY
DEPARTMENT OF EDUCATION
PO BOX 500
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LONG BRANCH PUBLIC SCHOOLS
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New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
MAY 2016**

District: Long Branch Public Schools
County: Monmouth
Dates On-Site: February 3 and 4, 2016
Case #: CM-029-15

FUNDING SOURCES

Program	Funding Award
Title I, Part A	\$ 1,568,245
Title II, Part A	522,605
Title III	394,358
Title III Immigrant	68,377
IDEA Basic	1,641,248
IDEA Preschool	42,735
Carl D. Perkins	29,731
Total Funds	<u>\$ 4,267,299</u>

**LONG BRANCH PUBLIC SCHOOLS
CONSOLIDATED MONITORING REPORT
MAY 2016**

BACKGROUND

The Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Act (IDEA) 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 Carl D. Perkins). 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 Long Branch Public Schools to monitor the district's use of federal 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: Title I, Part A (Title I); Title II, Part A (Title II); Title III; Title III Immigrant; IDEA Basic and Preschool; and Carl D. Perkins (Perkins) for the period July 1, 2014 through February 4, 2016.

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 reviewed the supporting documentation for a sample of expenditures and conducted internal control reviews as well as conducted interviews with program administrators and other district personnel as required. Additionally, the IDEA grant review included 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, and interviews of child study team members and speech-language specialists.

EXPENDITURES REVIEWED

The grants that were reviewed included Title I, Title II, Title III, Title III Immigrant, IDEA Basic and Preschool, and Perkins for the period July 1, 2014 through February 4, 2016. 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 USE OF TITLE I, TITLE II TITLE III, IDEA
AND CARL D. PERKINS FUNDS**

Title I

The district operates Title I Schoolwide programs in all of its schools: Morris Avenue, George L. Catrambone, Lenna W. Conrow, A.A. Anastasia, Long Branch Middle, Gregory, Long Branch High, and Joseph M. Ferraina Early Childhood Learning Center. The district identified Closing the Achievement Gap, English Language Proficiency, English Language Arts, Mathematics, and Technology Literacy for Economically Disadvantaged, English Language Learners (ELLs), and parents as priority problems.

Title II

The district used the majority of their Title II funds to fund class size reduction teachers who rotate among classrooms to provide small classes to benefit multiple students with the goal to improve academic achievement.

Title III

The district has 1044 ELLs who speak predominantly Spanish and Portuguese. The district offers bilingual and English as a Second Language (ESL) programs, as well as a biliteracy initiative. Title III funds are used for an afterschool program, an adult ESL program, supplies, and a family literacy program.

Title III Immigrant

The district used Title III Immigrant funds for a "Family Reunification Program."

IDEA (Special Education)

The district used the FY 2015 IDEA funds to reduce district tuition costs for students receiving special educational services in other public school districts and approved private schools for students with disabilities, as well as salaries and benefits and professional development for staff that work with students with disabilities. Additionally, the district utilized 15 percent of the FY 2015 IDEA funds for Coordinated Early Intervening Services (CEIS) which included tutorial services to support students at-risk. Grant funds were also used for services for students who attend nonpublic schools located in the district.

Carl D. Perkins

The district is using Perkins funds to operate two approved Career and Technical Education (CTE) programs: Engineering, General (CIP Code 140101); and Cinematography and Film-Video Production (CIP Code 500602).

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DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1: The Parents' Right to Know Letter provided by the district did not contain the completed date (month, day, and year). The legislation stipulates that parents must be informed of the professional qualifications of the student's classroom teachers at the beginning of the school year and in a timely manner.

Citation: ESEA §1111(h)(6)(A)(i-iv): *State Plans (Reports – Parents' Right-to-Know)*.

Required Action: For FY 2016-2017, the district must ensure that its Parents' Right-to-Know letter is distributed at the beginning of the school year and is dated (month, day, and year). The district must submit evidence of distribution to the NJDOE for review.

