


HARRISON BOARD OF EDUCATION
NCLB TITLE I AUDIT
FISCAL YEAR 2015-2016

FINDINGS AND RECOMMENDATIONS

1. Adequate documentation was not provided demonstrating that certain costs charged to the FY 2015-2016 Title I, Part A program represent allowable costs.

During the audit, it was determined the LEA allocated the salaries of various individuals, including two with similar names, Jesus A. Huaranga and Jesus R. Huaranga, to account number 20-231-100-100-15-16, Title [I] Salaries. The district, however, did not provide copies of board approvals, time/activity reports and/or other records indicating Mr. J. R. Huaranga was assigned or performed work attributable to the Title I program. Nor did the district include Mr. J. R. Huaranga's name on the Salary Analysis Schedule which lists personnel funded in whole or in part by Title I. As a result, the salary costs incurred for Mr. J. R. Huaranga totaling \$30,192.00 are deemed to be unallowable.

In addition, the district operated various extended day and summer programs. Although supporting documentation was requested multiple times, the LEA was unable to locate copies of timesheets or other documentation demonstrating the payroll costs depicted below represent allowable Title I activities:

Account Number	Payroll Date	Amount
20-231-100-100-15-16	7/21/15	\$ 1,090.00
	8/31/15	2,509.03
	6/15/16	96.00
	8/15/16	2,714.77
	8/31/16	2,714.77
Total		\$ 9,124.57

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UGG), 2 C.F.R. § 200.403 sets forth general criteria in order for costs to be considered allowable. Of note, § 200.403(g) stipulates costs must be *adequately documented*.

Additionally, UGG, 2 C.F.R. § 302(a) requires in part that the non-Federal entity's financial management systems . . . must be sufficient to permit . . . the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. In addition, EDGAR, 34 C.F.R. §76.730(e) stipulates that the LEA shall keep records in a manner that facilitates an effective audit.

Based on the foregoing, the sum of \$39,316.57 (\$30,192.00 + \$9,124.57) must be refunded to the SEA (refer to the Schedule of Audit Recovery Due to State Education Agency (SEA) at the end of this report).

Recommendation

The LEA must improve procedures for the payment of expenditures related to the Title I, Part A program in accordance with Federal requirements.

**HARRISON BOARD OF EDUCATION
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FINDINGS AND RECOMMENDATIONS

2. Expenditures totaling \$20,568.01 were incurred and charged to the Title I, Part A program absent any correlation to district's Schoolwide Plans, and were not deemed to be reasonable and necessary for the efficient performance of the federal program.

The district's FY 2015-2016 Schoolwide Plans for Lincoln Elementary School, Washington Middle School, Hamilton Intermediate School and Harrison High School were examined during the audit. The examination disclosed the four schoolwide plans were *identical*. In addition, there was no indication of an explicit or discernable connection between the strategies and programs contained therein and the following expenditures that were charged to the Title I, Part A grant:

Line Item	Purchase Order Nbr.	Date	Vendor	Comments	Amount
100-600	600966	9/1/15	Adorama Inc.	20 Canon digital cameras with accessories for photography class	\$10,216.30
	601585	12/8/15	YRC Freight	Shipping & handling charges for a treadmill	103.00
	601743	12/15/15	Harrison Bushwackers	Rental fee for 60 marching band uniforms	3,316.00
	601924	2/9/16	Gopher Performance	11 basketballs & 2 vinyl hockey balls	499.79
100-800	601929	2/9/16	Harrison Health & Wellness	9 afterschool yoga classes	450.00
	602383	4/7/16	CDW Government	1 Dell desktop computer & HP laserjet printer	1,085.28
	602789	6/6/16	Advanced Document Solutions	1 document printer for Guidance office to print IEPs	636.00
	602839	6/30/16	Winter Garden Theatre	20 tickets to see "School of Rock" in NYC for summer program at \$109.00 per ticket	2,063.00
200-600	602396	4/15/16	Ink Thread	150 tee-shirts for volleyball tournament	739.45
200-800	602877	6/30/16	Melissa Noriega	Reimbursement for travel to out-of-district IEP meetings	184.19
Total					\$ 19,293.01

In addition, payroll costs totaling \$1,275.00 were charged to the grant for staff members who were paid on an hourly basis for various activities, including dance team, fitness club, environmental club, and gifted and talented.

