

State of New Jersey
Department of Education
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BelovED Community Charter School

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New Jersey K to 12 Education

Collaborative Monitoring Report
July 2022

Charter School: BelovED Community Charter School
County: Hudson
Dates Monitored: April 12, 13 and 14, 2022
Case Number: CM-04-22

Funding Sources:

Program	Funding Award
Title I, Part A	850,759
Title I SIA	0
Title II, Part A	101,789
Title III	47,349
Title III Immigrant	9,784
Title IV, Part A	0
IDEA Part B, Basic and Preschool	354,850
CARES ESSER I	412,580
CRRSA ESSER II (includes all subgrants)	1,981,496
ARP ESSER (includes all subgrants)	4,379,171
ARP IDEA Basic and Preschool	81,285
Perkins V	0
Total Funds	8,219,063

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Background

The Every Student Succeeds Act (ESSA), the Individuals with Disabilities Education Act (IDEA) and other federal education laws require local education agencies (LEAs - school districts and charter schools) to provide programs and services to schools within their local jurisdiction. The provision of these programs and services is based on the pertinent authorizing statutes specified in each of the federal education laws.

The laws further require that state education agencies, in this case, the New Jersey Department of Education (NJDOE) to monitor the implementation and execution of federal programs by the subrecipients. The monitors thereby determine whether the funds are being properly used by the charter school for their intended purposes and achieving the overall objectives of the funding initiatives.

Introduction

The NJDOE visited the BelovED Community Charter School (BCCS or charter school) virtually, except where noted, to monitor the charter school's use of federal funds. The NJDOE also examined related program plans, as applicable, to determine whether the school's programs are meeting the intended purposes and objectives, as specified in the current year's applications and authorizing statutes.

The goal of the monitoring is to determine whether the funds were spent in accordance with the requirement of each program, federal and state laws, and applicable regulations. The monitoring of BCCS included staff interviews, as well as, the review of documents and records related to the requirements of these programs:

- Title I, Part A (Title I);
- Title II, Part A (Title II-A);
- Title III;
- Title III Immigrant;
- IDEA Part B - Basic and Preschool;
- Coronavirus Aid Relief, and Economic Security Act, Elementary and Secondary School Emergency Relief (ESSER) Fund (CARES ESSER I);
- Coronavirus Response and Relief Supplemental Appropriations ESSER Fund (CRRSA ESSER II) and applicable subgrants;
- American Rescue Plan Act (ARP) ESSER and applicable subgrants; and
- ARP IDEA - Basic and Preschool.

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The scope of work performed included the review of records and documentation which included:

- accounting records
- annual audits
- board minutes
- grant applications program plans and needs assessments
- grant awards
- payroll records
- purchase orders
- student records

The scope of work performed also included interviews with:

- instructional staff to verify implementation of Individualized Education Programs (IEPs)
- child study team members and speech-language specialists
- the program administrator regarding the IDEA grant

In addition, a sampling of computing devices and equipment purchased with federal funds was selected and physically examined without exception.

Expenditures Reviewed

The grants and programs reviewed included Title I, Title II-A, Title III, Title III Immigrant, IDEA Basic and Preschool, ARP IDEA Basic and Preschool from July 1, 2021 through March 30, 2022. In addition, CARES ESSER I, CRRSA ESSER II, ARP ESSER and all applicable subgrants were reviewed from commencement of the related project periods through March 30, 2022. A sampling of purchase orders and/or salaries and wages was selected from each program reviewed for examination.

General Overview of Purposes and Uses of Federal Funds

Title I Projects

The purpose of the Title I, Part A program is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps. BCCS operates a schoolwide program and utilizes its FY 2022 Title I, Part A allocation of funds for instructional in class support, instructional materials and supplies, extended day/year programs, professional development activities, parent and family engagement, and social emotional learning.

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Title II-A Projects

The purpose of the Title II, Part A (Title II-A) program is to build systems of support for excellent teaching and learning while increasing student achievement consistent with the challenging State academic standards. BCCS uses Title II-A funds for professional development training for school personnel in all subject areas. BCCS' Summer Institute provides professional development activities that prepare all teachers for the upcoming school year.

Title III Projects

The purpose of Title III program is to improve the education of English learners (ELs) by helping them learn English and meet challenging state academic content and student academic achievement standards. Title III funds are being used for salaries, professional development, translation services and supplies.

