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Department of Education
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Sussex-Wantage Regional School District

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New Jersey K to 12 Education

Collaborative Monitoring Report
March 2024

District: Sussex-Wantage Regional School District
County: Sussex
Dates Monitored: December 12, 13, 14 and 15, 2023
Case Number: CM-02-24

Funding Sources:

Program	Funding Award
Title I, Part A	189,723
Title I SIA	0
Title II, Part A	60,256
Title III	0
Title III Immigrant	0
Title IV, Part A	23,528
IDEA Part B, Basic and Preschool	486,792
ARP ESSER (includes all subgrants)	1,405,453
Perkins V	0
Total Funds	2,165,752

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Background

The Every Student Succeeds Act (ESSA), the Individuals with Disabilities Education Act (IDEA) and other Federal education laws require local education agencies (LEAs - school districts and charter schools) to provide programs and services to schools within their local jurisdiction. The provision of these programs and services is based on the pertinent authorizing statutes specified in each of the Federal education laws.

The laws further require that state education agencies, in this case, the New Jersey Department of Education (NJDOE) to monitor the implementation and execution of Federal programs by the subrecipients. The monitors thereby determine whether the funds are being properly used by the district for their intended purposes and achieving the overall objectives of the funding initiatives.

Introduction

The NJDOE visited the Sussex-Wantage Regional School District (SWRSD or district) virtually, except where noted, to monitor the district's use of Federal funds. The NJDOE also examined related program plans, as applicable, to determine whether the district's programs are meeting the intended purposes and objectives, as specified in the current year's applications and authorizing statutes.

The goal of the monitoring is to determine whether the funds were spent in accordance with the requirements of each program, Federal and state laws, and applicable regulations. The monitoring of SWRSD included staff interviews, as well as the review of documents and records related to the requirements of these programs:

- Title I, Part A (Title I);
- Title II, Part A (Title II-A);
- Title IV, Part A (Title IV-A);
- IDEA Part B - Basic and Preschool; and
- American Rescue Plan (ARP) ESSER and applicable subgrants.

The scope of work performed included the review of records and documentation which Included:

- accounting records
- annual audits
- board of education (board) meeting minutes
- grant applications program plans and needs assessments
- grant awards
- payroll records
- purchase orders

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The scope of work included interviews with appropriate district staff regarding the administration of the aforementioned programs/grants. In addition, a sampling of computing devices and equipment purchased with Federal funds was selected and physically examined without exception.

The grants and programs reviewed included Title I, Title II-A, Title IV-A, IDEA Basic and IDEA Preschool from July 1, 2023 through November 1, 2023. In addition, ARP ESSER and all applicable subgrants were reviewed from commencement of the related project periods through November 1, 2023. A sampling of purchase orders and/or salaries and wages was selected from each program and reviewed for examination.

General Overview of Uses of Federal Funds

Title I, Part A Projects

The purpose of the Title I is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps.

SWRSD is using its FY 2024 Title I funds to implement targeted assistance programs in its Title I-funded schools. Title I funds are used primarily to pay the salaries and benefits of Basic Skills Teachers to supplement the instruction of identified low-performing students.

Title II-A Projects

The purpose of Title II-A is to:

1. increase student achievement consistent with the challenging State academic standards;
2. improve the quality and effectiveness of teachers, principals and other school leaders;
3. increase the number of teachers, principals and other school leaders who are effective in improving student academic achievement in schools; and
4. provide low-income and minority students greater access to effective teachers, principals and other school leaders.

SWRSD uses their Title II-A funds primarily for:

1. building systems of support for excellent teaching and learning while increasing student achievement consistent with the challenging state academic standards;
2. high quality, personalized professional development, in closing the achievement gaps in English Language Arts (ELA) and Mathematics; and
3. selecting and implementing assessments for benchmark assessments in ELA and Mathematics.

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Title IV-A Projects

The purpose of Title IV-A is to improve students' academic achievement by increasing the capacity of LEAs to:

1. provide all students with access to a well-rounded education;
2. improve school conditions for student learning; and
3. improve the use of technology in order to improve the academic achievement and digital literacy of all students.