UGG, 2 C.F.R. § 200.403(a) stipulates that costs must be *necessary* and *reasonable* for the performance of the Federal award.

According to Section 1114(b)(2)(A) of Elementary and Secondary Education Act (ESEA) and 34 C.F.R. § 200.27(a)(3)(1), the school must develop a comprehensive schoolwide plan that is based on data from a comprehensive needs assessment or, for schools that have operated schoolwide programs for an extended period of time, based on the state's annual assessments and other indicators of academic achievement. The comprehensive plan must describe how the school will implement the schoolwide program components listed under 34 C.F.R. § 200.28 and describe how the school will use resources to implement the schoolwide program components.

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The use of Title I funds for programs or activities not included in the aforementioned plans are deemed to be unallowable. Based on the foregoing, the associated costs of \$20,568.01 (\$19,293.01 + \$1,275.00) must be refunded to the department (refer to the Schedule of Audit Recovery Due to State Education Agency (SEA) at the end of this report).

Recommendation

The LEA must ensure expenditures correspond to elements in school plans or revise the plans accordingly.

- 3. The Title I, Part A Final Report (FER) for FY 2015-2016 reflects excess expenditures of \$451.37 which were not substantiated by actual program charges.**

The district reported expenditures of \$68,353.00 on line 100-600 on its FY 2015-2016 Title I, Part A FER. The general ledger, however, disclosed that \$67,901.63 was expended under related account numbers, for a net difference of \$451.37. Offsetting variances were also noted between line items 200-600 and 200-800 which did not raise concern.

Pursuant to 2 C.F.R. § 200.403(g), costs must be adequately documented to be considered allowable under Federal awards. In addition, LEAs are required to prepare FERs using actual expenditures incurred during the project period of July 1 through June 30. As a result, the sum of \$451.37 for unsubstantiated expenditures must be refunded to the SEA (refer to the Schedule of Audit Recovery Due to SEA at the end of the report).

Recommendation

The LEA must improve the procedures utilized to account for expenditures related to the Title I, Part A program in accordance with the requirements of 2 C.F.R. § 200.403.

- 4. The district's reimbursement of employer's FY 2015-2016 TPAF/FICA was incorrectly calculated and not remitted to the NJDOE in a timely manner.**

The district was required to reimburse the State of New Jersey for the employer's cost of pensions, group life insurance, social security and other benefits to the Teacher's Pension and Annuity Fund (TPAF) by October 3, 2016. The district originally provided a Reimbursement to State of New Jersey – NJSA 18A:66-90 Report (Reimbursement Report) dated April 13, 2016 for examination. The aforementioned report, however, pertained to the 2014-2015 grant period and the corresponding payment should have been liquidated by August 31, 2015.

The district was asked a second time on May 17, 2017 to provide a copy of its 2015-2016 Reimbursement Report, at which time the LEA furnished a report dated May 18, 2017. A review of the second document revealed the LEA incorrectly calculated the portion of benefits attributable to the salaries of employees in the Teacher's Pension and Annuity Fund. Specifically, the district used both contractual and *non-contractual* salaries to calculate their reimbursement. It also

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FISCAL YEAR 2015-2016

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warrants mentioning that the LEA failed to remit its payment to the State of New Jersey before the given liquidation deadline for two consecutive years.

Recommendation

The district must implement procedures to ensure timely submission of Reimbursement to State of New Jersey – NJSA 18A:66-90 Report each year. Also, the district must ensure that reimbursement costs are properly calculated, expended and refunded in accordance with N.J.S.A. 18A:66-90.

