

**Integrity Monitor Report  
Category 3**

Integrity Monitor Firm Name: Vander Weele Group<sup>LLC</sup>  
Quarter Ending: 09/30/2024  
Expected Engagement End Date: 09/30/2024

**A. General Info**

1. Recovery Program Participant:

New Jersey Department of Education (NJDOE), Additional or Compensatory Special Education and Related Services to Students with Disabilities (ACSERS)

2. Federal Funding Source (e.g. CARES, HUD, FEMA, ARPA):

*American Rescue Plan Act (ARPA)*

3. State Funding Source (if applicable):

American Rescue Plan State Fiscal Recovery Fund

4. Deadline for Use of State or Federal Funding by Recovery Program Participant:

June 30, 2024

5. Accountability Officer:

Amanda Schultz

6. Program(s) under Review/Subject to Engagement:

Program and Performance Monitoring, Financial Monitoring and Grant Management, and Anti-Fraud Monitoring for COVID-19 Recovery Funds and Programs specific to ACSERS.

7. Brief Description, Purpose, and Rationale of Integrity Monitor Project/Program:

The purpose of this engagement is to collaborate with the NJDOE to develop measures that will help to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 recovery funds and to provide expertise in program and process management

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auditing, financial auditing and grant management, and integrity monitoring/anti-fraud services.

8. Amount Allocated to Program(s) under Review:

The monitoring plan covers approximately \$200 million in State Fiscal Recovery Funds appropriated to the State of New Jersey over the next three school years.

9. Amount Expended by Recovery Program Participant to Date on Program(s) under Review:

The amount expended to date totals \$145,768,953.40.

10. Amount Provided to Other State or Local Entities:

The amount provided to school districts to date totals \$145,288,516.40.

11. Completion Status of Program (e.g. planning phase, application review, post-payment):

The ACSERS program is currently in the close out phase. We recently completed all district reviews and provided them to the department. A close out was held on September 30<sup>th</sup> to discuss the reviews, summary of findings/questioned costs, as well as any other close out information.

12. Completion Status of Integrity Monitor Engagement:

The ACSERS program is currently in the completion phase with all deliverables completed by September 30, 2024. To date, we have completed all district reviews and provided them to the department. A close out meeting was held on September 30<sup>th</sup>. We provided a draft full cumulative report on September 30<sup>th</sup> and will provide the final version in the coming days summarizing all the district reporting to the department and will discuss the reporting during the close out meeting.

**B. Monitoring Activities**

13. If FEMA funded, brief description of the status of the project worksheet and its support:

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a) IM Response

No FEMA funds are associated with ACSERS.

b) Recovery Program Participant Comments

N/A

14. Description of the services provided to the Recovery Program Participant during the quarter (i.e. activities conducted, such as meetings, document review, staff training, etc.):

a) IM Response

1. Conducted bi-weekly follow-up meetings to discuss various inquiries and items that primarily relate to the monitoring phase for the second round of ACSERS funding.

We received the final costs reports for the 2024 school year from the department. We needed the final costs report in our reviews to compare the actual costs to the actual reimbursement received by the district to determine whether any issues (findings with no questioned costs or findings with questioned costs) were present. We are currently in the completion phase of the monitoring reviews, with all deliverables expected to be complete by September 30<sup>th</sup>.

2. To date, we have completed all 20 monitoring reviews for the selected districts. A copy of the final report was provided to the districts for their review and any follow-up/updates prior to our submission to the districts. We considered any applicable updates or additional files the districts provided to clear any issues noted within the report and adjusted accordingly. Once complete, we provided all remaining files to the NJDOE on 09/27/2024.

3. Of the 20 districts completed, five districts had a clean report (no findings or questioned costs). The remaining 15 districts either had findings with no questioned costs or findings with questioned costs ranged from incorrect general ledger codes used for ACSERS expenditures to variances between submitted and actual costs noted per the supporting documents provided for school years 2023 and

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2024. Findings and any applicable questioned costs included: Variances between expenditures and support provided: Improper segregation of the ACSERS funds via incorrect general ledger utilization; and total questioned costs of \$309,246.00 for FY23 and \$32, 332.00 for FY24.

4. As part of the district reviews, we completed a full cumulative report that summarized the findings for all 20 districts that were selected for monitoring. We conducted the close out conference on September 30<sup>th</sup>.

5. Completed monthly reports for July, August, and September, as well as the third quarter report for 2024.

b) Recovery Program Participant Comments

NJDOE is currently reviewing the provided reports..