SWRSD uses its Title IV-A funds primarily to provide all students with access to a well-rounded education, improve school conditions for student learning, and incorporate the use of technology to improve the academic and digital literacy of all students. The district uses their Title IV-A funds for before and after school academic achievement programs at the middle school. Title IV-A funds are also used to purchase scholastic magazines that empower students to become confident and successful readers.

IDEA

The purpose of the IDEA grant is to provide federal entitlement funds to assist with the excess costs of providing special education and related services to students with disabilities. FY 2024 IDEA Basic funds are being used for extended school year activities, tuition costs for students receiving special education through an out-of-district placement, physical and occupational therapy services, and evaluations to determine eligibility for special education and related services. Additionally, IDEA funding is used to service nonpublic students.

ARP ESSER

The purpose of ARP ESSER funding is to assist LEAs in preparing for and responding to the impact of COVID-19 on educators, students, and families. Additional uses of funds include, but are not limited to;

1. hiring new staff and avoiding layoffs; and
2. addressing learning loss through summer learning or summer enrichment, extended day, comprehensive afterschool programs, or extended school year programs.

SWRSD uses its ARP ESSER funds mainly for heating, ventilation and air conditioning upgrades at Sussex Middle School and related architectural fees; educational technology, such as computing devices and software licenses; instructional supplies; and the salary of a Guidance Counselor.

ARP ESSER subgrant funds are being used for Teacher and student instructional supplies, professional development workshops and a Response to Intervention Module. Subgrant funds

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are also budgeted for the salaries and benefits of three Teachers and a new Pre-K to 8 curriculum.

Detailed Findings and Recommendations

The Detailed Findings and Recommendations are disaggregated into the following sections:

1. Multiple Grants Section – findings necessitating the reversal of charges for multiple grants due to the lack of adequate supporting documentation.
2. Grant Specific Programmatic and Fiscal Section – findings directly attributable to the Federal awards covered during the monitoring. The programmatic findings precede the fiscal findings unless otherwise denoted by an asterisk (*).
3. Administrative Section – crosscutting administrative findings may be found in this section.

Multiple Grants Section

There are no findings which warrant mention in this section.

Grant Specific Programmatic and Fiscal Section

Title I, Part A

The review of the district's 2023-2024 Title I, Part A programs yielded no findings.

Title II-A

The review of the district's 2023-2024 Title II-A programs yielded no findings.

Title IV-A

The review of the district's 2023-2024 Title IV-A programs yielded no findings.

IDEA

The review of the district's 2023-2024 IDEA programs yielded no findings.

ARP ESSER and Applicable Subgrants

ARP Summer Learning

The district transferred ARP Summer Learning and Enrichment (ARP Summer Learning) funds totaling \$40,000.00 to line item 200-100, in which no funds were previously budgeted, without filing an amendment application.

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Citation(s):

EDGAR, 34 C.F.R. §76.700 Compliance with the U.S. Constitution, statutes, regulations, stated institutional policies and regulations and [ESSER I, II, and III Funding – Grant Specific Information](#)

Required Action(s):

The district must be sure to file an amendment application to obtain approval for the use of ARP Summer Learning funds in a previously unopened line item or reverse the related appropriation and expenditures. The district must submit records of this correction to the Office of Fiscal Accountability and Compliance by June 30, 2024. The date noted is the last day the district will be able to submit an amendment to their American Rescue Plan Consolidated grant application.

Administrative Section

Finding 1:

The district submitted board policies for examination which address certain Uniform Grant Guidance provisions. The board policy for debarment and suspension did not mention the dollar amount of covered transactions and the requirement for maintaining copies of written documentation. The same policy referenced a link for the Excluded Parties List System rather than the System for Award Management (SAM).

Copies of certain board policies and the requisite *written procedures* to implement such policies, however, were not provided for review as requested. Examples include, but are not necessarily limited to:

- determining the allowability of costs in accordance with Federal cost principles and the terms and conditions of the Federal award; and
- the mandatory disclosure of all violations of Federal criminal law involving fraud (pertinent information relating to fraud follows), bribery, or gratuity violations potentially affecting the Federal award.

Pursuant to ESEA legislation, each recipient of a grant or subgrant under ESEA must display, in a public place, the hotline contact information of the Office of Inspector General of the Department of Education (USDEOIG) so that any individual who observes, detects, or suspects improper use of taxpayer funds can easily report such improper use.