5. **The LEA did not accurately record salary nor benefit costs on a consistent basis as program activities were performed.**

A review of the district's general ledger disclosed that salary charges were not properly recorded throughout the school year. Specifically, the LEA incorrectly charged 100 percent of Brian Duffy's aggregate salary of \$34,356.76 to the 200-100 Administrative line. His salary costs were allocated over the July 15, July 31, August 15 and August 31, and September 15, 2016 payroll periods.

In addition, the LEA allocated 100 percent of Emilio Jennette's October 15, 2015 payroll costs in the amount of \$4,396.24 to the aforementioned line. However, based on conversations with district personnel throughout completion of the audit, only Ms. Jennette's salary should have been charged to the 200-100 Administrative line item. The LEA provided contemporaneous documentation to support the remainder of Ms. Jennette's salary throughout the 2015-2016 school year, for which credit will be given. Going forward, credit will only be given for actual Title I salary charges (contractual salary multiplied by the funding percentage), which are prorated based on the number of payroll periods and recorded throughout the fiscal year.

Also, the audit revealed the LEA incorrectly paid Title I contractual and non-contractual employees from various accounts in Fund 11, and routinely posted the salaries to the Fund 20 Title I accounts without properly recording disbursement adjustments. Consequently, the LEA was unable to adequately document all payroll costs charged to the Title I grant (previously addressed in Finding One).

Furthermore, the district spent \$201,408.00 (100 percent of its line item 200-200 appropriations), towards aggregate medical benefit costs of \$616,646.43 for September 2015. The district provided a copy of related purchase order number 600745 to Horizon Blue Cross Blue Shield of NJ issued on August 6, 2015 for examination. LEAs may charge a pro-rata share of medical benefits related to Title I personnel (based on each individual's Title I salary funding percentage) directly to the federal program to the extent of budgeted funds available and such costs are adequately documented. The reported expenditures, however, are substantially higher than monthly allowable medical costs attributable to Title I funded staff. The district was given credit for a fraction of these costs and the full amount of its FY 2015-2016 Reimbursement Report attributable to Title I as discussed in Finding Four.

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In addition, N.J.S.A. 18A:66-90 requires that all LEAs budgeting federal grant funds for salaries of full-time and part-time staff who participate in TPAF *must* include TPAF and FICA contributions in the federal grant. Additionally, for those employees working for more than their base salaries (i.e., stipends), 7.65 percent of the wages/earnings in excess of the base salaries *must* be budgeted for FICA.

To ensure accuracy, all costs, including salaries and benefits should be allocated to the appropriate special revenue fund programs as the charges are incurred each pay period. Furthermore, EDGAR, 34 C.F.R. § 76.730 (e) stipulates that the LEA shall keep records in a manner that facilitates an effective audit.

Recommendation

The LEA's accounting procedures must be modified to charge all program salary and benefit expenditures as incurred to the appropriate special revenue fund.

6. Certain expenditures charged to the Title I, Part A grant should have been allocated to the 2016-2017 project period.

The district posted salary costs of \$139,183.28 to its general ledger in June 2016 for costs incurred during the July 15, July 31, August 15 and August 31, 2016 payroll periods. Additionally, purchase order number 02839 was issued to Winter Garden Theatre for \$2,063.00 on June 30, 2016. The theatre tickets, however, were purchased as part a summer program which ran during July 2016. Although no benefit was derived from the associated costs during the 2015-2016 project period, the district reported the expenditures on its FY 2015-2016 Title I, Part A FER.

Recommendation

The district must implement procedures to ensure program costs are charged to the appropriate grant year.

7. Appointments of Title I, Part A instructional personnel recorded in the board of education meeting minutes did not contain all of the required information.

The board of education meeting minutes evidencing appointments of Title I funded personnel did not include funding percentages nor dollar amounts. Consistent with federal cost principles set forth by UGG, 2 C.F.R. § 200.403(g) and New Jersey Department of Education guidelines, LEAs are required to adequately document all program related costs. To achieve compliance with these requirements, the designation of all Title I employees, their salaries, assigned schools and funding percentages must be documented in the board minutes to provide a public record of approval for these expenditures.

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Recommendation

The LEA must ensure that all Title I employee appointments, including their salaries and funding percentages, are recorded in the board of education meeting minutes documenting proper authorization of these expenditures.