Finding 2: The district was unable to provide evidence of when its Title I written parental involvement policy was distributed. Per the legislative requirement, parents/guardians have a right to be involved in the development of the written parental involvement policy and how they can further engage themselves in the academic performance and achievement of their children.

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

Required Action: For FY 2016-2017, the district must ensure that it distributes its written parental involvement policy to all parents/guardians of identified Title I students in all of its Title I funded schools. The district must submit evidence of distribution to the NJDOE for review.

Finding 3: The district provided documentation that the school-parent compacts for the following schools did not meet the legislative requirements: Ferraina, Conrow, Morris, Anastasia, Catrambone, and Gregory. All schools were missing the role of the student in their respective school-parent compacts. Title I funded schools must provide a mechanism to ensure that parents/guardians are informed of the roles and responsibility of the school, parents/guardians, and students in achieving academic success.

Citation: ESEA §1118(d): *Parental Involvement (Shared Responsibilities for High Student Academic Achievement)*.

Required Action: For FY 2016-2017, the district must immediately revise and distribute its Title I school-parent compacts to the students and parents of the aforementioned schools. The revised compacts must reflect all of the legislative requirements by including how each of the following: the school, parent, and students will share in the responsibility for improved student academic achievement. The district must provide a copy of the revised distributed school-parent compacts to the NJDOE for review.

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Finding 4: The district was unable to provide documentation of its nonpublic school consultation process (e.g., invitational letters/flyers, sign in sheets and meeting minutes). Per the legislative requirement, school districts must have a formal process for consultation with nonpublic schools. The district must perform its due diligence in maintaining documentation of its consultation meeting(s).

Citation: ESEA §1120 (b): *Participation of Children Enrolled in Private Schools (Consultation)*.

Required Action: For FY 2016-2017, the district must formalize its nonpublic consultation process. The district must retain invitational letters/flyers, meeting minutes, and sign in sheets, and submit to the NJDOE for review.

Finding 5: The district must ensure that services provided to the nonpublic schools do not benefit the entire school; rather, only Title I eligible nonpublic students that reside in Long Branch. Thusly, the following expenditures for nonpublic schools are unallowable:

Item	Description	Amount
1	Gelbstein's Bakery (PO # 16-001481)	\$178.00
2	Explore Learning, Inc. (PO #16-001784)	\$1,797.00
Total		\$1,975.00

Citation: 34 CFR 200.66: *Participation of Eligible Children in Private Schools (Requirements to ensure that funds do not benefit a private school)*. ESEA §1120 (b)(1)(A-H): *Participation of Children Enrolled in Private Schools (Consultation)*.

Required Action: The district must immediately recover all of the above expenditures, and provide documentation of the recovery to the NJDOE for review.

Title II

Finding 6: The district used FY 2015-2016 Title II funds totaling \$150.00 (PO# 16-001532) to pay for a course that was required for the administrator to remain current with school laws. The course did not improve academic achievement and is required for administrators. As a result, the district's use(s) of Title II funds for this expenditure supplanted state and local funds and is disallowed.

Citation: ESEA §2123(b): *Local Use of Funds (Supplement, Not Supplant)*. 2 CFR §200.403: *Basic Considerations (Factors affecting allowability of costs)*.

Required Action: The district must establish a system of internal control sufficient to provide reasonable assurance that Title II funds are expended on allowable costs and that the Title II funds supplement, rather than supplant, state and local funds.

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Finding 7: The district did not have the required supporting documents to verify the activity of staff charged to the Title II grant. The documentation must reflect what the staff is doing and when (time slots), and must match their funded percentage. This documentation is necessary to ensure that grant funded staff are actually performing grant-related responsibilities.

Citation: 2 CFR §200.430: Compensation-Personal Services.

Required Action: The district must identify staff members whose salaries are supported in whole or in part with Title II funds and verify the time and activity of staff charged to the grant. The district must also submit sample sheets for FY 2015-2016 to the NJDOE for review.

