



EXHIBIT NO: ~~417~~ 1

State of New Jersey  
DEPARTMENT OF EDUCATION  
PO BOX 500  
TRENTON, NJ 08625-0500

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

CHRISTOPHER D. CERF  
Commissioner

December 19, 2013

Mrs. Patricia Davis, Board President  
Winslow Township Board of Education  
40 Cooper Folly Road  
Atco, NJ 08004

Dear Mrs. Davis:

The Department of Education, Office of Fiscal Accountability and Compliance has completed a fiscal audit of the Carl D. Perkins Grant of the Winslow Township Board of Education. The review covered the period July 1, 2011 through June 30, 2012. The resulting report is enclosed.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Winslow Township board 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 findings in dispute. 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 this report and the board's corrective action plan on your school district's website.

By copy of this correspondence, 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 Lisa D. McCormick at (609) 292-7742.

Sincerely,

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

RJC/LDM/tc: Winslow Township Cover Letter  
Enclosures



**Distribution**

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STATE OF NEW JERSEY  
DEPARTMENT OF EDUCATION  
OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE  
PO BOX 500  
TRENTON, NJ 08625-0500

WINSLOW TOWNSHIP BOARD OF EDUCATION  
40 COOPER FOLLY ROAD  
ATCO, NJ 08004  
PHONE: (856) 767-2923

REPORT ON EXAMINATION  
CARL D. PERKINS AUDIT  
FOR THE PROJECT PERIOD:  
JULY 1, 2011 TO JUNE 30, 2012

District: Winslow Township Board of Education  
County: Camden

AUTHORIZED REPRESENTATIVE: Tyra McCoy-Boyle  
DIRECTOR OF SECONDARY PROGRAM: Karen Loney

PERSONS CONTACTED:

Tyra McCoy-Boyle, Board Secretary/Business Administrator  
Karen Loney, Program Director  
Joyce Bombara, Secretary

FUNDING SOURCE(S):

GRANT	AWARD
SECONDARY- #PERK 5820-12	\$41,481.00
<b>TOTAL</b>	<b>\$41,481.00</b>

**WINSLOW TOWNSHIP SCHOOL DISTRICT  
CARL D. PERKINS GRANT  
FISCAL YEAR 2011-2012**

**BACKGROUND**

The Carl D. Perkins Career and Technical Education Improvement Act of 2006 require local education agencies (LEAs) to provide programs and services to secondary and postsecondary students based on the authorizing statutes contained therein. 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.

**FINDINGS AND RECOMMENDATIONS**

- 1. Expenditures incurred for an unapproved program totaling \$6,431.39 were improperly charged to the federal award.**

The LEA charged the FY 2011-2012 Carl D. Perkins Grant (Perkins grant) for the following costs related to its Child Development program:

<u>Description</u>	<u>Invoice Date</u>	<u>Amount</u>
Non-Instructional Salaries		
Curriculum development	Jul 2011	\$ 73.76
Meetings re: course curriculum and articulation agreement	Apr 2012	221.28
Meetings re: course curriculum and advisory committee	May 2012	258.16
"Perkins" curriculum writing	Jun 2012	<u>479.44</u>
Sub-Total		<u>\$1,032.64</u>
Operating Expenses		
Smart Board	10/31/2011	\$2,696.00
Transportation for student field trip on 4/18/2012		140.00
Miscellaneous Classroom Supplies	5/15/2012	582.74
Transportation for student field trip on 5/15/2012	5/17/2012	140.00
Child care equipment	5/22/2012	257.25
Textbooks	5/23/2012	622.76
Desktop computer	6/15/2012	<u>960.00</u>
Sub-Total		<u>\$5,398.75</u>
Grand Total		<u>\$6,431.39</u>

The LEA did not receive approval to operate this program from the department until December 6, 2012, after the FY 2011-2012 grant year concluded.

OMB Circular A-87, Attachment C, Section (C) (1) provides that in order for costs to be allowable under Federal awards costs must be authorized or not prohibited under State or local laws or regulations. In addition, The Perkins One-Year Grant Application Guidelines July 1, 2011 – June 30, 2012 (Perkins Guidelines), Section D, page 46, states that "support of

WINSLOW TOWNSHIP SCHOOL DISTRICT  
CARL D. PERKINS GRANT  
FISCAL YEAR 2011-2012

FINDINGS AND RECOMMENDATIONS

unapproved career and technical education programs or support of CTE programs for which no data were received on the most recent VEDS data report" is a non-allowable cost.

Since the LEA's Child Development program was not approved for operation during the July 1, 2011 – June 30, 2012 project period, the associated costs are deemed to be unallowable. As a result, the sum of \$6,431.39 must be refunded to the department for these disallowed costs (refer to the Schedule of Audit Recovery Due to SEA at the end of this report).

Recommendation

The LEA must implement procedures to ensure that only expenditures related to programs approved by the department are charged to the Perkins grant.

**2. Expenditures of \$221.28 were incorrectly charged to the Perkins grant.**

The LEA allocated payroll costs of \$221.28 to the FY 2011-2012 Perkins grant for work related to after-school workshops on various occasions throughout the grant year. Based on a review of payroll records, the LEA intended to use its Title IIA grant as the funding source for certain workshops but incorrectly charged Perkins due to data entry errors. Further, these expenditures were incurred for purposes unrelated to Perkins and therefore, constitute unallowable program costs.