8. The district did not provide adequate documentation regarding consultation with nonpublic school officials.

The LEA was unable to produce documentation evidencing consultation with nonpublic school officials during the design and development of the Title I program. Although the LEA provided letters addressed to five nonpublic school officials, they were dated October 31, 2015, after the school year commenced and no proof of mailing was maintained.

Sections 1120(b) of ESEA and 200.63 of the Title I regulations require that timely and meaningful consultation occur between LEA and nonpublic school officials prior to any decision that affects the opportunities of eligible nonpublic school children, their teachers, and their families to participate in Title I programs, and shall continue throughout the implementation and assessment of activities. The LEA's consultation with nonpublic schools officials must occur before completing the NCLB application.

Additionally, districts must maintain records of all consultation, including the Affirmations of Consultation and any Nonpublic School Participation Refusal Forms for each nonpublic school in accordance with Section 200.63(e)(1) of the Title I regulations.

Consistent with Section 1120(a) of ESEA, districts must obtain a complete list of all nonpublic schools with students who are residents of the LEA and contact nonpublic school officials to ask if they want their eligible students to participate in Title I services. Conducting internet searches and making telephone calls to nonpublic schools is probably the fastest and most common way to locate such schools.

Districts can access a list of nonpublic schools located in their county or a list of all nonpublic school from the department's website at: <https://homeroom5.doe.state.nj.us/directory/nonpub.php>. Districts can also download a list of all school to filter on those schools located in their city and neighboring towns at the website: <https://homeroom5.doe.state.nj.us/directory/districtDL.php>.

In order to document the searches were performed, it is recommended that districts print the nonpublic school location data obtained from relevant websites and/or pages from the NJDOE website listing the schools *and* write contemporaneous notes identifying:

- 1) the date and time the preparer called the school,
- 2) the name of the nonpublic school official he/she spoke with, and
- 3) the number of students attending the nonpublic school who reside in the district or outside of its boundaries.

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FISCAL YEAR 2015-2016

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Finally, districts may opt to create and print a telephone call log to memorialize their contact with school officials, the address and record pertinent data for items 1) through 3).

Recommendation

The LEA must implement procedures to locate nonpublic schools and ensure ongoing consultation with its nonpublic school officials in accordance with Sections 1120(a) and (b) of ESEA, respectively. In addition, the LEA must keep records related to consultation on file to demonstrate compliance with Section 200.63(e)(1) of the Title I regulations.

9. Certain records were not maintained in accordance with departmental and federal guidelines.

A review of the district's FY 2015-2016 general ledger disclosed that program codes 232 and 233 were used to account for Title IIA and Title III expenditures, respectively. The Uniform Chart of Accounts for New Jersey School Districts (Chart of Accounts), as required by N.J.A.C. 6A:23-2.2(g), designates program codes 231-239 to record Title I costs, 270-279 for Title IIA and 241-245 for Title III.

Additionally, administrative staff were charged to the Title I Instructional Salaries (100-100) line item. The employees performed activities concerning the overall administration of the program, rather than instructional activities. The Chart of Accounts designates function code 200, Support Services, to record services provided to enhance or facilitate the instructional program.

It was also determined that the district did not maintain a log evidencing equipment items charged to federal programs. Although the state threshold for reporting equipment is \$2,000.00 in the Entitlement Web-Enabled Grant system, the district may use a lower threshold. The district must track any amount that is less expensive to track than it is to replace, including electronic computing devices. UGG, 2 C.F.R. § 200.313(d)(1) requires districts to maintain property records which include description of the property, a serial number or other identification number, the source of funding for the property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

Furthermore, a review of the district's general ledger for Title I, Part A disclosed expenditures for the parental involvement reserve were not maintained separately. Amounts expended for this set-aside must be used for allowable program activities and accounted for separately to enhance the LEA's ability to monitor unexpended balances, which may be carried forward provided the funds are spent for its intended purpose or returned to the state. UGG, 2 C.F.R. § 200.302(b)(3) requires grantees to maintain records which adequately identify the source and application of funds provided for federally-funded activities.

