



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*

September 23, 2015

Dr. David Roman, Superintendent  
Perth Amboy Public Schools  
178 Barracks Street  
Perth Amboy, NJ 08861

Dear Dr. Roman:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Perth Amboy 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, 2013 through December 19, 2014. 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/finance/jobs/monitor/consolidated>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Perth Amboy 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: Perth Amboy BOE Cover Letter /consolidated monitoring  
Enclosures

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*New Jersey K-12 Education*

**CONSOLIDATED MONITORING REPORT  
SEPTEMBER 2015**

**District:** Perth Amboy Public Schools  
**County:** Middlesex  
**Dates On-Site:** December 17, 18, and 19, 2014  
**Case #:** CM-028-14

**FUNDING SOURCES**

Program	Funding Award
Title I, Part A	\$ 3,863,688
Title II, Part A	669,117
Title III	537,620
IDEA Basic	3,390,617
IDEA Preschool	58,698
Race To The Top	270,968
Total Funds	<u>\$ 8,790,708</u>

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**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, Race to the Top 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 Perth Amboy 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 Race to the Top for the period July 1, 2013 through December 19, 2014.

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 Race to the Top for the period July 1, 2013 through December 19, 2014. 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 USES OF TITLE I, TITLE II, TITLE III,  
TITLE III IMMIGRANT, IDEA, AND RACE TO THE TOP FUNDS**

**Title I**

The district operates schoolwide Title I programs in all of its schools, which includes five elementary schools (Ceres, Flynn, Patten, Richardson, and Wilentz), two middle schools (McGinnis and Shull), and one high school (Perth Amoy). The district has identified Closing the Achievement Gap, English Language Proficiency, English Language Arts, and Mathematics as priority problems.

**Title II**

The district used the Title II, Part A funds for multiple expenditures including the professional development for teachers and the salary of a technology coach.

**Title III**

The district used Title III funds for professional development for teachers of English language learners, before and after school and summer programs, a parent institute, and the salary of a bilingual supervisor.

**Title III Immigrant**

The district used Title III Immigrant funds for an institute for parents of immigrant students.

**IDEA (Special Education)**

The district used IDEA funds to pay salaries of professionals who work with students with disabilities. Grant funds were also allocated for instructional supplies and materials for students with disabilities. The remainder of the IDEA funds were allocated to support students who attend nonpublic schools located within the district.

**Race to the Top**

The district is using the Race to the Top grant to fund the Common Core State Standards (CCSS) and Science, Technology, Engineering and Mathematics (STEM) initiatives. The district has allocated 75.32 percent of the award toward the CCSS initiative and 24.68 percent of the award toward the STEM initiative. Purchases for the implementation of these initiatives include, but were not limited to computing devices, training for teachers, and faculty credit costs at Kean University.

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**DETAILED FINDINGS AND RECOMMENDATIONS**

**Title I**

**Finding 1:** The district receives close to \$4 million in Title I funds; however, the district did not appoint a grants director to oversee the grant upon the retirement of its previously appointed director. As a result of this lack of leadership and oversight, programs have not been fully executed and properly administered. Applicable federal regulations require “effective control over and accountability for all funds.” The regulations further stipulate the following: “recipients shall adequately safeguard all assets and assure they are used solely for authorized purposes.”

The absence of a designated grants director along with a preliminary review of program and fiscal records by NJDOE monitors resulted in a referral of the district to NJDOE’s Office of Fiscal Accountability and Compliance (OFAC) for a review of the district’s FY 2013-2014 Title I expenditures. Commencing January 2015, OFAC began a fiscal audit of the FY 2013-2014 Title I grant and any associated findings are included as part of a separate report.

**Citation:** 34 CFR §§ 76.702: Fiscal control and fund accounting procedures and 80.20(b)(3): Standards for financial management systems (Internal control).

**Required Action:** Prior to the release of this report, the district provided NJDOE documented evidence that it appointed a grants director to oversee the district’s grant programs effective July 1, 2015. During the transition of the district’s programs to the newly appointed grants director, the district must ensure that the newly appointed grants director and appropriate district personnel meet and work with the NJDOE Title I program office. Personnel from the NJDOE Title I program office will conduct an on-site visit to interview the district’s newly appointed director of grants to determine the level and frequency of assistance to be provided by NJDOE during this transition period.

