

Green Township School District Monitoring Report FY 2021

December 10, 2020

Commendations	0
Met Requirements	7
Recommendations	0
Action Required	0



U.S. Department of Education
Office of Rural, Insular, and Native Achievement Programs
Office of Elementary and Secondary Education
400 Maryland Avenue, SW
Washington, DC 20202

Monitoring Process

The Office of Rural, Insular, and Native Achievement Programs (RINAP) is committed to supporting States and local educational agencies (LEAs) as they implement Federal grant programs. Part of this commitment includes a monitoring process designed to not only address RINAP's responsibilities for fiscal and programmatic oversight, but to also identify areas in which LEAs need assistance and support to meet their goals and obligations. The monitoring process is anchored around ongoing conversations between RINAP and grantees. For fiscal year (FY) 2021, RINAP conducted this monitoring virtually.

The goals of the monitoring process are to conduct a program-centered, performance-focused review of the Small, Rural School Achievement Program (SRSA) (section 5211 of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA)) through a single, streamlined process that results in improved and strengthened partnerships between the U.S. Department of Education (Department) and LEAs. To accomplish this, the RINAP monitoring process is organized by areas, which reflect the programmatic and fiscal requirements and priorities of the SRSA program.

Monitoring Report

The Monitoring Report summarizes the results of the December 10, 2020 RINAP review of the Green Township School District (Green Township) grant administration and fiscal management processes. The report is based on information provided through the monitoring process, and other relevant qualitative data. The primary goal of monitoring is to ensure that implementation of the SRSA program is consistent with the fiscal, administrative, and select program requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance: 2 Code of Federal Regulations (CFR) Part 200), the Education Department General Administrative Requirements (EDGAR), and the ESEA.¹

¹ The RINAP office has chosen to focus only on fiscal and select program requirements applicable, as well as the uniform administrative requirements and general management systems of LEAs. Because this report summarizes the results of a non-comprehensive set of ESEA compliance requirements, the issuance of this report does not preclude other Department program offices, or independent auditors, from identifying areas of noncompliance that are not outlined in this report.

Section I: LEA Overview

As part of this document RINAP includes relevant LEA background information as a way of providing context for the review conversation. All data presented in Section I are reported by grantees to either the National Center for Education Statistics (NCES), Common Core of Data (CCD), or through standard oversight activities.

Section II: Performance Assessment

The information provided in Section II is intended to help an LEA quickly assess whether there are sufficient capacities, infrastructure, and resources allocated to LEA activities by area, in a manner that enables the LEA to achieve its strategic goals for the reviewed Federal program. This section provides the Department's rating of performance on grant administration of the applicable Title V, Part A program in fiscal year 2021. Each rating reflects how the LEA is addressing fiscal and program requirements in a particular area of grant administration. The Department's analysis for each area is primarily based on evidence submitted by the LEA in the form of answers to the self-assessment questions, documents submitted by the LEA prior to the monitoring, and the responses provided to questions during the monitoring interview. RINAP's rating is also informed by evidence collected through public sources and other components of the monitoring process.

Ratings are based on a four-point scale, for which "met requirements with commendation" represents high quality implementation where the grantee is exceeding expectations; "met requirements" indicates that work is of an acceptable quality and the grantee is meeting expectations; "met requirements with recommendations" indicates there are quality implementation concerns and some improvements could be made to ensure the grantee continues to meet expectations; and "action required" indicates there are significant compliance or quality concerns that require urgent attention by the LEA and will be revisited until the LEA has remedied the issue.

Section III: Met Requirements with Commendation ●●●●

This section highlights the areas where the LEA has exceeded requirements and is commended on the grant administration and fiscal management as identified in Section II of this report (*i.e.*, those areas categorized as "met requirements with commendation"). In addition, this section provides an opportunity for the RINAP office to highlight those areas where the LEA has implemented an innovative or highly successful system or approach. In these areas, the Department is not recommending or requiring the LEA to take any further action.

Section IV: Met Requirements ●●●○

This section identifies those areas where the Department has determined that the LEA has met basic requirements of grant administration and fiscal management and is implementing those requirements in a satisfactory manner as identified in Section II of this report (*i.e.*, those areas categorized as satisfactory quality, "met requirements"). The description of satisfactory implementation by relevant area and requirement is an indication of an acceptable implementation quality level. In these areas, the Department is not recommending or requiring the LEA to take any further action.

Section V: Met Requirements with Recommendations ●●○○

This section identifies those areas where the Department has quality implementation concerns related to grant administration and fiscal management as identified in Section II of this report (*i.e.*, those areas categorized as quality concerns, “met requirements with recommendations”). In these instances, the Department is determining that the LEA is currently complying with requirements, but that improvements could be made to improve the efficiency or effectiveness of operations. Identified issues are grouped according to relevant area and requirement, with citations provided. For each issue listed, the Department will provide a recommendation for improvement, but is not requiring the LEA to take any further action.