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Finally, expenditures are not being tracked at the school level in the financial management system. UGG, 2 C.F.R. § 200.302(b)(5) stipulates that the financial management system of each non-Federal entity must provide for the comparison of expenditures with budget amounts for each Federal award. Section §1113 of ESEA details the process for identifying, selecting and allocating Title I funds to eligible school attendance areas. LEAs are required to spend funding allocations at Title I funded schools as set forth to Step 4, Title I Eligibility Page of the district's NCLB Consolidated Grant Application.

Recommendation

The LEA must revise its coding system to conform to the department's prescribed Chart of Accounts. To facilitate an effective audit, the LEA must ensure that its equipment purchased with federal funds meets the minimum requirements pursuant to UGG, 2 C.F.R. § 200.313(d)(1). Additionally, the LEA must implement procedures to ensure that expenses are properly coded to ensure consistency with Step 4 Eligibility Page of the district's NCLB Consolidated Application.

10. On various occasions, the LEA failed to issue a purchase order prior to services being rendered (confirming order).

The LEA routinely contracted with professional development providers and purchased food and supplies for parental involvement events without receiving prior approval through a signed purchase order.

N.J.S.A. 18A:18A-2(v) indicates, in part, "Purchase order" means a document issued by the purchasing agent *authorizing a purchase transaction with a vendor to provide or perform goods or services to the board of education*. Therefore, a properly executed purchase order must be issued prior to services being rendered.

Recommendation

The LEA must implement a process to ensure purchase orders are issued before the receipt of goods and services from vendors.

HARRISON BOARD OF EDUCATION
NCLB TITLE I AUDIT
FISCAL YEARS 2015-2016

SCHEDULE OF RECOVERY DUE TO SEA


<u>Audit Finding</u>	<u>Recovery</u>
Number One	\$39,316.57
Number Two	20,568.01
Number Three	<u>\$451.37</u>
Total Recovery Due to SEA	<u>\$60,335.95</u>

The check is to be made payable to "Treasurer, State of New Jersey" and mailed with the corrective action plan.

Robert J. Cicchino, Director
Office of Fiscal Accountability and Compliance
State of New Jersey
Department of Education
PO Box 500
Trenton, NJ 08625-0500

Submitted by:

Approved by:



Lisa D. McCormick, Manager
Office of Fiscal Accountability and Compliance



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

Auditor
Joanna Hamilton

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

NAME OF SCHOOL DISTRICT: Harrison Public Schools (017-2060) COUNTY: Hudson TYPE OF EXAMINATION: Fiscal Audit Report – NCLB Title I Audit

OFAC Case #SG-0013-16 from July 1, 2015-June 30, 2016)

DATE OF BOARD MEETING: June 27, 2018

CONTACT: Cynthia Baumgartner, Interim Superintendent

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EMAIL: cynthia.baumgartner@staff.harrisonschools.org

TITLE I					
FINDING #	FINDING	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
1	Adequate documentation was not provided demonstrating that certain costs charged to the FY 2015-16 Title I, Part A program represent allowable costs.	Improve procedures for the payment of expenditures related to the Title I, Part A program in accordance with Federal Regulations.	Implementation of a thorough semi-monthly review of all costs charged to their respective accounts.	School Business Administrator and Title I Program Coordinator to meet semi-monthly.	1-Aug-18
2	In regard to the district's Schoolwide Plans expenditures were incurred and charged to the Title I, Part A program were not deemed reasonable and necessary for the efficient performance of the Federal Program	To ensure teachers and administrators provide a more accurate and complete description of any and all items purchased for Title I program. Standard UGG.2 C.F.R. § 200.403(a) that costs must be necessary and reasonable for the performance of the Federal award.	Moving forward we will maintain a complete list of all allowable costs associated with the performance of the federal program. The district is setting a Title I meeting scheduled for the 2018-19 FY to track such expenses.	Title I Program Coordinator and School Business Administrator	July 1, 2018 – June 30, 2019

* Copy of Title I standards to be reviewed by all staff with signed acknowledgements.