**Finding 2:** The district used Title I funds for expenditures not listed in the district’s Schoolwide Plan(s)/School Improvement Plan (SIPs), as follows:

Item	Vendor	Reason	Purchase Order	Amount
1	Educere	Program for state mandated student credit recovery.	15-02143	\$5,000.00
2	Curriculum Associates	Common core instructional materials for state mandated PARCC testing.	15-03001	\$14,028.88
			Total	\$19,028.88

For schools operating a Title I schoolwide program, services and expenditures must be reflected in the SIPs to include being a part of the comprehensive needs assessment, reasonable and necessary, as well as meet the intent and purposes of the Title I legislation.

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**Citation:** ESEA § 1114(b): *Schoolwide Programs (Components of a Schoolwide Program)*. ESEA § 1120A(b): *Fiscal Requirements (Federal Funds to Supplement, Not Supplant, Non -Federal Funds)*. 34 CFR § 80.22: Allowable Costs.

**Required Action:** Prior to the issuance of this report, the district reappropriated Title I funds earmarked for the expenditures listed above and paid for them from other funding sources; as a result, no further action is required.

**Finding 3:** The district used \$3,837 (PO # 15-03016) of Title I funds to partially pay an invoice that did not have the necessary supporting documents. The October 2014 invoice from Catholic Charities for supplemental counseling services provided to nonpublic schoolchildren reflected two lump sum monthly payments without any additional information or indication of students served.

**Citation:** 34 CFR §§ 80.20(a)(2): Standards for financial management systems and 80.36(b): Procurement (Procurement standards). N.J.S.A. 18A:18A: Public School Contracts Law.

**Required Action:** The district must (1) submit adequate documentation supporting this charge including the students served, the service rendered, and the date the service was rendered; or (2) reverse the unsupported charge and provide adjusting entry showing removal to the NJDOE for review. In addition, the district should implement procedures to ensure that all invoices for such services are adequately documented. Additionally, the district should review all such contracts awarded for professional services by nonpublic schools to ensure the contracts contain, at a minimum, a detailed description of specific students to be served, the services to be provided, rates for the services and a maximum amount to be paid through the contract.

**Finding 4:** The district used Title I funds generated for equitable services to eligible nonpublic school students to benefit the entire nonpublic school populations rather than to supplement the services that would, in the absence of Title I services, be available to Title I eligible students in attendance at the nonpublic schools. Therefore, the following expenditures made to the nonpublic schools are unallowable:

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Item	Vendor	Reason	Purchase Order	Amount
1	International Academy of Science	185 Acellus school site licenses. (Assumption Catholic)	15-02076	\$1,850.00
2	Kean University	Registration for six teachers to attend classroom management workshop on August 21, 2014. (Assumption Catholic)	15-02096	\$144.00
3	Discovery Education	Streaming K-8 license annual renewal. (Perth Amboy Catholic)	15-03603	\$750.00
4	Discovery Education	Streaming K-8 license annual renewal. (Assumption Catholic)	15-03604	\$42.00
5	Advanced Northeast Regional	Registration for 5 <sup>th</sup> grade teacher to attend November 3, 2014 conference on "The Common Core and the Role of Leadership in Creating a Learner-Centric Environment." (Assumption Catholic)	15-03780	\$100.00
			Total	\$2,886.00

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

**Required Action:** Prior to the issuance of this report, the district reappropriated Title I funds earmarked for the expenditures listed above and paid for them from other funding sources; therefore, no further action is required.

**Finding 5:** The district failed to address certain required components in Title I schoolwide plans submitted for Wilentz and Ceres Elementary Schools in their entirety. The district also failed to adequately address some of the required components in the schoolwide plan submitted for Perth Amboy High School. Schools running Title I schoolwide programs must annually complete a comprehensive plan (Schoolwide Plan) that addresses all essential components contained in the legislation. To this end, the use of Title I funds for activities not included in the schoolwide plan are not allowable, and are therefore subject to recovery.

**Citation:** ESEA § 1114(b)(2): *Use of Funds for Schoolwide Programs (Components for a Schoolwide Program Plan)*.

**Required Action:** For FY 2015-2016, the district must ensure that each schoolwide plan is completed in its entirety and in accordance with legislative requirements prior to uploading it into NJDOE Homeroom. Upon submission, the NJDOE will review all schoolwide plans to ensure they meet the legislative requirements. If the submitted plans do not meet the legislative requirements, the district runs the risk of having the schoolwide status rescinded for those schools.



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**Finding 6:** The district could not provide evidence that its Title I schools convened an annual Title I parent meeting. In a Title I schoolwide program, all parents/guardians are entitled to be informed about the school's Title I program(s), legislative requirements, and ways in which they can be actively engaged in helping their child/children succeed academically.