Prior to this, the district should consult the Department's December 2012 guidance on Time and Effort Reporting for Title I Funded Staff which is located at: <http://education.state.nj.us/broadcasts/2012/DEC/18/8649/TimeandActivityReporting>.

Title III

Finding 8: The district's Title III parental notification letter did not include the following required elements:

- The child's level of English proficiency;
- How such level was assessed;
- The child's academic level;
- How the program will meet the child's needs in attaining English and meeting standards;
- Program exit requirements;
- How the instructional program will meet the objectives of an education program of a child with a disability; and
- An effective means of parent outreach.

Citation: ESEA §3302: *Parental Notification*.

Required Action: The district must revise its Title III parental notification letter and submit it to the NJDOE for review. The district may find guidance on developing the Title III parental notification letter at the following link of the department's website: <http://www.nj.gov/education/bilingual/title3/accountability/notification/notification.doc>.

Title III Immigrant

Finding 9: The district is not spending its Title III Immigrant funds and is in jeopardy of having to return unused funds to the NJDOE. As of February 5, 2016, the FY 2015-2016 grant allocation of \$32,335 and carryover funds of \$36,042 from FY 2014-2015 had not been spent.

Citation: 2 CFR §200.302: Financial management.

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Recommended Action: Prior to the end of FY 2015-2016, the district must identify and implement the necessary programs to enhance instructional opportunities for its immigrant student population and expend its Title III Immigrant award accordingly. All unused Title III Immigrant carryover funds must be released by the district to the NJDOE at the end of the FY 2015-2015 project period.

IDEA (Special Education)

Finding 10: The district did not consistently ensure the required participants were in attendance at IEP team meetings for students eligible for special education and related services.

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

Required Action: The district must ensure meetings are conducted with required participants and that documentation of attendance and/or written parental consent to excuse a member of the team is maintained in student files. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review meeting documentation for meetings conducted between September 2016 and November 2016, and to review the oversight procedures.

Finding 11: The district did not consistently ensure the full child study team was in attendance at identification meetings for students referred for special education and related services.

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

Required Action: The district must ensure identification meetings are conducted with the full child study team in attendance. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review meeting documentation for meetings conducted between September 2016 and November 2016, and to review the oversight procedures.

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 school 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;

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- a comparison of the benefits provided in the regular class and the benefits provided in the special education class;
- the potentially beneficial or harmful effects which a placement in general education may have on the 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.

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

Required Action: The district must ensure 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 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 and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. To demonstrate the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise the IEPs for specific students with IEPs that were identified as noncompliant. A monitor from NJDOE will conduct an on-site visit to interview staff, review the revised IEPs, along with a random sample of IEPs for students whose annual review meetings were conducted between September 2016 and November 2016, and to review the oversight procedures. The names of the students whose IEPs that were identified as noncompliant will be provided to the district by the monitor.

Finding 13: The district did not consistently provide parents of students eligible for special education and related services notice of a meeting.

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

Required Action: The district must provide parents notice of a meeting in writing that contains all required components; early enough to ensure they have an opportunity to attend. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review meeting documentation for meetings conducted between September 2016 and November 2016, and to review the oversight procedures.

Finding 14: The district did not consistently ensure written parental consent was obtained when an IEP was amended without a meeting. Rather than obtaining written parental consent, case managers noted on the IEP that verbal consent was obtained for the amendment.

Citation: N.J.A.C. 6A:14-3.7(d).

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Required Action: The district must ensure that informed, written parental consent is obtained and maintained in student files whenever an IEP is amended without a meeting. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review written parental consent for IEPs amended without a meeting between June 2016 and November 2016, and to review the oversight procedures.

Finding 15: The district used IDEA funds to pay invoices from Monmouth-Ocean Educational Services Commission (MOESC), the service provider, which did not have the necessary supporting documents. Additionally, the district was charged an administrative fee at a rate that was not agreed upon under the terms of the district's contract with MOESC.