Interim Superintendent

7/3/18
Date


Board Secretary / Business Administrator

7-3-18
Date

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

NAME OF SCHOOL DISTRICT: Harrison Public Schools (017-2060) COUNTY: Hudson TYPE OF EXAMINATION: Fiscal Audit Report – NCLB Title I

Audit OFAC Case #SG-0013-16 from July 1, 2015-June 30, 2016)

DATE OF BOARD MEETING: June 27, 2018

CONTACT: Cynthia Baumgartner, Interim Superintendent

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FINDING #	FINDING	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
3	The district's Title I, Part A Final Report (FER) for FY 2015-16 reflects excess expenditures of \$451.37 which were not substantiated by actual program charges.	Review "offsetting" variances between line items that may be typos. I.e. 200-600 and 200-800	In addition to the teacher's request and the secretary typing up Purchase Orders, the Title I Coordinator will separately verify each account number on each PO.	Title I Coordinator	1-Jul-18

 7/13/18
Interim Superintendent Date

 7-3-18
Board Secretary / Business Administrator Date

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

NAME OF SCHOOL DISTRICT: Harrison Public Schools (017-2060) COUNTY: Hudson TYPE OF EXAMINATION: Fiscal Audit Report – NCLB Title I Audit

OFAC Case #SG-0013-16 from July 1, 2015-June 30, 2016)

DATE OF BOARD MEETING: June 27, 2018

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FINDING #	FINDING	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
4	The district's reimbursement of employer's FY 2015-16 TPAF/PCA was incorrectly calculated and not remitted to the NJDOE in a timely manner.	The School Business Administrator will file the required reimbursements to the State of New Jersey for the employer's cost of pensions, group life insurance, social security and other benefits to the Teacher's Pension and Annuity Fund (TPAF) by October of each year.	The district will implement procedures with payroll department to ensure timely submission of Reimbursement to the State of New Jersey – N.J.S.A. 18A:66-90 each year.	School Business Administrator.	1-Jul-18


Interim Superintendent

Date


Board Secretary / Business Administrator

Date

7-5-18

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

NAME OF SCHOOL DISTRICT: Harrison Public Schools (017-2060) COUNTY: Hudson TYPE OF EXAMINATION: Fiscal Audit Report – NCLB Title I


Audit OFAC Case #SG-0013-16 from July 1, 2015-June 30, 2016) DATE OF BOARD MEETING: June 27, 2018 CONTACT:

Cynthia Baumgartner, Interim Superintendent TELEPHONE: 973-483-4627 FAX: 973-483-7484

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5	The district did not accurately record salary nor benefit costs on a consistent basis as program activities were performed.	The Title I Coordinator position was in transition and the outgoing coordinator (B. Duffy) and the incoming coordinator (E. Jeannette) needed to spend time with each other for training and file transfers as well as implementation to existing programs and meet with new and existing teachers. Their respective salaries were prorated to show their times in the Title I Coordinator position.	If the district encounters another "transition" period with Title I and any / all grants, the LEA will properly make the transition easier for accountability reasons such as payroll.	Title I Coordinator and Confidential / Executive Payroll Manager.	1-Jul-18


Interim Superintendent 7/3/18
Date


Board Secretary / Business Administrator

7-3-18
Date

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

NAME OF SCHOOL DISTRICT: Harrison Public Schools (017-2060) COUNTY: Hudson TYPE OF EXAMINATION: Fiscal Audit Report – NCLB Title I Audit

OFAC Case #SG-0013-16 from July 1, 2015-June 30, 2016)

DATE OF BOARD MEETING: June 27, 2018

CONTACT: Cynthia Baumgartner, Interim Superintendent

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FINDING #	FINDING	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
6	Certain expenditures charged to the Title I, Part A grant should have been allocated to the appropriate 2016-2017 project period.	Implement new procedures with the Title I coordinator to ensure program costs are charged to the appropriate grant year.	Title I Coordinator and School Business Administrator along with staff will meet bi-weekly to review expenditures along with incoming grant monies for verification the funds are appropriated correctly.	Title I Coordinator along with School Business Administrator along with the Fiscal Specialist.	28-Sep-18