**Citation:** ESEA § 1118(c)(1): *Parental Involvement (Policy Involvement)*.

**Required Action:** For FY 2015-2016, each of the district's Title I schools must convene an annual Title I meeting for the parents/guardians in all of its funded Title I schools. For each meeting, the district must submit documentation (e.g., invitational letter/flyer, agenda, meeting minutes, and sign in sheets) to the NJDOE for review.

**Finding 7:** Although the district held consultation meetings with officials of nonpublic schools that enroll resident students, the district could not provide written documentation memorializing what was discussed during these meetings. Per the legislative requirement, the district must meet with nonpublic school officials to ensure that eligible students from its attendance areas receive appropriate Title I services. As part of the consultation process, the district must discuss the following: collection of poverty data; student identification criteria; and services for eligible students, parents, and teachers.

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

**Required Action:** For FY 2015-2016, the district must revise its nonpublic consultation process to ensure that district personnel retain consultation meeting agendas and minutes that reflect, among other things, 1) How the needs of the Title I eligible children were identified; 2) What services will be provided to eligible Title I students from the district; 3) How, where, and by whom the services are to be provided; and 4) How the services will be assessed and used to enhance/modify services provided in the future.

## **Title II**

**Finding 8:** Title II-A funds must not be for teacher and/or principal professional development and cannot be used for student use or activities that the district would otherwise carry out in the absence of these funds. As a result, the district's use(s) of Title II-A funds for the expenditures listed below supplants state and local funds.

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**FY 2013-2014**

Item	Vendor	Reason	Transaction ID	Amount
1	Scholastic	Bookflix online subscription to enhance the library collection for students and staff.	14-02877	\$1,259.00
2	Scholastic Literacy Partnership	True Flix online subscription to enhance the library collection...to support the curriculum...to support all students and staff.	14-02878	\$656.00
3	Big Picture Company	Training, advising and program support for a high school theme academy.	14-01066	\$71,000.00
4	Staff	Employee stipend to assist district staff with integrating district wide assessment and instructional programs with the district's new student data system. Assessing students is a district responsibility.	PPE 12/15/13	\$540.00
5	Multiple Staff	Employee stipends to write, revise, and review curriculum. Such activities are a normal part of operating a district.	PRL-1314 (ADJ#115)	\$1,714.50
6	Eduphoria	Web-based observation and evaluation service with no connection to professional development (PD).	14-02594	\$1,251.00
Total				\$76,420.50

**FY 2014-2015**

Item	Vendor	Reason	Transaction ID	Amount
1	Multiple Staff	Employee stipends for attending training on "MyOn Reading," in which teachers from Flynn and Patten worked with students.	PPE 07/30/14; 08/15/14	\$8,198.62
2	Multiple Staff	Employee stipends for attending training on Benchmark Literacy, the new district wide pilot reading series.	PPE 09/15/14	\$1,671.27
3	Renaissance Learning	STAR student assessment subscription annual renewal, which is unrelated to PD.	15-02141	\$74,919.07
4	Gann Law Books, Inc.	Law books (NJ Statutes – Title 18A and NJ Administrative Code 6A-Education).	15-02856	\$401.00
Total				\$85,189.96

The majority of the expenditures listed above stemmed from activities included in the district's approved schoolwide plans and appear to have been erroneously charged to the Title II grant.

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**Citation:** ESEA § 2123(b): *Local Use of Funds (Supplement, Not Supplant)*. 2 CFR 225 (OMB Circular A-87), Attachment A, Section C.1: *Basic Guidelines (Factors affecting allowability of costs)*.

**Required Action:** Prior to the issuance of this report, the district reappropriated Title II-A funds earmarked for the FY 2014-2015 expenditures listed above and paid for the expenditures from other funding sources; therefore, no further action necessary. Due to the nature of the FY 2013-2014 expenditures, this matter was referred to OFAC for further review.

**Finding 9:** Even though Title II, *Principal Training and Recruiting Funds*, can only be used for nonpublic school teacher and/or principal professional development, the district used FY 2013-2014 Title II funds to purchase supplies and services for nonpublic student use as summarized below.