Section VI: Action Required ●○○○

This section identifies those areas where the Department has “significant compliance and quality concerns” as identified in Section II of this report (*i.e.*, those areas categorized as “Action Required”). For those issues, the Department will outline the current practice, the nature of noncompliance, and the required action. Documentation of required action must be provided to the Department within thirty (30) business days of the receipt of the final Monitoring Report.

SECTION I

LEA Overview



COVERED GRANT PROGRAMS²

TITLE V, PART B – SMALL, RURAL SCHOOL ACHIEVEMENT PROGRAM



STUDENT CHARACTERISTICS

Average Daily Attendance: 380



SCHOOL & LEA CHARACTERISTICS

Schools: 1
 Per-Pupil Expenditures: \$21,117
 FTE Teachers: 37



SMALL, RURAL SCHOOL ACHIEVEMENT FUNDING

FY 2020 \$37,109³

Monitoring Information

Monitoring Date: December 10, 2020

Reviewers: Ms. Alice Kinney, Lead
 Mr. Eric Schulz, Co-Lead

² Data Source: U.S. Department of Education, Common Core of Data, unless otherwise noted (see <https://eddataexpress.ed.gov/> and <http://nces.ed.gov/ccd/elsi/> for additional information).

³ Fiscal Year 2020 Master Eligibility Spreadsheet (see https://oese.ed.gov/files/2020/12/Copy-of-FY2020_Master_Eligibility_Spreadsheet-Public.xlsx)

SECTION II

Grant Administration and Fiscal Management Evaluation

Assessment Criteria Key



Met Requirements with Commendation

High quality implementation & compliance



Met Requirements

Satisfactory implementation & compliance



Met Requirements with Recommendation

Satisfactory compliance with quality concerns



Action Required

Significant compliance & quality concerns

		Assessment
Financial Management	A	● ● ● ○
Period of Availability	B	● ● ● ○
Uses of Funds	C	● ● ● ○
Audit Requirements	D	● ● ● ○
Equipment and Supplies Management	E	● ● ● ○
Personnel	F	● ● ● ○
Procurement	G	● ● ● ○

SECTION III

Met Requirements with Commendation

N/A

SECTION IV

Met Requirements

A.

Financial Management



REQUIREMENT SUMMARY

An LEA (or its agent) must use fiscal control and fund accounting procedures that insure proper disbursement of and accounting for SRSA funds. In general, an LEA must expend and account for Federal funds in accordance with Federal laws and regulations. In addition, LEA accounting systems must satisfy Federal requirements regarding the ability to track the use of funds and permit the disclosure of financial results. LEAs must also have written procedures for determining cost allowability and must maintain effective control over all funds.

[EDGAR 34 C.F.R. 75.702](#)

[Uniform Guidance 2 C.F.R. 200.302](#)



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

Green Township officials described and documented clear accounting and financial management procedures that include budget development, expenditures, account management, and regular reviews for each grant. The LEA employs a system of Generally Accepted Accounting Practices that allows for tracking of revenue and expenditures. This tracking is recorded in an electronic accounting system that several staff members access and operate. The roles in the accounting system are assigned to different people, each with specific duties making it necessary for multiple staff members to participate in the expenditure and obligation processes. The LEA also employs an encumbrance system when approving expenditures. Before a purchase order can be issued for a product or service, an invoice must first be approved internally in the accounting system and then publicly by the local Board of Education.

Green Township performs regular account tracking throughout the school year which details revenue and expenditures of Federal funds, including the SRSA grant. The LEA's administrative team produces financial records each month that are presented to the local Board of Education. These financial records are then sent to the New Jersey Department of Education in June and December of each year. Additionally, Green Township participates in a mid-year budget review with Sussex County.

B.

Period of Availability**REQUIREMENT SUMMARY**

An LEA may only charge a grant program for allowable costs incurred during the period of availability and shall liquidate all obligations incurred under the award not later than 90 calendar days after the end date of the period of availability.

EDGAR 34 C.F.R. 75.707

Uniform Guidance 2 C.F.R. 200.309, 2 C.F.R. 200.343(b)

U.S. Code 31 U.S.C. 1552

Department of Education Guidance Late Liquidation Memoranda

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

Green Township has an encumbrance system in place to ensure Federal funds, including SRSA funds, are spent within the applicable period of availability. Individual expenditures have a distinct account number within the LEA's accounting system. Green Township has also dedicated unique account lines for each Federal grant so that no one fiscal year's funds are blended with any prior or future fiscal years' funds. The processes which Green Township officials described during the monitoring interview aligns with the LEA's written procedures for the reimbursement of grant expenditures.

C.