Title III Immigrant Projects

The purpose of Title III Immigrant program is to provide enhanced instructional opportunities for immigrant students and their families. Title III Immigrant funds were used for instructional supplies.

Title IV-A Projects

BCCS transferred its Title IV, Part A (Title IV-A) funds to its Title I, Part A and Title II-A grant programs.

IDEA Program

The purpose of IDEA Part B funding is to assist LEAs in assuring all students with disabilities have available to them a free appropriate public education (FAPE). These funds may be used for the excess cost of providing special education and related services to address the unique needs of students. BCCS uses its IDEA Basic funds to pay for child study team services, as well as the provision of IEP mandated related services.

CARES ESSER I

The purpose of the CARES ESSER I funding is to address the impact COVID-19 has had, and continues to have, on elementary and secondary schools. BCCS uses its funds for desk shields, educational technology, such as Chromebooks and charging stations, software licenses, and cleaning and sanitizing supplies.

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BCCS also budgeted CARES ESSER I funds for:

1. staff to work with students over the summer to fill in the gap lost during the pandemic; and
2. AfterCare, homework help and additional tutoring during the school year.

CRRSA ESSER II

The purpose of CRRSA ESSER II funding is to provide money to LEAs to: assist in safely reopening schools; measuring and effectively addressing significant learning loss; and testing, repairing, and upgrading projects to improve air quality in buildings. BCCS uses the funds for heating, ventilation, and air conditioner (HVAC) upgrades, the replacement of an HVAC unit, desks shields, educational technology, such as computer anti-virus monitoring license and computing devices, online workshops and a used passenger bus. BCCS has also budgeted funds for extended day and school year learning opportunities, one on one tutoring and professional development.

ARP ESSER

The purpose of ARP ESSER funding is to assist LEAs in preparing for and responding to the impact of COVID-19 on educators, students, and families. Additional uses of funds include, but are not limited to:

1. hiring new staff and avoiding layoffs; and
2. addressing learning loss through summer learning or summer enrichment, extended day, comprehensive afterschool programs, or extended school year program; and
3. the purchase of three buses to decrease bus crowding and facilitate social distancing.

BCCS also budgeted funds for among other things: the extension of its multi-purpose room to assure social distancing; HVAC modifications; hire additional teachers of students with disabilities and English as a Second Language Teachers; and stipends for teachers performing after-school and summer activities.

ARP IDEA

ARP IDEA is a supplemental award to the IDEA, Part B funds, intended to support districts in the recovery from the impact of the COVID-19 pandemic, to reopen schools safely and sustain safe operations. BCCS uses its funds for teacher assistant and speech services.

Detailed Findings and Recommendations

The Detailed Findings and Recommendations are disaggregated into the following sections:

1. Multiple Grants Section – findings necessitating the reversal of charges for multiple grants due to the lack of adequate supporting documentation;
2. Grant Specific Programmatic and Fiscal Section – findings directly attributable to the federal awards covered during the monitoring; and
3. Administrative Section - crosscutting administrative findings may be found in this section.

Multiple Grants Section

There are no findings which warrant mention in this section.

Grant Specific Programmatic and Fiscal Section

Title I

Finding 1:

The charter school did not provide evidence that it convened an annual, Title I meeting for parents and families of participating children. Pursuant to ESEA legislation, a Title I-funded school must convene an annual meeting at the beginning of the school year, to inform parents and families of the charter school's Title I, Part A program(s), the Title I legislative requirements, and the ways in which parents and families can be engaged actively in helping their children succeed academically.

Citation(s):

ESEA §1116(c) Parent and Family Engagement – Policy Involvement

Required Action(s):

For FY 2023, the charter school must ensure it holds an annual, Title I meeting at the beginning of the school year. To document this annual meeting, the charter school must maintain the following documentation on file:

1. invitational letter/flyer;
2. meeting agenda;
3. meeting minutes; and
4. sign-in sheets or a list of the names of staff and parents who attend the meeting.

Each piece of documentation must include the exact date on which the annual, Title I, Part A meeting was held.

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Finding 2:

The charter school did not provide evidence to show how it actively engaged parents and families in the development of the school-level parent and family engagement policy. Pursuant to ESEA legislation, parents and families must be involved in the development of the written school-level parent and family engagement policy, as well as be informed of the ways in which they can further participate in the academic performance and achievement of their children.