Item	Vendor	Reason	PO#	Amount
1	Rochester 100	Parent communicator folders were purchased for students to share school work and notices with parents. (Perth Amboy Catholic)	14-04299	\$690.00
2	Seat Sacks	Seat sacks organizers for students in grades K-3 for smoother transitions between classes. (Perth Amboy Catholic)	14-04300	\$671.25
3	Apple	Twenty-five iPADS. (Assumption Catholic)	14-04327	\$11,650.00
4	Scholastic Literacy	Classroom magazines for student use. (Assumption Catholic)	14-02401	\$1,619.48
5	DIDAX	Various supplies including multiple types of number lines and reading flip charts for teacher and student use in the classroom. (Perth Amboy Catholic)	14-02729	\$448.60
Total				\$15,079.33

In addition, the district also used FY 2014-2015 Title II-A funds totaling \$500 (PO# 15-02078) to purchase a maintenance contract on an Acellus server used for student instruction.

**Citation:** ESEA § 9501(b)(3): *Participation by Private School Children and Teachers (Applicability – Application)*. 2 CFR 225 (OMB Circular A-87), Attachment A, Section C.1: *Basic Guidelines (Factors affecting allowability of costs)*.

**Required Action:** Prior to the issuance of this report, the district reappropriated Title II-A funds earmarked for the FY 2014-2015 expenditure listed above and paid for the expenditure from other funding sources prior to the issuance of this report; therefore, no further action is necessary. Due to the nature of the FY 2013-2014 expenditures, this matter has been referred to OFAC for further review.

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**Finding 10:** The district expended FY 2013-2014 and FY 2014-2015 Title II-A funds totaling \$14,000 (PO#14-03187) and \$5,040 (PO#15-03016), respectively, for student counseling services provided by Catholic Charities to the Perth Amboy Catholic School. The use of Title II-A funds for student counseling services was not a proper use of Title II-A funds. Under the Title II, Part A program, private school teachers, principals, and other educational personnel are eligible to participate to the extent that the LEA uses funds to provide professional development for teachers and other school personnel.

**Citation:** ESEA § 9501: *Participation by Private School Children and Teachers*; ESEA § 2123(b): *Local Use of Funds (Supplement, Not Supplant)*; and 2 CFR 225 (OMB Circular A-87), Attachment A, Section C.1: *Basic Guidelines (Factors affecting allowability of costs)*.

**Required Action:** Prior to the issuance of this report, the district reappropriated Title II-A funds earmarked for the FY 2014-2015 expenditure listed above and paid for the expenditure from other funding sources; therefore, no further action is necessary. Due to the nature of the FY 2013-2014 expenditure, this matter has been referred to OFAC for further review.

**Finding 11:** The district used Title III to purchase an individual membership and resources for a staff member from the International Reading Association totaling \$129 (P.O. #15-02839). Individual memberships and associated costs are not allowable under federal cost principles.

**Citation:** 2 CFR 225 (OMB Circular A-87), Attachment B, Section 28: *Selected Items of Cost (Memberships, subscriptions, and professional activity costs)*.

**Required Action:** Prior to the issuance of this report, the district reversed this unallowable charge and submitted the adjusting entry showing removal to NJDOE for review. No further action is required.

**Finding 12:** A district teacher who provides direct instruction did not meet the criteria of a highly qualified teacher. A teacher who provides direct instruction in core academic subjects in special class programs (self-contained), departmentalized settings (grades 6-12), or pull-out replacement resource programs must demonstrate content expertise in the subject(s) they teach. (See <http://www.state.nj.us/education/educators/license/nclb/hqtcharts.pdf>).

**Citation:** ESEA § 1119: *Qualifications for Teachers and Paraprofessionals*. ESEA § 9304(1): *General Applicability of State Educational Agency Assurances*.

**Required Action:** The parent's Right-to-Know letter must be sent to every parent whose child is in that class. This teacher cannot remain in this position of direct instruction next year without being highly qualified. For the 2015-16 school year, the district must ensure that all teachers are assigned to instructional positions for which they meet the highly qualified definitions.

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**Title III**

**Finding 13:** The district issued PO#14-04508 totaling \$5,196.15 to Hewlett Packard on March 31, 2014. The purchase order was for the acquisition of five laptops to be distributed to Perth Amboy Catholic School, one of the district's nonpublic schools. The cost of the laptops was allocated primarily to Title III (\$3,570) but was also allocated to Title I, Title II, and Title III Immigrant in varying amounts arbitrarily.

As part of the monitoring process, a physical inventory was conducted on January 9, 2015. Four of the laptops remained unopened and stored in a closet within the nonpublic school's main office. One laptop was being used by a teacher as part of her daily classroom instruction. This usage is not permissible under any of the federal grants charged and none of the laptops were properly labeled as belonging to the district. The entire purchase of \$5,196.15 is not deemed reasonable or necessary for the proper administration of any of the federal programs.

