

# New Jersey Comprehensive Performance Review Report

<b>Commendations</b>	<b>1</b>
<b>Met Requirements</b>	<b>19</b>
<b>Met Requirements with Recommendation</b>	<b>1</b>

*Draft Report*  
3/13/2024



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Office of Elementary and Secondary Education  
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## **GENERAL INFORMATION**

### **OVERVIEW OF THE COMPREHENSIVE PERFORMANCE REVIEW**

The U.S. Department of Education’s (Department’s) Office of State and Grantee Relations (SGR) conducted a performance review of the New Jersey Department of Education (NJDOE) to evaluate State and local compliance with Federal requirements. This review included cross-cutting and program-specific requirements associated with the administration of the Elementary and Secondary Schools Emergency Relief Fund (ESSER) and the Emergency Assistance to Non-Public Schools Fund (EANS) programs under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021, and the American Rescue Plan (ARP) Act.

This Comprehensive Performance Review Report summarizes the findings from the review of NJDOE that occurred on September 26-30, 2023. The review covered:

- Financial Management and Crosscutting topics;
- ESSER<sup>1</sup> and ARP ESSER; and
- CRSSA EANS and ARP EANS

This report is based on information provided through the review process and other relevant qualitative and quantitative data. The primary goal of this review was to ensure that implementation of the programs is consistent with the fiscal, administrative, and program requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance: 2 Code of Federal Regulations (C.F.R.) Part 200), the Education Department General Administrative Requirements (EDGAR), and the CARES Act, CRRSA Act, and ARP Act. The review addressed the administration of fiscal and programmatic components through two domains: (1) financial management and crosscutting requirements and (2) program-specific requirements.

### **NAVIGATING THE COMPREHENSIVE PERFORMANCE REVIEW REPORT**

This report contains five sections. Section I contains a snapshot of information pertinent to the grant activities for the respective State. Section II is a summary of the State’s performance on each indicator reviewed for each covered program. For each indicator, the Department assigns one of four ratings: (1) Met Requirements with Commendation indicates high-quality implementation where the grantee is exceeding expectations; (2) Met Requirements indicates that no instances of noncompliance were identified; (3) 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 (4) Action Required indicates there are compliance or quality findings that require attention by the SEA and will be revisited until the State Education Agency SEA has remedied the issue.

Section III, when applicable, identifies areas where the grantee has met the requirements with high-quality implementation and is exceeding expectations. These processes and procedures may serve as a model for other States and be shared as an example to other grantees for technical assistance purposes.

Section IV, when applicable, identifies those areas where the SEA has met the requirements but where the Department has concerns related to the SEA’s implementation of the grant administration or fiscal management (*i.e.*, those areas categorized as quality concerns, “met requirements with recommendations”). In these instances,

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<sup>1</sup> In this report, ESSER refers to both ESSER I (CARES Act) and ESSER II (CRRSA).

the Department determined that the SEA is complying with requirements but that improvements may 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 does not require the SEA to take any further action.

Section V, when applicable, identifies those areas where the Department has compliance and quality findings requiring corrective action. For those issues, the report outlines the current practice, the nature of noncompliance, and the required action.

## SECTION I

# Overview of Review

### COVERED GRANT PROGRAMS OF THIS REVIEW

ESSER I, ESSER II, ARP ESSER, CRRSA EANS and ARP EANS

### PANDEMIC RELIEF FUNDING

CARES Act ESSER	\$310,371,213
CRSSA Act ESSER	\$1,230,971,757
ARP ESSER	\$2,766,529,533
CRRSA EANS	\$68,749,847
ARP EANS	\$70,947,730

#### Dates of Review

SEA: September 26-27, 2023  
 Subrecipients: September 28-30, 2023

#### ED Reviewers

Darienne Feres-Merchant (Office of State and Grantee Relations)  
 Christopher Tate (Office of State and Grantee Relations)

#### Subrecipients Participating in the Desk Review

Newark Public Schools  
 Green Township School District

#### Current Grant Conditions

ESSER and ARP ESSER	Conditions 1-7, 11, 12 and 15 are related to allocations and period of availability for ESSER funds. Condition 8 relates to allowable uses. Conditions 9 and 10 relate to SEA assurances to meet the maintenance of effort and maintenance of equity requirements, respectively. Conditions 13 and 14 outline reporting requirements.
CRSSA EANS and ARP EANS	Conditions 1-4 are related to the allocation of EANS funds. Conditions 4 and 5 relate to period of availability, allowability, maintenance of effort and reporting requirements. Condition 6 relates to cash management requirements.

