

CORRECTIVE ACTION PLAN

NAME OF SCHOOL: Newark Tenants Council, Inc.  
 TYPE OF EXAMINATION: New Jersey Department of Education, Newark Internal Audit Unit (NJDOE-NIAU)  
 DATE OF ADVISORY BOARD MEETING: June 21, 2011  
 CONTACT PERSON: Office of Early Childhood, Director and/or Fiscal Specialist  
 TELEPHONE NUMBER: \_\_\_\_\_

Abbreviations:  
 NPS-OEC – Newark Public Schools, Office of Early Childhood  
 NJDOE-NIAU – New Jersey Department of Education, Newark Internal Audit Unit  
 NJDOE-OFAC – New Jersey Department of Education, Office of Fiscal Accountability and Compliance  
 NJDOE-DECE – New Jersey Department of Education, Division of Early Childhood Education

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|----------------|--|---|---|-----------------|
| 1 (a)          | The provider did not notify the district of its intent not to renew the contract as contractually required, and the provider is no longer operating a day care center. The provider under spend the 2008-09 approved budget by \$185,435, which includes disallowed costs. After the hold back of funds the district is owed \$68,005. NPS-OEC should pursue recovery of \$68,005 from the provider either on their own or by using the services of the district's Legal Department. | NPS-OEC will work with the Legal Department regarding the cost effectiveness of pursuing this recovery. NPS-OEC will mail the audit report to the last known address of Irondi C. Aliche, Director of Newark Tenants Council (NTC). | NPS-OEC Fiscal Specialist; Newark Tenants Council Inc. Director, Irondi C. Aliche | June 30, 2011   |

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| 1 (b)          | The auditors recommend that NPS-OEC fully review the quarterly expenditure reports for all providers on a timely basis. | NPS-OEC had reviewed NTC expenditure reports for salary and benefit lines and determined an amount due to the district of \$64,134. In the future all expenditure lines will be incorporated into the review. NPS-OEC continues to move forward with the three year backlog created by under staffing issues and anticipated a completion date for the 2009-10 review by January 2012. All prior years have been completed. NPS-OEC will also put together a rotation plan for the detailed expenditure report reviews, in consultation with NJDOE-NIAU. | NPS-OEC Fiscal Specialist                | 2008-09 backlog complete; 2009-10 backlog is projected to be complete by January 1, 2012 |

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| 2              | NPS-OEC did not have Criminal History Record Information (CHRI) and Child Abuse Record Information (CARI) results for several employees and were missing credentials for several substitute and floating teacher assistants. The auditors recommend that the NPS-OEC personnel reviewing the provider expenditure reports notify the certification supervisor of all employees working in the DOE program. The credentials supervisor should verify that the NPS-OEC has all current applicable credentials, CHRI results and CARI results for these employees. The supervisor should pursue the providers for all missing items. | NPS-OEC requests all current CARI and CHRI for all contracted preschool provider staff throughout the school year. CARI checks are renewed every three years. In the past expired CARI checks may have been archived or destroyed. Going forward, NPS-OEC will retain copies of CARI and CHRI results based on the retention schedule. NPS-OEC will also continue to issue instructions to all contracted preschool providers during the monthly director meetings regarding their responsibilities of obtaining the proper certifications and CHRI and CARI documentation. NPS-OEC will also provide the certification supervisor a list of employees added to the roster during the school year for compliance. | Newark Tenants Council Inc. Director, Irondi C. Aliche, NPS-Certification Supervisor, NPS-OEC Fiscal Specialist | July 1, 2011    |

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| 3              | The auditors recommend that NPS-OEC require providers to submit inventories to be used in ascertaining what non-consumable items may be recoverable upon non-renewal of the contract. | NPS-OEC issued a total of \$11,600 for Classroom Supplies, Materials and Technology. NPS-OEC used 2008-09 fiscal year non-consumable supply purchases to estimate non-consumable items for the three prior fiscal years. The total calculation for the four years of \$11,600 will be included in any collection efforts.   | NPS-OEC Fiscal Specialist and Newark Tenants Council Inc. Director, Irondi C. Aliche | June 30, 2011                          |
| 4              | The auditors recommend that NPS-OEC obtain all provider benefit policies and benefit waiver forms as part of their expenditure review.  | NPS-OEC will advise providers of the provision that requires a uniform benefits policy and will request providers submit copies of employee benefit waivers and the uniform benefits policy with the annual contract renewal. NPS-OEC will review the uniform benefits policy for compliance with DOE regulations and will alert the provider and DOE of potential non-compliant issues for resolution. | NPS-Certification Supervisor, NPS-OEC Fiscal Specialist                              | Beginning with the 2011-12 school year |

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|                |                |                          | <u>Barbara Borchers</u><br>EARLY CHILDHOOD DIRECTOR                    | <u>6/13/11</u><br>DATE |
|                |                |                          | <u>Valerie W. St.</u><br>SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY | <u>6/3/11</u><br>DATE  |

[Signature]  
 CHIEF SCHOOL ADMINISTRATOR      DATE 6/21/11