Citation: 2 CFR §200.302(b)(3): Financial management, §200.318: General procurement standards and §200.319: Competition, §200.320: Methods of procurement to be followed. N.J.S.A. 18A:19-2: Requirements for payment of claims; audit of claims in general.

Required Action: The district must review all charges to the FY 2015-2016 IDEA grant and reverse any charges that were beyond the scope of the contract and/or were unsubstantiated. In addition, the district should conduct a comprehensive review of its nonpublic service providers and its contractual obligations with them, as well as establish policies and procedures to ensure that accurate records are maintained and the vendors provide evidence of student attendance. The procedures should require attendance data in future nonpublic service provider contracts and align payment authorization with the submission of appropriate documentation.

Carl D. Perkins

Finding 16: The district did not have a signed articulation agreement for the Engineering program of study (CIP code 14.0101).

Citation: Perkins Act §§135(b)(1-9): *Local uses of funds (Requirements for uses of funds)* and 122 (c)(1)(A) and (C): *State Plan (Plan contents)*.

Required Action: The district must ensure they have a current signed and dated articulation agreement on file for all approved CTE programs of study. The articulation agreement must be signed annually by the district superintendent and college president.

Finding 17: The district failed to consult with the appropriate Workforce Development Board (WDB) and forward a copy of the completed one year funding application for review and comment.

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Citation: Perkins Act §134(b)(5): *Local plan for career and technical education programs (Contents)*. NJDOE Perkins One-Year Grant Application Guidelines – July 1, 2015 – June 30, 2016 (Perkins Guidelines).

Required Action: The district must consult with stakeholders including their local WDB and provide access to a copy of their Perkins Grant application for review/comment for each future Perkins grant.

Finding 18: The district failed to implement the sequence of courses for the Cinematography and A/V Film/Video Production program (CIP code 50.0602) as approved in their CTE program application.

Citation: Perkins Act §134(b)(1-12): *Local plan for career and technical education programs (Contents)*, N.J.A.C. 6A:19-3.1(a)6.

Required Action: The district must ensure the provision of curricula that includes a coherent sequence of courses which incorporate the necessary academic and technical content. The district must also utilize course scheduling practices that will allow opportunities for students participating and/or concentrating in the approved CTE program(s) or program(s) of study to complete the CTE program or program of study. The district must also maintain documentation of the use of such scheduling practices.

Finding 19: The district improperly charged \$3,580.28 to the FY 2015-2016 Perkins grant for stipends paid to two employees for primarily grant writing and curriculum development of unapproved CTE programs. The use of Perkins funds for grant writing and for an unapproved CTE program is not permissible.

It warrants mention that although employee progress reports for each pay period reviewed listed some additional activities, the costs associated with those activities is undeterminable as the reports did not specify the date or amount of time spent on each activity. None of the activities listed were approved as part of the district's approved application in Electronic Web Enabled Grant system or board approved.

Citation: Perkins Act §135: *Local uses of funds*. 2 CFR §200.403: Basic considerations (Factors affecting allowability of costs). 34 CFR §76.700: Compliance with statutes, regulations, State plan, and applications. Perkins Guidelines, Appendix E: Non-Allowable Costs.

Required Action: The district must reverse charges to the FY 2015-2016 Perkins grant for the costs associated with these disallowed charges and submit the adjusting entry to NJDOE for review. The district must also monitor and track expenditures to ensure that expenditures are allowable and are made in accordance with the approved budget. Amendments, if necessary, should be submitted timely and in compliance with applicable regulations.

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Finding 20: During FY 2015-2016, the district purchased a printer which included a warranty with coverage beyond the one-year grant cycle (PO# 16-001700). The amount expended for coverage after June 30, 2016, \$450, is a non-allowable cost.

Citation: Perkins Guidelines, Appendix E: Non-Allowable Costs.