**Citation:** 2 CFR 225 (OMB Circular A-87), Appendix A, Section C.1: *Basic Guidelines (Factors affecting allowability of costs)*.

**Required Action:** The district is required to remit \$5,196.15 for this unallowable expenditure to the NJDOE as part of the separate audit [Finding 1] conducted by this office. Going forward, the district must ensure that all nonpublic expenditures are reasonable and necessary for the proper administration of the federal programs. The district must establish a control system for properly tagging all property and equipment purchased with grant funds and located at nonpublic schools.

**Title III Immigrant**

**Finding 14:** The district did not obtain prior approval when it used Title III Immigrant funds totaling \$10,968.81 (PO#14-03408 and PO#14-0310) to acquire general purpose furniture. Additionally, the district classified these items as supplies instead of as capital equipment.

**Citation:** 2 CFR 225 (OMB Circular A-87), Appendix B, Section 15.a.4.(b)(1): *Equipment and other capital equipment*. The Uniform Minimum Chart of Accounts for New Jersey Public Schools, Appendix B: Supplies and Equipment (Capitalization Policy).

**Required Action:** Going forward, the district must ensure that expenditures are properly classified and that it obtains prior written approval from the NJDOE as required.

**IDEA (Special Education)**

A review of the expenditures charged to the IDEA grant yielded no findings.

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**Race to the Top**

**Finding 15:** Grant funds totaling \$43,677 (PO#13-03069) were used to purchase Apple MacBook Air laptops, which is unallowable because the district's original application budgeted these funds for Apple iPads.

**Citation:** *American Recovery and Reinvestment Act of 2009 (ARRA)*, Section 14005-6, Title XIV, (Public Law 111-5).

**Required action:** The district must remit this disallowed charge to the NJDOE or submit a formal amendment to their original Race to The Top application explaining the budgetary change in the purchase of the Apple hardware. Prior to the issuance of this report, the district submitted the required amendment; as a result, no further action is required.

**Administrative**

**Finding 16:** The district allocated salaries, professional development and supplies to various federal awards absent any rationale. Specifically, items acquired for Title I were on numerous occasions charged to Title II. Additionally, the district routinely recorded expenditures in incorrect accounts. For example, non-instructional salaries were recorded as instructional, and vice versa.

**Citation:** 34 CFR § 80.20: Standards for financial management systems. N.J.A.C. 6A:23A-16.2: Principles and directives for accounting and reporting.

**Required Action:** The district should review its grant expenditures for FY 2014-2015 and transfer all improperly recorded transactions to the appropriate accounts prior to submitting its FY 2014-2015 Final Expenditure Report. Also, the district must undertake efforts to improve its internal controls and to enhance communication between program and business offices.

**Finding 17:** The district was unable to produce time and activity reports for all personnel whose salaries were funded by federal awards. In addition, the reports examined did not contain all of the required elements. Each form must reflect what the staff is doing, when and where, and the portion of time devoted to grant activities and it must accurately match the grant funded percentage. Employees whose salaries are funded 100 percent by a federal program must complete a semi-annual certification attesting to their performance of grant related duties. Staff members whose salaries are partially paid with a federal grant must prepare monthly personal activity reports. These documents are necessary to verify that funded staff are actually performing allowable grant activities.

**Citation:** 2 CFR Part 225 (OMB Circular A-87), Appendix B, Section 8(h): *Compensation for personal services (Support of salaries and wages)*.

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**Required Action:** The district must verify the time and activity of staff charged to federal grants. The district must submit a list of FY 2014-2015 federally funded personnel, salaries, funding percentages and appropriate time sheets to date to NJDOE for review.

**Finding 18:** The board of education meeting minutes approving the salaries of employees fully and partially paid by federal funds did not contain all of the required information. The board minutes must reflect the staff members' names, salaries, percentages of salary funded by the federal award and the applicable federal grant(s).

**Citation:** 34 CFR § 80.20: Standards of financial management systems.

**Required Action:** The district must ensure the board minutes evidencing appointments of federally funded personnel include the requisite information.

**Finding 19:** The district did not have an adequate control system in place to account for the use and location of all the computers purchased with federal funds. Although each school maintains its own inventory records, the items were not always at the location specified, nor consistently tagged and/or labeled with the name of the federal grant and grant year acquired.

**Citation:** 34 CFR § 80.32: Equipment.

**Required Action:** The district must establish property management standards and procedures for equipment acquired with federal funds which reflects all required information.

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 email at [kathryn.holbrook@doe.state.nj.us](mailto:kathryn.holbrook@doe.state.nj.us).