15. Description to confirm appropriate data/information has been provided by the Recovery Program Participant and description of activities taken to review the project/program:

a) IM Response

We confirm that we have received the requested data/information regarding the administration of the ACSERS program from the NJDOE and from the various districts being reviewed.

The NJDOE provided the VWG with a listing of districts that received ACSERS funding. Using various risk assessment indicators, the VWG selected a sample of districts for review. The NJDOE provided the expenditure totals for each of the selected districts. For our process, we coordinated initial meetings with each of the districts to review their internal control processes and procedures and request any preliminary information. Based on the information gathered from the initial meetings, we submitted a more detailed document request list to each district, including contracts, purchase orders, invoices, and disbursement records that will aid in our validation of the individual expenditures being reviewed. Once we gathered and validated all

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information, we issued a final monitoring report with our findings to the department.

Based on the information provided, we have completed all the selected district reviews and provided all reports to the department by September 30<sup>th</sup>.

b) Recovery Program Participant Comments

NJDOE agrees with the above.

16. Description of quarterly auditing activities conducted to ensure procurement compliance with terms and conditions of contracts and agreements:

a) IM Response

We have completed the second-round review of ACSERS funding for all 20 districts selected for review, which covered both fiscal years 2023 and 2024.

The monitoring phase for the second round consisted of reviewing procurement documentation (i.e., review contracts, specifically tuition and vendor contracts, to ensure that the costs noted within these contracts correspond to what was submitted via the homeroom applications).

b) Recovery Program Participant Comments

N/A

17. If payment documentation in connection with the contract/program has been reviewed, provide description.

a) IM Response

Review of the payment documentation involved comparing the amount the NJDOE provided to the source documents the districts provided (purchase orders, invoices, receipts, etc.), identifying discrepancies noted, communicating those discrepancies to the districts for resolution, and communicating unresolved issues that are considered a finding within our reporting to the NJDOE.

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b) Recovery Program Participant Comments

N/A

18. Description of quarterly activity to prevent and detect waste, fraud, and/or abuse:

a) IM Response

1. Quarterly activities to prevent and detect waste, fraud, and/or abuse include, but are not limited to, discussions over any potential fraud, necessary updates to controls that may exist to detect and prevent fraud, follow-up inquiries, and, if applicable, interviews.
2. We have completed the **second-round review of ACSERS funding** for all 20 districts selected for review, which covered both fiscal years 2023 and 2024.

To date, our tasks have not uncovered any evidence of waste, fraud, and/or abuse. However, our monitoring reviews did note several instances of findings with either a questioned cost or no questioned cost. The total questioned costs were \$309,246.00 for FY23 and \$32,332.00 for FY24.

b) Recovery Program Participant Comments

NJDOE is reviewing the questioned costs.

19. Details of any integrity issues/findings, including findings of waste, fraud, and/or abuse:

a) IM Response

During our review of the districts selected, we identified findings primarily related to documentation where there were variances between the reimbursement received and the actual expenditures (purchase order, vendor invoices, contracts, etc.). There was one allowability finding where expenditures were deemed unallowable. As well, two districts had an improper segregation of funds (incorrect general ledger line).

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For each instance of a finding and/or questioned cost, the VWG provided a corrective action recommendation within our reporting for each district.

b) Recovery Program Participant Comments

NJDOE is currently reviewing the recommendations made by the Vander Weele Group.

20. Details of any other items of note that have occurred in the past quarter:

a) IM Response

N/A

b) Recovery Program Participant Comments

N/A

21. Details of any actions taken to remediate waste, fraud, and/or abuse noted in past quarters:

a) IM Response

N/A - no waste, fraud, or abuse noted in our prior quarters reporting.

b) Recovery Program Participant Comments

N/A

**C. Miscellaneous**

22. List of hours (by employee) and expenses incurred to perform quarterly integrity monitoring review:

a) IM Response

Maribeth Vander Weele – 2.35  
Dr. Kristen Mokofisi – 89.90

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Richard Palmer – 198.75  
Artecia Foster – 133.80  
Rene Alaniz – 112.50  
Sydney Long – 1.20

b) Recovery Program Participant Comments

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23. Add any item, issue, or comment not covered in previous sections but deemed pertinent to monitoring program:

a) IM Response

N/A

b) Recovery Program Participant Comments

Type Here

Name of Integrity Monitor: Vander Weele Group<sup>LLC</sup>  
Name of Report Preparer: Richard Palmer

Signature: *Richard Palmer*

Date: 09/30/2024