Citation(s):

ESEA §1116(b)(1) Parent and Family Engagement – School Parent and Family Engagement Policy

Required1 Action(s):

For FY 2023, the charter school must establish policies and procedures to ensure it actively engages parents and families in the development and review of the school-level parent and family engagement policy, as well as ensure this policy is widely distributed to parents and families on an annual basis. In this way, parents and families are afforded opportunities to become effective partners in the charter school’s ongoing parent and family engagement process. As part of the submission of its corrective action plan (CAP), the charter school must submit a copy of these policies and procedures for review by staff in the Office of Supplemental Educational Programs (OSEP).

Finding 3:

The charter school provided evidence of its school-level parent and family engagement policy; however, it was outdated and contained references to the incorrect section number in the ESEA legislation (Section 1118 rather than 1116). Under the Elementary and Secondary Education Act (ESEA), as reauthorized by ESSA, Section 1118 now relates to Fiscal Requirements and Section 1116 relates to Parent and Family Engagement.

Citation(s):

ESEA §1116 (a)(2) Parent and Family Engagement: Local Educational Agency Policy – Written Policy

Required Action(s):

Annually, the charter school must actively engage parents and families, along with charter school representatives, in the ongoing monitoring, implementation, and revision of its school-level parent and family engagement policy. The charter school must ensure the school-level parent and family engagement policy contains the date on which the policy was approved by the board of trustees (board), as well as maintain records to show the date on which the policy was widely distributed to parents and families. In addition, the charter school must institute policies and procedures for the method(s) by which the policy will be widely distributed through various venues to parents and families (e.g., posted to school’s website, contained in student handbook, etc.). As part

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of the submission of its CAP, the charter school must submit a copy of its policies and procedures regarding the school-level parent and family engagement policy.

Recommended Action(s):

To further enhance knowledge regarding the language and content of meaningful and timely parent and family engagement, it is recommended the charter school's administrators and staff review the parent and family engagement resources available on the NJDOE website at [Title I, Part A Parent Family Engagement](#). For additional assistance, please contact OSEP at titleone@doe.nj.gov.

Finding 4:

The charter school provided evidence of a board approved school-parent compact; however, it was outdated and contained references to the incorrect section number in ESEA legislation (Section 1118 rather than 1116). Pursuant to ESEA legislation, the school-parent compact must outline how parents, the entire school staff, and students will share the responsibility for improved student academic achievement and the means by which the school and parents will build and develop a partnership to help children achieve the challenging, State academic standards.

Citation(s):

ESEA §1116(d) Parent and Family Engagement: Shared responsibilities for High Student Academic Achievement

Required Action(s):

The charter should update its school-parent compact and submit a board approved copy as part of the submission of the CAP, for review by staff in OSEP.

Finding 5:

The charter school did not provide documented evidence of its notification to parents and adult students (18 of age or older) concerning information disclosed to military recruiters, postsecondary institutions, or prospective employers, when requested. Pursuant to ESEA legislation, parents must be notified that schools routinely disclose names, addresses and telephone numbers to military recruiters, postsecondary institutions, or prospective employers, subject to a parent's request not to disclose such information without prior written consent. The notification must advise parents of how to opt-out of the public, nonconsensual disclosure, of this information and the method and timeline within which to do so.

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Citation(s):

ESEA §8528(a)(2)(A)(B) Armed Forces Recruiter Access to Students and Student Recruiting Information – Consent

Required Action(s):

The charter school must establish policies and procedures to ensure the military notification is developed and distributed, annually. For FY 2023, the charter school must distribute the required notification regarding the disclosure of students' names, addresses, and telephone numbers, upon request, to military recruiters, postsecondary institutions, or prospective employers. The notification must include information on how parents may opt-out of this public, nonconsensual disclosure of information, as well as the method and timeline within which to do so. The charter school must maintain on file a record of parents and students who request to "opt-out" from the nonconsensual disclosure of information.

As part of the submission of its CAP, the charter school must include a copy of the policies and procedures related to the development and distribution of this letter, for review by staff in OSEP.

Finding 6:

The charter school did not provide evidence of policies and procedures for Educational Stability for Children in Foster Care. Local educational agencies (LEAs) must implement the Title I educational stability requirements for children in foster care, which address how the LEA will do the following:

- Promptly provide, arrange, and fund transportation for the duration of time a student is in foster care;
- Ensure the processing of tuition reimbursement is conducted in such a way as to avoid any barriers to enrollment;
- Ensure immediate enrolment upon receipt of a school notification letter from the Department of Children and Families; and
- Ensure immediate records transfers for children in foster care.

