

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

NAME OF SCHOOL DISTRICT **FREEHOLD BOROUGH BOARD OF EDUCATION**

COUNTY **MONMOUTH**

TYPE OF EXAMINATION **NCLB TITLE I AUDIT OPERATIONS DURING THE PERIOD SEPTEMBER 1, 2008 TO AUGUST 31, 2009**

DATE OF BOARD MEETING **AUGUST 8, 2011**

CONTACT PERSON **PATRICK S. DEGEORGE – BUSINESS ADMINISTRATOR**

TELEPHONE NUMBER **732.761.2100**

PUBLIC BOARD DISCUSSION HELD ON **JUNE 20, 2011**

RECOMMENDATION NUMBER	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
<p style="text-align: center;">1</p> <p>To facilitate an effective audit, the LEA must ensure that all mandatory Title I reserve expenditures are tracked separately with unique account numbers for set-aside funds. The use of unique account numbers would enhance the district's ability to monitor balances of unexpended restricted reserves, which may be carried forward provided that the funds are spent for their intended purpose or returned to the state. The district must also ensure that set-asides for PD and PI are expended as prescribed in the NCLB Reference Manual.</p>	<ul style="list-style-type: none"> <li>▪ All mandatory Title IA Reserve expenditures will be tracked separately using unique account numbers and descriptions in the district's accounting software.</li> <li>▪ Principals will meet periodically with district program/financial officers to ensure that they have spent their Reserve allocations.</li> </ul>	<ul style="list-style-type: none"> <li>▪ During the initial application process for each year, the Title IA program and financial officers will determine required Reserve amounts for Title IA, including parent involvement, professional development, SES, and other reserves determined through the application process.</li> <li>▪ Once Reserves are set, principals will align the Reserve amounts according to Unified Plans, and implement the grant as needed; Reserve amounts for district will be aligned to the DINI plan and implemented accordingly.</li> <li>▪ Throughout the year, the program and fiscal manager will review accounts with principals</li> </ul>	<p>Title I Program Director; Business Administrator; Principals; Superintendent</p>	<p>August 2011</p>

		<p>to ensure appropriate and adequate spending is occurring.</p> <ul style="list-style-type: none"> <li>▪ Superintendent will evaluate principal's spending through district's evaluation tool.</li> </ul>		
<p>2</p> <p>The LEA must ensure that expenses charged to Title I are allowable and support authorized program activities.</p>	<ul style="list-style-type: none"> <li>▪ Ensure that expenditures charged to Title IA are allowable and support authorized program activities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Principals will be trained by the Title I Program Director and the Business Administrator on the proper uses of Title IA funds.</li> <li>▪ Primary budgetary authority over building principals will be given to the Title I Program Director.</li> <li>▪ Purchase orders will have academic purpose linked to unified plan.</li> <li>▪ As Level I approver, the Title I Program Director will ensure that expenditure requests made by building principals comply with OMB requirements.</li> <li>▪ As Level II approver, the Business Administrator will</li> </ul>	<p>Principals; Title I Program Manager; Business Administrator</p>	<p>December 2011</p>

		ensure that expenditure requests presented have been reviewed and approved by the Title I Program Director.			
3	The LEA must improve procedures for the payment of expenditures related to the Title I program in accordance with OMB Circular A-87.	<ul style="list-style-type: none"> <li>▪ Enhance procedures for the payment of Title IA program expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As Level I approver, the Title I Program Director will ensure that expenditure requests made by building principals comply with OMB requirements.</li> <li>▪ As Level II approver, the Business Administrator will ensure that expenditure requests presented have been reviewed and approved by the Title I Program Director.</li> </ul>	Title I Program Director; Business Administrator	August 2011
4	The LEA must improve the procedures utilized to account for expenditures related to the Title I, Part A programs in accordance with the requirements of OMB Circular A-87.	<ul style="list-style-type: none"> <li>▪ Enhance procedures used to account for Title IA program expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As Level I approver, the Title I Program Director will ensure that expenditure requests made by building principals are supported by proper documentation and comply with OMB requirements.</li> <li>▪ As Level II approver,</li> </ul>	Title I Program Director; Business Administrator	October 2010

		<p>the Business Administrator will ensure that expenditure requests presented for payment have been reviewed and approved by the Title I Program Director.</p> <ul style="list-style-type: none"> <li>▪ In preparing the annual Final Report, the Business Administrator will ensure that expenditures are appropriately classified and reported in EWEG.</li> </ul>			
5	<p>The district must implement procedures to ensure that expenditures are charged to the appropriate project period.</p>	<ul style="list-style-type: none"> <li>▪ Develop and implement procedures to ensure that expenditures are charged to the appropriate project period.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Business administrator will review all purchase orders within the system to ensure that all expenditures are charged to the correct grant year.</li> </ul>	Business administrator	September 2010
6	<p>The district must ensure that all Title I employee appointments, including their salaries, assigned school and funding percentages are recorded in the board of education minutes documenting proper authorization of</p>	<ul style="list-style-type: none"> <li>▪ Ensure that all Title IA employee appointments, including salaries, assigned school and funding percentages, are recorded in the board of education minutes documenting</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Business Administrator will ensure that all agendas and minutes reflect: <ul style="list-style-type: none"> <li>○ Salary</li> <li>○ Assigned school</li> <li>○ Funding percentages</li> </ul> </li> </ul>	Business Administrator	September 2010

these expenditures.	proper authorization of these expenditures.			
7  The LEA must develop procedures to ensure that Title I funded personnel prepare time and activity reports, which conform to the requirements of EDGAR, 34 CFR 80.20(b)(6) and OMB Circular A-87, Attachment B, Sections 8(h) and 8(h)(4).	<ul style="list-style-type: none"> <li>▪ Develop and implement time and activity reports for Title IA program staff members that are aligned to both EDGAR and OMB requirements.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Time and activity reports will be developed and implemented by the Title I Program Director.</li> <li>▪ Time and activity reports will be completed each pay period by each staff member being paid with Title IA funding detailing their work within the guidelines of the Title I, Part A program requirements.</li> <li>▪ Completed time and activity reports will be maintained in the Title I Program Director's Office.</li> </ul>	Title I Program Director; Title IA Staff Members	October 2010
8  The LEA must conduct ongoing consultation with its nonpublic school officials in accordance with NCLB 1120(b).	<ul style="list-style-type: none"> <li>▪ Consult with nonpublic officials in accordance with NCLN 1120(b).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Both the Title I Program Director and the Business Administrator will continue to regularly consult with nonpublic officials and maintain formal documentation of those meetings.</li> </ul>	Title I Program Director; Business Administrator; Nonpublic School Director	August 2010

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CHIEF SCHOOL ADMINISTRATOR

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DATE

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BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

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DATE