**Summary Status of Fiscal & Program Monitoring Indicators**

**STATUS KEY**



**Met requirements with Commendation**

High quality implementation & compliance



**Met Requirements**

No instances of noncompliance identified



**Met Requirements with Recommendation**

Satisfactory compliance with quality concerns



**Action Required**

Significant compliance & quality concerns

**FINANCIAL MANAGEMENT & CROSSCUTTING**

<b>Topic</b>	<b>Status</b>
Accounting Systems and Fiscal Controls	● ● ● ● ○
Cash Management and Payment Systems	● ● ● ● ○
Period of Availability and Carryover	● ● ● ● ○
Internal Controls	● ● ● ● ○
Audit Requirements	● ● ● ● ○
Records and Information Management	● ● ● ● ○
Equipment and Supplies Management	● ● ● ● ○
Personnel	● ● ● ● ○
Procurement	● ● ● ● ○
Indirect Costs	● ● ● ● ○

**ESSER**

<b>Topic</b>	<b>Status</b>
Grantee Budgeting (Administrative and State Activities)	● ● ● ● ○
Allocations/Sub-Award Process	● ● ● ● ●
Transparency Act Reporting	● ● ● ● ○
Risk Assessment of LEAs and Other Subrecipients	● ● ● ● ○
Subrecipient Monitoring	● ● ● ● ○
Equitable Services	● ● ● ● ○
Liquidation Extension	● ● ● ● ○

**EANS**

<b>Topic</b>	<b>Status</b>
Emergency Assistance to Non-Public Schools (EANS) Governor’s Office	● ● ● ● ○
Emergency Assistance to Non-Public Schools (EANS) State Education Agency	● ● ● ● ○

## Met Requirements with Commendation

### **ESSER - Allocations/Sub-Awards Process**

#### **TECHNICAL ASSISTANCE PROVIDED TO LOCAL EDUCATIONAL AGENCIES IN THE DEVELOPMENT OF THE USES OF FUNDS PLANS**

#### **REQUIREMENT SUMMARY**

The SEA shall ensure that, when subawarding funds to subrecipients, it makes subawards in accordance with applicable statutory and regulatory requirements (including requirements related to the process for subawarding funds and the amounts to be subawarded to individual subrecipients).

Under ARP ESSER, States are required to develop and to submit to the Department plans detailing how they will use ARP ESSER funds to safely re-open schools and provide academic and mental health supports for school communities to address learning loss resulting from the COVID-19 pandemic. Local educational agencies (LEAs) are required to develop plans consistent with the requirements of ARP ESSER and make them available to the public.

Section 18003(c) of the CARES Act

ESSER Certification and Agreement

CRRSA

Section 2001 of the American Rescue Plan (ARP) Act

EDGAR

34 C.F.R. 76.530

Uniform Guidance

2 C.F.R. 200.403-475

#### **COMMENDATION**

New Jersey provided extensive technical assistance to LEAs in the development of their uses of funds plans for its pandemic-relief programs during and after the national emergency. Since October 2021, NJDOE, through its Division of Educational Services, has convened monthly ARP ESSER Round Tables. These informational sessions allow LEAs the opportunity to liaise with each other and share best practices and lessons learned from the implementation of the ESSER programs on topics such as addressing teacher shortages, effective virtual/remote instruction, and social and emotional learning.

Both LEAs included in the monitoring referenced the importance of these monthly roundtables, as well as lauded the support provided by the State around implementation efforts. For example, one LEA highlighted during the interview that the State paired similar LEAs together to have conversations in smaller groups at the county level to liaise prior to submission of the applications. We commend New Jersey for their comprehensive approach and support to its LEAs in its response to the COVID-19 pandemic.

Information shared during these sessions is archived on the State's website to ensure continued access to key information.

## Met Requirement with Recommendation

### ESSER - Subrecipient Monitoring

#### POST-MONITORING PROCESS

#### REQUIREMENT SUMMARY

Description: An SEA shall monitor LEAs and any other entities, including external providers, receiving Federal funds from programs to ensure that all applicable fiscal and programmatic performance goals are achieved and that subawards are used for authorized purposes and in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards.

Section 442 of the General Education Provisions Act (GEPA), 20 U.S.C. 1232e.

##### Uniform Guidance

2 C.F.R. 200.332(d), (e)

2 C.F.R. 200.403-475

##### Davis-Bacon and Related Acts

##### EDGAR

34 CFR 76.600

34 CFR 75.600-75.618

#### RECOMMENDATION

While NJDOE has a comprehensive monitoring policy and provided evidence of its monitoring for a selection of its LEAs, the State's reporting on monitoring outcomes to its LEAs is not always consistent with the State's process and policy. Newark Public Schools' implementation of ESSER funds was monitored as a part of the State's Collaborative Monitoring process on February 9-11, 2021; however, the State did not provide the LEA with outcomes from the monitoring of these funds. Additionally, Newark Public Schools received Integrity Monitoring in 2022 and at the time of the Department's review indicated that it had not yet received notification of the outcomes of that monitoring visit. The Department recommends that New Jersey review its prior Integrity Monitoring and Collaborative Monitoring reports for all subrecipients of ESSER funds and ensure that the State shares the outcomes of each LEA's review. The State should additionally provide its staff additional training on its monitoring process to ensure that its procedures are being fully implemented as designed.

## Action Required

There are no action-required determinations for this review.