Required Action: The district must reverse the cost incurred for coverage beyond the grant cycle, and charged to the FY 2015-2016 Perkins grant and submit the adjusting entry to NJDOE for review. Each remaining year of coverage may be included in the grant applications for subsequent project periods one year at a time. Corresponding Perkins Final Reports should reflect only the cost of one year warranty coverage for each of these items as funded by the Perkins grant.

Finding 21: The district posted a disbursement for an extended warranty on instructional equipment funded by the FY 2015-2016 Perkins grant to the line item for instructional equipment (400-731), an incorrect general ledger account. The line item designated for project period costs associated with equipment warranties is the line item reserved for purchased property services (200-400).

Citation: 2 CFR §200.302: Financial management. N.J.A.C. 6A:23A-16.2(f): Principles and directives for accounting and reporting. Perkins Guidelines, Appendix D: Common CTE Costs and Associated Budget Considerations.

Required Action: The district must ensure federally funded expenditures are allocated to appropriate general ledger accounts. The district should review all expenditures for FY 2015-2016 and transfer all improperly recorded transactions to the correct accounts prior to preparing/submitting the corresponding Final Report.

Finding 22: The district's equipment purchased with Perkins funds did not have a visible, permanently attached, numbered inventory tag and/or a label identifying the federal funding source.

Citation: 2 CFR §200.313(4)(d): Equipment (Management requirements). Perkins Guidelines, Section 7.10: Commonly Requested Budget Items (Equipment).

Required Action: The district must place visible, permanently attached, numbered inventory tags on all equipment. Any unit purchased which consists of multiple pieces must be tagged with sequential numbers. Perkins funded equipment must be labeled as "Perkins" funded equipment.

Finding 23: In addition to the preceding findings, the district failed to comply with applicable regulations and program specific requirements for the Perkins grant requiring district purchase orders encumbering Perkins funds to contain among other things the approved CIP code and to specify the intended location of equipment. Sub-grantees are required to comply with the State

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plan and applicable statutes, regulations, and approved applications, and to use federal funds in accordance with those statutes, regulations, plan and applications.

Citation: 34 CFR § 76.700: Compliance with statutes, regulations, State plan, and applications. Perkins Guidelines, Section 8.3.3: Managing the Grant (Monitoring – What Records Should Be Available for Inspections).

Required Action: The district must implement procedures to ensure personnel assigned to administer the Perkins grant comply with the program specific requirements applicable to each project period.

Administrative

Finding 24: The district did not provide evidence of competitively contracting for the provision of goods and services by vendors. In accordance with the Public School Contracts Law (PSCL) [N.J.S.A. 18A:18A-10(c)], 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, districts need to review 2 CFR §200.317: Procurement Standards requirements before expending federal funds for materials or services. The federal procurement regulations under this section do not include all the exemptions allowed under the PSCL. For example, these federal regulations require districts to competitively contract or bid all goods and services under the bid threshold, whether exempt under PSCL or not. The federal rules permit procurement by “noncompetitive proposals” only under certain circumstances.

Citation: 2 CFR §200.317: Procurement Standards. N.J.S.A. 18A:18A-10(c): Public School Contracts Law.

Required Action: The district should review 2 CFR §200.317: Procurement Standards 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.

Finding 25: The district’s standard operating procedures and purchasing manuals did not include formal written internal control policies and procedures to prevent contracting with suspended and debarred vendors. Additionally, certain board approved policies and other operating procedures were out-of-date and in need of revision.

Citation: 2 CFR §200.302(b)(3): Financial management. 2 CFR §200.318: General procurement standards. N.J.A.C. 6A:23A-6.6: Standard operating procedures for business functions.

Required Action: The district must revise/adopt written policies and procedures to ensure compliance with current state and federal procurement regulations.

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Finding 26: On several occasions, the district failed to issue a purchase order prior to services being rendered (confirming order) in contravention of state regulations. It is imperative that purchase orders are issued by the purchasing agent to: authorize vendors to provide goods and perform services to the district; reduce the duplication of items and services acquired; and avoid the likelihood of overpayment to vendors.