Interim Superintendent

Date

7/3/18


Board Secretary / Business Administrator

Date

7-5-18

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

NAME OF SCHOOL DISTRICT: Harrison Public Schools (017-2060) COUNTY: Hudson TYPE OF EXAMINATION: Fiscal Audit Report – NCLB Title I Audit


OFAC Case #SG-0013-16 from July 1, 2015-June 30, 2016) DATE OF BOARD MEETING: June 27, 2018

CONTACT: Cynthia Baumgartner, Interim Superintendent TELEPHONE: 973-483-4627 FAX: 973-483-7484

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FINDING #	FINDING	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
7	Application of Title I, Part A instructional personnel recorded in the board of education minutes did not contain all of the required information.	In all future years the Board of Education meeting minutes shall reflect the percentages and/or dollar amount as part of Executive Secretary's duties and responsibilities.	Consistent with federal cost principles set for by UGG, 2 C.F.R. § 200.403(g) the Title I Coordinator will document the percentages and/or dollar amounts associated with the personnel with Title I. This will be reflected in the Board or Education meeting minutes upon approval.	Title I Coordinator, Board Secretary, Executive Secretary.	1-Jul-18


Interim Superintendent 7/3/18
Date


Board Secretary / Business Administrator 7.3.18
Date

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

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DATE OF BOARD MEETING: June 27, 2018

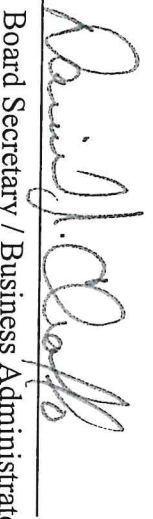
CONTACT: Cynthia Baumgartner, Interim Superintendent

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EMAIL: cynthia.baumgartner@staff.harrisonschools.org

FINDING #	FINDING	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
8	The district did not provide adequate documentation regarding consultation with nonpublic school officials.	The district will implement procedures to locate nonpublic schools and ensure on-going consultation. Records will be kept to demonstrate compliance.	District will follow recommendations for nonpublic student searches. District will also place proper documentation into Department of Education "Homeroom".	Title I Coordinator	1-Jul-18
9	Certain records were not maintained in accordance with department and federal guidelines.	FY 2015-2016 general ledger disclosed that program codes 232 and 233 were used to account for Title IIA and Title III expenditures, respectively. As required by N.J.A.C. 6A:23-2.2(g) program codes 231-239 record Title I costs, 270-279 for Title IIA and 341-245 for Title III	The district shall conform to the department's prescribed Chart of Accounts. The district will ensure that expenses are properly coded pursuant to UGG, 2 C.F.R. § 200.313(d)(1) for consistency with Step 4 Eligibility Page of NCLB consolidated app.	School Business Administrator in coordination with Computer Solution	1-Jul-18


Interim Superintendent Date 7/3/18


Board Secretary / Business Administrator Date 7-3-18

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

NAME OF SCHOOL DISTRICT: Harrison Public Schools (017-2060) COUNTY: Hudson TYPE OF EXAMINATION: Fiscal Audit Report – NCLB Title I Audit

OFAC Case # SG-0013-16 from July 1, 2015-June 30, 2016

DATE OF BOARD MEETING: June 27, 2018

CONTACT: Cynthia Baumgartner, Interim Superintendent

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FINDING #	FINDING	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
10	On various occasions, the LEA failed to issue a purchase order prior to services being rendered (confirming order).	During the transition of Title I Coordinators a few Purchase Requisitions were processed without utilizing business offices current payment procedures. Once this was noticed it was rectified right away.	The district has already implemented a process to ensure purchase orders and requisitions are reviewed and approved prior to placing any orders.	Title I Coordinator and Fiscal Analyst.	July 1, 2018 through June 30, 2019


Interim Superintendent

7/3/18
Date


Board Secretary / Business Administrator

7-3-18
Date