Citation(s):

ESEA §1112(c) Local Educational Agency Plans – Assurances

Required Action(s):

The charter school must create and adopt policies and procedures for the Educational Stability for Children in Foster Care. A copy of these policies and procedures must be submitted along with the CAP, for review by staff in OSEP. In addition, the charter school must post these policies on its website.

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Recommended Action(s):

To further enhance knowledge regarding Educational Stability for Children in Foster Care, it is recommended the charter's administrators and staff review the resources available on the NJDOE website at [Educational Stability for Children in Foster Care](#). For additional assistance, please contact OSEP at titleone@doe.nj.gov.

Finding 7:

The charter school did not provide evidence that the Title I, Part A Parents Right-to-Know letter was distributed at the beginning of the 2021-2022 school year. In accordance with ESEA, all LEAs are required to notify parents at the beginning of each school year of their 'Right to Know' the professional qualifications of their children's classroom Teachers and Paraprofessionals. Pursuant to ESEA requirements, parents may request, and the LEA will provide information regarding the professional qualifications of the student's classroom teachers, including at a minimum, the following:

1. Whether the student's teacher:
 - a. has met State qualification and licensing criteria for the grade levels and subject areas in which the teacher provides instruction;
 - b. is teaching under emergency or other provisional status through which State qualification or licensing criteria have been waived; and
 - c. is teaching in the field of discipline of the certification of the teacher; and
2. Whether the child is provided services by Paraprofessionals and, if so, their qualifications.

Citation(s):

ESEA §1112(e)(1)(A) Parents Right to Know – Information for Parents

Required Action(s):

For FY 2023, the charter school must develop and distribute its Title I, Part A Parents Right-to-Know letter, on school letterhead, to include a date of issuance (DD/MM/YYYY) and inform parents of their right to request information about the qualifications of their children's teachers. The Parents Right-to-Know letter must meet the following requirements, be issued in:

1. English and other languages that represent the school community;
2. an understandable format; and
3. a timely manner.

Moving forward, at the beginning of each year, this letter must be distributed to the parents of all students identified for Title I, Part A services.

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Recommended Action(s):

To further enhance knowledge regarding meaningful and timely parent and family engagement, it is recommended the charter's administrators and staff review the parent and family engagement resources available on the NJDOE website at [Title I, Part A Parent Family Engagement](#). For additional assistance, please contact the OSEP at titleone@doe.nj.gov.

Finding 8:

The charter school transferred funds of \$202,262.00 among various line items prior to submitting an amendment application to the department via the Electronic Web-Enabled Grant (EWEG) system. The amount transferred is equivalent to 23.7% of the total award. Budgetary transfers in excess of 10% of the federal award are one of several circumstances that necessitates the submission of an amendment application.

The charter school also classified and budgeted costs for Interactive Learning Language Network (ILLN) - French, Arabic Spanish as "A-V/Digital Media" under line item 100-600, Instructional Supplies. The charter school submitted documentation which shows the costs far exceed the budgeted amount and actually consist of *salaries* for foreign language teachers.

While amending its FY 2022 ESEA Consolidated Subgrant Application, the charter school must:

- Transfer the salaries incurred for the foreign language teachers through ILLN from 100-600 to line item 100-100 Salaries;
- Open a new line item 100-300 Purchased Services to budget costs that must be recorded under this expenditure category;
- Re-budget costs for software and licenses acquired from Brown University-Choices program (100-500) and Commonlit (100-600) and School Mint (100-600) to line item 100-300; and
- Incorporate the changes required by Finding 9.

Citation(s):

[FY 2022 ESEA Amendment Instructions](#) (published annually by the department's Office of Grant Management) and The Uniform Minimum Chart of Accounts for New Jersey Public Schools and Approved Private Schools for Students with Disabilities (UMCOA)

Required Action(s):

The charter school must file an amendment application in accordance with departmental guidelines and properly transfer the salaries of foreign language teachers and software/licenses under line items prescribed by the departments UMCOA. Staff from OSEP will assist the charter school staff in completing this amendment modification.

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The charter must upload copies of documentation evidencing the submission of the amendment application through the CFM Homeroom App to OFAC within 30 days from the date of this ROE.