EDGAR 34 § 80.20(b)(3) indicates LEA's must maintain effective control and accountability for all cash, property and other assets purchased with Federal funds. Also, OMB Circular A-87, Attachment A, Section (C)(1) provides costs must be necessary and reasonable for proper and efficient performance and administration of federal awards, be allocable to federal awards, and be adequately documented. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

As a result, the sum of \$221.28 must be refunded to the department for questionable charges to the grant (refer to the Schedule of Audit Recovery Due to SEA at the end of this report).

Recommendation

The LEA must improve procedures for the payment of expenditures related to the Perkins grant in accordance with the requirements of OMB Circular A-87 and EDGAR.

**3. Inventory records furnished by the LEA were not adequately maintained and incomplete.**

An examination of records provided during the audit disclosed that the LEA did not list program equipment separately or include the required identifying information on its master inventory. An inspection of program equipment acquired during FY 2011-2012 revealed the item did not have an asset tag or funding source label.

**WINSLOW TOWNSHIP SCHOOL DISTRICT  
CARL D. PERKINS GRANT  
FISCAL YEAR 2011-2012**

**FINDINGS AND RECOMMENDATIONS**

EDGAR 34 §80.32(d) requires grantees to establish procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place. Although the state threshold for reporting equipment is \$2,000, the district may have its own lower threshold and must track any item that is less expensive to inventory than it is to replace. At a minimum, these procedures must satisfy the following requirements: (1) maintenance of equipment records that include a description, serial number or other identification number, source of the equipment (including award number), who holds title, unit acquisition date and cost, percentage of federal participation, location and condition of the equipment, and any ultimate disposition data including the date of disposal and sale price of the equipment; and (2) performance of a physical inventory of all federally owned equipment and a reconciliation of the results with accounting records at least once every two years. Each piece of inventoried equipment must have a visible, permanently attached numbered inventory tag that identifies funding source.

**Recommendation**

The LEA must develop procedures to ensure program equipment and inventory listings of all equipment purchased with grant funds are maintained as prescribed by EDGAR 34 §80.32(d).

**4. The LEA did not ensure compliance with the certain Perkins guidelines while administering the grant.**

In addition to the preceding findings, it was determined the LEA expended Perkins funds on an item that had a unit cost greater than \$750.00 which was not itemized, as required.

EDGAR 34 §76.700 requires a sub-grantee, like the LEA, to comply with the State plan and applicable statutes, regulations, and approved applications, and to use Federal funds in accordance with those statutes, regulations, plan and applications.

The Perkins Guidelines, Section D, page 46 requires any item with a cost of at least \$750 per unit must be itemized in the approved Perkins application or in an amendment to the approved application.

**Recommendation**

The LEA must implement procedures to ensure personnel assigned to administer the Perkins grant are aware of the program specific requirements applicable to each project period.

WINSLOW TOWNSHIP SCHOOL DISTRICT  
CARL D. PERKINS GRANT  
FISCAL YEAR 2011-2012


SCHEDULE OF RECOVERY DUE TO SEA

<u>Audit Finding</u>	<u>Recovery</u>
Number One	\$6,431.39
Number Two	<u>221.28</u>
<b>Total Recovery Due SEA</b>	<b><u>\$6,652.67</u></b>

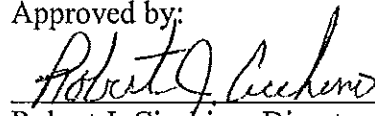
The check is to be made payable to "Treasurer, State of New Jersey" and mailed with the corrective action plan.

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:

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

Approved by:

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

Auditor  
Kathryn Holbrook

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

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

Resolution:

Pursuant to N.J.A.C. 6A:23A-5.6, within 30 days of receipt of the report, the school board must discuss the findings of the report at a public meeting of the board. Within 30 days of the public meeting, the board must adopt a resolution certifying that the findings were discussed in a public board meeting and approving a corrective action plan to address issues raised in the undisputed findings and/or appeal of any findings in dispute. Within 10 days of adoption of the resolution by the board, such resolution together with the approved corrective action plan and/or appeal must be submitted to the Office of Fiscal Accountability and Compliance. The findings of the Office of Fiscal Accountability and Compliance's report and the board's corrective action plan must be posted on the district's website.

Corrective Action Plan:

The corrective action plan is to be used when the board is in agreement with any of the audit 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 school 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 board indicating that it has been accepted.

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



Appeal Process:

The appeal process is used to contest audit findings.

Within 10 days of the board's adoption of the resolution approving an appeal of the findings of the report, a written request by the board to review the "aggrieved" findings, recommendations or questioned costs must be submitted to the director, Office of Fiscal Accountability and Compliance. The notice of appeal must indicate the findings to be appealed.

The appeal itself may be written or a hearing may be scheduled so that the board can present its case. In either instance, documentation must be presented supporting the appeal. The director, Office of Fiscal Accountability and Compliance will issue a written decision.

If the decision is unsatisfactory to the board it may, within 10 calendar days, file a notice of appeal to the Chief of Staff.

If the final determination made by the Chief of Staff is still unsatisfactory to the board, it may access the formal appeal process described in N.J.A.C. 6A:3-1.3.

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

NAME OF SCHOOL DISTRICT \_\_\_\_\_

TYPE OF EXAMINATION \_\_\_\_\_

DATE OF BOARD MEETING \_\_\_\_\_

CONTACT PERSON \_\_\_\_\_

TELEPHONE NUMBER \_\_\_\_\_

COUNTY \_\_\_\_\_

RECOMMENDATION NUMBER	CORRECTIVE ACTION REQUIRED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION

CHIEF SCHOOL ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_

BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_