Federal guidance relating to the prevention of fraud is accessible from [USDEOIG Brochures](#); scroll past multiple tables to the Brochures, Flyers & Posters (Download Free) section. Use this link, [For K–12: Preventing Fraud and Corruption in Federal Education \(2021\)](#), to access a video training presentation.

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Citation(s):

ESEA §9203 Preventing Improper Use of Taxpayer Funds; Uniform Grant Guidance, 2 C.F.R. §200.214 Suspension and debarment, 2 C.F.R. §§200.302(b)(6)-(7) Financial management and 2 C.F.R. §§200.400 – 200.476 Subpart E - Cost Principles; and §200.113 Mandatory disclosures

Required Action(s):

The district must develop, revise, adopt and implement board policies and written procedures which address the requirements of the Uniform Grant Guidance, and include relevant citations and references to current legislation, where appropriate. The district may opt to utilize a vendor for the preparation and revision of the requisite board policies and procedures.

Finding 2:

A number of purchase orders were examined during the monitoring with dollar amounts equal to or greater than \$25,000.00. Such purchase orders meet one of a number of definitions of a covered transaction in 2 C.F.R. §180.220. Before entering into covered transactions, these regulations require the district to determine whether the vendor is not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. The covered transactions tested lacked any indication that verifications of this nature are being performed. Verifications may be accomplished by:

1. checking the SAM Exclusions maintained by the General Services Administration and available at [SAM.gov | Home](https://sam.gov);
2. collecting a certification from the entity; or
3. adding a clause or condition to the covered transaction with that entity (2 C.F.R. section 180.300).

Copies of written evidence demonstrating performance of the requisite verifications must be maintained. In addition to Items 1 and 2 above, other examples of evidence include printouts of search results from SAM, imprints from an ink stamp, or Avery labels affixed to purchase orders memorializing performance of this verification.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.214 Suspension and debarment

Required Action(s):

The district is required to implement procedures to confirm vendors are neither debarred, nor suspended prior to entering into purchase orders or contracts equal to or in excess of \$25,000.00. In addition, the district must maintain written records evidencing performance of these verifications on file for monitoring and audit purposes.

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Finding 3:

A number of purchase order voucher packets were selected and examined during monitoring. The district was unable to provide evidence that bids were obtained for various purchase orders (POs). Examples include PO numbers 202201451 and 202301552. These POs exceeded the threshold necessitating bids or quotes in accordance with:

1. the New Jersey Public School Contracts Law (PSCL) and district policy; or
2. procurement standards under Uniform Grant Guidance.

When the Federal and State legislation and regulations governing procurement are in conflict, the most restrictive prevails. Federal procurement standards do not include all exemptions allowed under the PSCL, specifically, professional services.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §§200.317 - 327 Procurement Standards and N.J.S.A. 18A:18A-37(a) Award of purchases, contracts, or agreements

Required Action(s):

The district must adhere to the PSCL or applicable provisions of the Uniform Grant Guidance, whichever is most restrictive, when obtaining goods and services.

Finding 4:

The district is not submitting reimbursement requests for one or more Federal awards on a monthly basis.

Pursuant to the Uniform Grant Guidance, LEAs must minimize the time elapsing between the receipt of funds from NJDOE for reimbursement purposes and the payment of grant expenditures. To this end, the department's guidance on reimbursement requests authorizes LEAs to claim expenditures that:

1. *have already been paid; or*
2. will be paid within three (3) days of receipt of its reimbursement check.

In order to comply with number 2 above, the district should only request the reimbursement of expenditures for invoices in hand and determined to be accurate.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.305 Federal Payment, [Office of Grants Management, General Federal Entitlement Grant Guidance](#) and [Policies and Procedures for Reimbursement of Federal and Other Grant Expenditures](#)

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Required Action(s):

The district is required to submit reimbursement requests on a monthly basis. In addition, the district is responsible for maintaining supporting documentation for seven (7) years and for making it available to the NJDOE, the U.S. Department of Education, and/or their authorized representatives upon request.

The NJDOE thanks you for your time and cooperation during the monitoring visit and looks forward to a successful resolution of every finding and implementation of all required actions and recommendations contained in this report.

If you have any questions, please contact Lisa D. McCormick via phone at (609) 376-3608 or via email at lisa.mccormick@doe.nj.gov.