Finding 9:

In its FY 2022 ESEA Consolidated Subgrant application, the charter school budgeted Title I, Part A funds for the stipends of 28 Teachers (\$171,200.00) for extended day/school year programs. A review of the charter school's submitted documentation disclosed no indication of board approvals for the following Title I-funded staff members: M. Ghizzone, J. Hooper, O. Zapata and K. Mejias. Please note that board minutes must clearly delineate the names of all staff members whose compensation and benefits will be funded with federal awards.

The charter school was asked to provide copies of timesheets or pay forms for staff paid on an hourly basis to substantiate the Title I, Part A payroll costs recorded on 7/30/2021 and 8/13/2021 in the amounts of \$62,935.00 and \$58,255.00, respectively. The documentation requested was not furnished for examination.

Pursuant to the Uniform Grant Guidance, charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. Timesheets or pay forms for staff paid on an hourly basis must reflect what Title I, Part A funded staff are doing, when and where they are working. This documentation is necessary to verify that charter school staff are performing grant funded allowable activities.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.403(a) and §200.403(g) Factors affecting allowability of costs; and § 200.430(i) Standards for Documentation of Personnel Expenses

Required Action(s):

The charter school must submit copies of pay forms substantiating aggregate compensation costs of \$121,190.00 (\$62,935.00 + \$58,255.00), for the payroll check dates noted or accounting records evidencing the reversal of the expenditures identified that were allocated to the Title I, Part A grant.

Since the charter school has already received reimbursement for these expenditures, the charter school must reduce the expenses claimed on its next reimbursement request for Title I, Part A by \$121,190.00. This offset is necessary to ensure the accuracy of the charter school's reimbursement requests and Final Report. The required documents must be submitted to OFAC through the CFM Homeroom Application within thirty (30) days from the date of this report of examination (ROE).

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Finding 10:

The charter school did not provide documented evidence to support the use of Title I, Part A funds for a Gotta Go Gaming event held at BCCS. In its FY 2022 ESEA Consolidated Grant application, the event was identified as a field trip involving coding. In addition to not showing a connection to the academic or non-academic needs of students, the charter school did not present documented evidence on the methods it established to measure and evaluate the success of each activity in meeting program outcomes or demonstrating increased student learning and achievement.

Citation(s):

Uniform Grant Guidance §200.404 and §200.405 Cost Principles: Subpart E – Reasonable Costs and Allocable Costs

Required Action(s):

In its FY 2022 ESEA amendment application, the charter school must reverse the associated budgeted costs for this activity and re-budget the funds for other Title I, Part A allowable uses. The charter school is reminded that the selection of other allowable uses, as well as budgeted costs, must align to the identified needs of the charter school.

Finding 11:

The charter school budgeted and divided salaries of \$394,250.00 for twelve (12) Paraprofessionals, by the number of months in a school year or 10 to post periodic salary charges to its Title I, Part A general ledger. As of February 28, 2022, the general ledger reflects salaries of \$236,550.00, which is \$70,487.55 higher than the sum of actually supported by payroll records of \$166,062.45. This discrepancy contributed in part to the subsequent finding.

Citation(s):

Uniform Grant Guidance, §200.302(b)2-4 Financial Management; §200.403(g) Factors affecting allowability of costs; and 2 C.F.R. § 200.430(i) Standards for Documentation of Personnel Expenses

Required Action(s):

The charter school is required to post a journal entry to its accounting records for the period ending July 31, 2022 to ensure that the final amount charged to the federal award for the salaries of the twelve Paraprofessionals is accurate and properly allocated. The required documents must be submitted to OFAC through the CFM Homeroom Application within thirty (30) days from the date of this ROE.

In addition, the charter school must implement procedures to ensure actual payroll charges are posted to its accounting records in lieu of amounts based on budgets or estimates.

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Finding 12:

The charter school's first reimbursement request of Title I, Part A expenditures for the period ended December 31, 2021 was overstated by \$59,836.09. The variance is attributable to the inclusion of:

- Paraprofessional salaries of \$157,700.00 for the period of September through December 2021, compared to actual costs of \$109,896.53 substantiated by payroll records, for a difference of \$47,803.47;
- Unexplained expenses of \$50.00 and \$373.10 for line items 100-100 and 100-600 respectively; and
- An expenditure of \$11,610.00 for line item 200-400 not reflected on the general ledger.

These errors resulted in the charter school improperly drawing down excess Title I, Part A funds.