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

Required Action: The district must implement a process to ensure that purchase orders are issued prior to receiving goods and services from vendors.

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 Kathryn Holbrook via phone at (609) 292-0198 or via e-mail at kathryn.holbrook@doe.state.nj.us.

State of New Jersey
Department of Education
Office of Fiscal Accountability and Compliance

PROCEDURES FOR LEA/AGENCY RESPONSE
CORRECTIVE ACTION PLAN AND APPEAL PROCESS

Board of Education Response:

Pursuant to N.J.A.C. 6A:23A-5.6, the following actions shall occur:

- (a) Any school district or county vocational school district that has been subject to an audit or investigation by the Department of Education, Office of Fiscal Accountability and Compliance (OFAC) shall discuss the findings of the audit or investigation at a public meeting of the district board of education no later than 30 days after receipt of the findings.
- (b) Within 30 days of the public meeting required in (a) above, the district board of education shall adopt a resolution certifying that the findings were discussed in a public board meeting and approving a corrective action plan to address the issues raised in the findings. The resolution shall be submitted to the OFAC within 10 days of adoption by the board of education.
- (c) The findings of the OFAC audit or investigation and the board of education's corrective action plan shall be posted on the district's web site, if one exists.

If the board of education disputes any of the findings of the audit or investigation, it may file a written appeal with the OFAC of any disputed finding(s) within 10 days of adoption of the resolution. Seeking an appeal of the findings does not preclude adherence to the provisions of (a), (b), and (c) listed above.

Corrective Action Plan:

The corrective action plan is to be used when the LEA/Agency is in agreement with any of the findings. To contest a finding, the appeal process must be used. After the appeal is settled, a corrective action plan must be filed for any finding upheld during the appeal process.

The corrective action plan must be prepared by completing the attached form. The LEA/Agency must submit the following information:

- Recommendation number
- Corrective action (approved by the board)
- Method of implementation
- Person responsible for implementation
- Completion date of implementation

If the corrective action plan is acceptable, a letter will be sent to the LEA/Agency indicating that it has been accepted.

If the corrective action plan is not acceptable, a letter will be sent to the LEA/Agency indicating whether further clarification is required or further action is necessary.

Appeal Process:

The appeal process is used to contest disputed findings.

Within 10 days of the board's adoption of the resolution approving an appeal of the findings of the audit or investigation, a written request by the LEA/Agency to review the disputed finding(s), recommendation(s), or questioned costs must be submitted to the OFAC Director. The Request for Appeal must indicate the finding(s) in question.

The Request for Appeal must be in writing and the LEA/Agency must present any supporting documentation for the appeal. Subsequent to the submission of the Request for Appeal, the OFAC Director will issue a written decision.

If the final determination made by the Director, is still unsatisfactory to the LEA/Agency, the LEA/Agency may file a Petition of Appeal pursuant to N.J.A.C. 6A:3-1.3.

**NEW JERSEY DEPARTMENT OF EDUCATION
OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE
CORRECTIVE ACTION PLAN**

SCHOOL DISTRICT NAME _____ COUNTY _____

TYPE OF EXAMINATION: _____

DATE OF BOARD MEETING: _____

CONTACT PERSON _____

TELEPHONE NUMBER _____ FAX NUMBER _____

RECOMMENDATION NUMBER	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
			INDIVIDUAL	COMPLETION

Chief School Administrator _____ Date _____ Board Secretary/Business Administrator _____ Date _____

**NEW JERSEY DEPARTMENT OF EDUCATION
OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE
CORRECTIVE ACTION PLAN**

RECOMMENDATION NUMBER	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	RESPONSIBLE FOR IMPLEMENTATION	DATE OF IMPLEMENTATION

Chief School Administrator

Date

Board Secretary/Business Administrator

Date