

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

SCHOOL DISTRICT NAME: Millville Public School District COUNTY Cumberland

TYPE OF EXAMINATION: NCLB Consolidated Monitoring

DATE OF BOARD MEETING: October 17, 2016

CONTACT PERSON: Dr. David Gentile

TELEPHONE NUMBER: (856) 327-6001 FAX NUMBER: (856) 293-9852

RECOMMENDATION NUMBER	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
#7	<p>Finding 7: The district made purchases exceeding the micro purchase limits (small purchase) and did not have secondary quotes as required.</p> <p>Citation: <u>Uniform Guidance 2 CFR 200.320</u>, Methods of procurement to be followed.</p> <p>Required Action: The district must update its internal controls to ensure all procurement rules are followed. The district must submit updated procedures to the NJDOE for review, including its process for training staff on the new procedures.</p>	Revise purchasing manual	Title I Supervisor Purchasing Supervisor	December, 2016

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<p>#8</p>	<p><u>Finding 8:</u> The district made purchases using the small purchase rules and did not select the lowest quote. Further, the district did not provide any documentation as to why the lowest quote was not acted upon.</p> <p style="text-align: center;">Citation: Uniform Guidance 2 CFR 200.320, Methods of procurement to be followed.</p> <p>Required Action: The district must update its internal controls to ensure all procurement rules are followed. The district must submit updated procedures to the NJDOE for review, including its process for training staff on the new procedures.</p>	<p>Revise purchasing manual</p>	<p>Title I Supervisor Purchasing Supervisor</p>	<p>December, 2016</p>
<p>#9</p>	<p><u>Finding 9:</u> To bypass federal procurement requirements, the district made purchases over the Simplified Acquisition Threshold from Dell Computers over a 30-day period through a series of purchase orders.</p> <p style="text-align: center;">Citation: Uniform Guidance 2 CFR 200.310, Methods of procurement to be followed.</p> <p>Required action: The district must update its internal controls to ensure all procurement rules are followed. The</p>	<p>Revise purchasing manual</p>	<p>Title I Supervisor Purchasing Supervisor</p>	<p>December, 2016</p>

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	district must submit updated procedures to the NJDOE for review, including its process for training staff on the new procedures			
#11	<p>Finding 11: The district's use of Title II funds for the following individual memberships is unallowable under federal cost principles:</p> <p>Citation: 2 CFR §200.454: Memberships, subscriptions, and professional activity costs.</p> <p>Required Action: The district must reverse the charges for the unallowable expenditures and submit the adjusting entry showing the removal to the NJDOE for review.</p>	<p>Per the DOE Consolidated Monitoring Appeal response letter dated 9/23/16 "The appeal is denied, however, no further action is required because the project period has ended."</p> <p>Prior to receiving the letter these charges were reversed.</p>		
#12	<p>Finding 12: The district failed to provide adequate documentation to support its use of \$6,825 of Title II funds to pay for the salaries during the summer of FY 2015. Based on the documentation provided, the district's use of these funds for this purpose appeared to supplant not supplement other funding sources. As a result, it could not be determined if the costs were reasonable, necessary or allocable to the federal award.</p>	<p>Per the DOE Consolidated Monitoring Appeal response letter dated 9/23/16 "The appeal is denied, however, no further action is required because the project period has ended."</p>		

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	<p>Citation: ESEA §2123(b): <i>Local Use of Funds (Supplement, Not Supplant)</i> and 2 CFR §200.403: Basic Considerations (Factors affecting allowability of costs).</p> <p>Required Action: The district must provide the NJDOE adequate documentation supporting these charges, or reverse all unsupported charges and submit the adjusting entry to NJDOE.</p>			
#13	<p>Finding 13: The district's use of \$6,250.00 to pay teacher's salaries for the district's tutoring program supplant not supplement other funding and is not an allowable use of Title IIA professional development funds for teachers and principals.</p> <p>Citation: ESEA §2123 (b): <i>Local Use of Funds (Supplement, Not Supplant)</i> and 2 CFR §200.403: Basic Considerations (Factors affecting allow ability of costs).</p> <p>Required Action: the district must reverse all charges and submit the adjusting entry to NJDOE.</p>	<p>Per the DOE Consolidated Monitoring Appeal response letter dated 9/23/16 "The appeal is denied, however, no further action is required because the project period has ended."</p>		
#22	<p>Finding 22: The funds allocated for the Perkins grant in the district's accounting records could not be reconciled with corresponding amounts budgeted in the</p>	<p>Ensure that the reports do agree</p>	<p>Accounting Department</p>	<p>November, 2016</p>

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	<p>Electronic Web Enabled Grant system (EWEG).</p> <p style="text-align: center;">Citation: 2 CFR §200.302: Financial management.</p> <p>Required Action: The district must implement a process to ensure amounts awarded through a grant are recorded appropriately in the financial records.</p>			
#23	<p><u>Finding 23:</u> A review of the district's general ledger disclosed revenue and program codes of 1420 and 000, respectively, were incorrectly used to record the receipt of Perkins funds. The Uniform</p> <p>Citation: N.J.A.C. 6A:23A-16.2(1)(1): Principles and directives for accounting and reporting. 2 CFR §200.302(b)(3): Financial management. 34 CFR §76.730(e): Records related to grant funds Chart of Accounts for New Jersey School Districts (Chart of Accounts) designates 4430 as the appropriate revenue code and 361 through 399 as the appropriate program codes for recording federally funded Perkins grant funds. The use of distinct revenue codes provides an audit</p>	Ensure that the reports do agree	Accounting Department	November, 2016

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	<p>trail of the reimbursements received for each project.</p> <p>Required Action: The district must revise its coding system to conform to the NJDOE's prescribed Chart of Accounts to ensure the proper recording of all financial transactions. The district must also implement procedures to ensure the expenditures are charged to the prescribed expenditure categories.</p>			
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David N. Keeble

Chief School Administrator

10/17/16

Date

Byron Hill

Board Secretary/Business Administrator

10-19-16

Date