Pursuant to the Uniform Grant Guidance, LEAs must minimize the time elapsing between the receipt of funds from NJDOE for reimbursement purposes and the payment of grant expenditures. To this end, the department's guidance on reimbursement requests authorizes LEAs to claim expenditures that:

1. *have already been paid*; or
2. will be paid within 3 days of receipt of its reimbursement check.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.305 Federal Payment; [Office of Grants Management, General Federal Entitlement Grant Guidance](#); and [Policies and Procedures for Reimbursement of Federal and Other Grant Expenditures](#)

Required Action(s):

The charter school is required to develop written procedures for cash management that comply with the Uniform Grant Guidance and NJDOE guidance/policies.

Title II-A

Finding 1:

In its FY 2022 ESEA Consolidated Subgrant application, the charter school also budgeted Title II-A funds (\$101,789.00) for the in-service professional development (PD) of 100 teachers during the summer. The charter school was unable to locate board meeting minutes evidencing the approval of salaries relating to its "Summer Institute." Please note that board minutes must clearly delineate the names of all staff members whose compensation and benefits will be funded with federal awards.

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The charter school allocated payroll costs of \$101,789.00 (the amount awarded) for the Summer Institute to its Title II-A general ledger on August 31, 2021. The charter school was asked to provide copies of timesheets or pay forms for staff paid on an hourly basis to substantiate the Title II-A expenditures. The documentation requested was not furnished for examination.

Alternatively, the charter school provided a Master Schedule for the Summer Institute PD sessions held on August 17–31, 2021 between 8:30 am and 4:30 pm. In addition, the charter school provided copies of sign in sheets as examples and documentation of staff participation for a couple of the PD sessions.

The payroll register furnished for the Summer Institute does not include an account number and the name of a funding source. The charter school manually recorded “Title IIA Payroll Report” at the top of the payroll register which reflects total payments \$258,635.00. These payments were presumably disbursed from *state or local funds* given the sum is more than two and half (2.5) times the charter school’s Title II-A award.

Pursuant to the Uniform Grant Guidance, charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. Time and activity reports and timesheets/pay forms for staff paid with Title II-A funds must reflect what the staff are doing and when and where they are working. This documentation is necessary to verify that charter school staff are performing grant funded allowable activities.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.403(a) and §200.403(g) Factors affecting allowability of costs; and § 200.430(i) Standards for Documentation of Personnel Expenses

Required Action(s):

The charter school must submit copies of the following records to OFAC through the CFM Homeroom application within thirty (30) days from the date of this ROE:

1. board meeting minutes authorizing the payment of such compensation for participation in the Summer Institute, including the account number; title of the federal award, each person’s name, dollar amount of compensation; hourly rate, if applicable and “not to exceed amounts”.
2. a journal entry evidencing the transfer of \$101,789.00 of the Summer Institute payroll costs to Title II-A;
3. time and activity reports and/or timesheets/pay forms for participating staff, which identify the particular sessions and hours of attendance and substantiates the sum of \$101,789.00; and

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In the absence of the records listed, the charter school is required to reverse the Title II-A charges of \$101,789.00 recorded on its general ledger. The charter school must submit records evidencing this reversal to OFAC through the CFM Homeroom App within thirty (30) days from the date of this ROE. BCCS will then have to use the available funds for allowable purposes and submit copies of all relevant records adequately documenting the costs incurred with its CAP.

Title III

Finding 1:

The charter school did not provide evidence that ELs who have exited the Title III program are monitored for two years.

Citation(s):

ESEA §3121 Accountability and Administration

Required Action(s):

The charter school must develop a process of monitoring exited ELs and submit this to the New Jersey Department of Education for review.

Title III Immigrant

The review of the charter school's 2021-2022 Title III Immigrant programs yielded no findings.

IDEA Program

Finding 1:

The charter school did not consistently provide parents of students referred and/or eligible for special education and related services and for students referred and/or eligible for speech-language services notice of a meeting for identification, eligibility, reevaluation planning and IEP team meetings.

Citation(s):

20 U.S.C. §1414(b)(1) Evaluations, eligibility determinations, individualized education programs, and educational placements and N.J.A.C. 6A:14-2.3(k)3.5 Parental consent, notice, participation and meetings

Required Action(s):

The charter school must ensure parents are provided notice of a meeting, in writing, early enough to ensure they have an opportunity to attend. In order to demonstrate correction of noncompliance, the charter school must conduct training for child study

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team members and speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation of meeting invites sent to parents between September 2022 and December 2022
- review the oversight procedures

Finding 2:

The charter school did not consistently document required participants were in attendance at identification, annual review, reevaluation planning, eligibility and IEP meetings for students referred and/or eligible for special education and related services and for students referred and/or eligible for speech-language services.