Uses of Funds**REQUIREMENT SUMMARY**

An LEA can only use SRSA funds for allowable costs, as defined in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 C.F.R. §200), which include, among other things, the requirement that costs be reasonable and necessary for the accomplishment of program objectives. An LEA must use SRSA funds to supplement, and not supplant, any other Federal, State or local education funds and may use SRSA funds to carry out local activities authorized under any of the following provisions:

- Title I, Part A
- Title II, Part A
- Title III
- Title IV, Part A or B

ESEA §5212, §5232

EDGAR 34 C.F.R. 75.530

Uniform Guidance 2 C.F.R. 200.403-408, 2 C.F.R. 200.420-475

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

Green Township detailed a system of checks and balances for any proposed or recommended use of Federal funds, including SRSA grant funds. Green Township's SRSA funds are currently used to support a part-time, after-hours network engineer. All services performed by the network engineer are pre-approved through the same process described in the Financial Management section above, which includes collaboration and approval from the Green Township network engineer, principal, accountant, business administrator, and superintendent, as well as the local Board of Education. Prior to receiving SRSA funds, Green Township did not have a network engineer on staff. SRSA funding allows for this individual to be employed and for the growing technology and network needs of the LEA to be met.

D.

Audit Requirements**REQUIREMENT SUMMARY**

An LEA that expends greater than \$750,000 in Federal funding in a given fiscal year is required to have an audit conducted in accordance with the requirements established in the Uniform Guidance. Completed audits must be submitted within the earlier of 30 calendar days after receipt of the auditors' report or nine months after the end of the audit period. An LEA must promptly follow up and take corrective action on all audit findings.

Uniform Guidance 2 C.F.R. 200.501(a), 2 C.F.R. 200.511-512

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

Green Township does not expend more than \$750,000 in Federal funding in a given fiscal year and as a result, is not required to have an audit in accordance with the requirements established in the Uniform Guidance. However, Green Township does receive annual audits for local and State purposes. These audits review year-end financial records (which include the SRSA grant and other Federal funds) as well as local, State, and Federal regulations and requirements. These audits also focus on expenditures, encumbrances, any special revenue sources (for example, the SRSA grant), and all other Federal grant sources.

E.

Equipment and Supplies Management



REQUIREMENT SUMMARY

An LEA shall use, manage, and dispose of equipment and supplies purchased using Federal funds in accordance with all relevant Federal laws and procedures. LEAs shall also ensure that equipment and supplies are used only for authorized purposes of the project during the period of performance (or until no longer needed).

Uniform Guidance 2 C.F.R. 200.313-314

GAO Green Book Principle 10.03



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

Green Township does not use SRSA funds to purchase equipment or supplies; however, the LEA's internal controls system supports appropriate recordkeeping and purchasing procedures. Green Township uniquely labels all supply purchases in the electronic accounting system and includes the funding source for inventory purposes.

Green Township employs an inventory system that requires the technology coordinator to develop and maintain an inventory list throughout each school year. Equipment descriptions and serial numbers are listed and recorded for each item. The Green Township administrative team periodically reviews this inventory list creating annual oversight. Additionally, equipment purchased with Federal funds are kept in a secure, locked storage room and laptops are individually locked in a cart with locking external doors. The school building itself is alarmed and although the LEA reported no such incidents, they described the processes to be followed in the event of loss, damage, or theft of property purchased with Federal funds.

F.

Personnel



REQUIREMENT SUMMARY

An LEA shall ensure that charges to Federal awards for salaries are based on records that accurately reflect the work performed. These records must be supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated.

Uniform Guidance 2 C.F.R. 200.430



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

Green Township uses SRSA funds to pay the hourly wages of a part-time, after-hours network engineer. Green Township documents compliance with personnel requirements and described during the monitoring interview a systematic process of verifying timesheets for the network engineer that requires the approval of multiple administrators for each pay period. The LEA uses a detailed timesheet system to record the network engineer’s time and effort. The completed timesheet must be signed by the superintendent and business administrator, after which the assistant to the business administrator handles the completed timesheets and payroll processes.

G.

Procurement**REQUIREMENT SUMMARY**

An LEA shall ensure that all relevant Federal procurement procedures are followed when procuring goods and services using Federal funds.

Uniform Guidance 2 C.F.R. 200.318, 2 C.F.R. 200.326

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

Green Township does not use SRSA funds to procure products; however, Green Township demonstrated compliance with Federal procurement requirements by providing documentation that outlines the LEA's related policies and procedures. Green Township's procurement procedures are reviewed during annual audits as described in the Audit Requirements section above. Additionally, the LEA's current business administrator and accountant hold licenses for procuring all products and services for the LEA, highlighting their familiarity with relevant requirements. Green Township also participates in a purchasing consortium which allows the LEA to see if a business has been vetted, suspended, or debarred by the State of New Jersey before selecting a vendor from which to purchase products or services.

SECTION V

Met Requirements with Recommendation

N/A

SECTION VI

Action Required

N/A