Citation(s):

20 U.S.C. §1414(b)(1) Evaluations, eligibility determinations, individualized education programs, and educational placements and N.J.A.C. 6A:14-2.3(k)1(i-vii) Parental consent, notice, participation and meetings

Required Action(s):

The charter school must ensure that meetings are conducted with required participants and that documentation of attendance and/or written parental consent to excuse a member of the IEP team is maintained in student files. In order to demonstrate correction of noncompliance, the charter school must conduct training for child study team members and speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above.

A monitor from the NJDOE will conduct a site visit to:

- interviews staff
- review meeting documentation, including sign-in sheets, for meetings conducted between September 2022 and December 2022
- review the oversight procedures

Finding 3:

The charter school did not conduct meetings within 20 calendar days of receipt of a written request for a child study evaluation to determine if an evaluation was warranted.

Citation(s):

N.J.A.C. 6A:14-3.3(e) Location, referral and identification, and 3.4(j) Evaluation

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Required Action(s):

The charter school must ensure that identification meetings are conducted within 20 calendar days of receipt of a written request for evaluation and that required participants are in attendance. In order to demonstrate correction of noncompliance the charter school must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation from identification meetings held between September 2022 and December 2022
- review the oversight procedures

Finding 4:

The charter school did not consistently conduct reevaluations within three years of the previous classification date for students eligible for special education and related services.

Citation(s):

N.J.A.C. 6A: 14-3.8(a) Reevaluation

Required Action(s):

The charter school must ensure reevaluations are conducted within required timelines. In order to demonstrate correction of noncompliance, the charter school must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation of eligibility meetings held as part of the reevaluation process between September 2022 and December 2022
- review the oversight procedures

Finding 5:

The charter school did not consistently conduct multidisciplinary initial evaluations for students referred for speech-language services by obtaining an educational impact statement from the classroom teacher.

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Citation(s):

N.J.A.C. 6A:14-2.5(b)6 Protection in evaluation procedures and 3.6(b) Determination of eligibility for speech-language services

Required Action(s):

The charter school must ensure a multidisciplinary evaluation is conducted for students referred for speech-language services by obtaining a written statement from the general education teacher that details the educational impact of the speech problem on the student's progress in general education. In order to demonstrate correction of noncompliance, the charter school must conduct training for speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation of eligibility meetings held for students referred for speech-language services between September 2022 and December 2022
- review the oversight procedures

Finding 6:

The charter school did not consistently conduct all required sections of the functional assessment as a component of initial evaluations for students referred for special education and related services and for students referred for speech-language services. Initial evaluation reports did not consistently contain observations outside of the testing situation, parental interview, teacher interview, a review of prior interventions documented by the teacher(s) or others who work with the student, and other informal measures.

Citation(s):

N.J.A.C.6A:14-3.4(f)4(i-vi) Evaluation

Required Action(s):

The charter school must ensure all components of the functional assessment are conducted as part of all initial evaluations. In order to demonstrate correction of noncompliance, the charter school must conduct training for child study team members and speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. The charter school is referred to the sample report form for speech-language evaluations which is located at: www.state.nj.us/education/specialed/form.

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A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation of initial evaluations for students referred for special education and related services and for students referred for speech-language services between September 2022 and December 2022
- review the oversight procedures

Finding 7:

The charter school did not consistently provide written notice of identification and reevaluation meetings to parents of students referred and/or eligible for special education and related services or for students referred and/or eligible for speech-language services.

Citation(s):

N.J.A.C. 6A:14-2.3(f-i) Parental consent, notice, participation and meetings

Required Action(s):

The charter school must ensure that parents are provided written notice of a meeting that contains all required components within 15 calendar days of the meeting. In order to demonstrate correction of noncompliance, the charter school must conduct training for child study team members and speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation of meetings held for students referred for special education and related services and for students referred for speech-language services between September 2022 and December 2022
- review the oversight procedures

Finding 8:

The charter school did not consistently provide to students beginning at age 14, written invitations to meetings where post-school transition was being discussed.

Citation(s):

N.J.A.C. 6A:14-2.3(k)1(iii) Parental consent, notice, participation and meetings

Required Action(s):

The charter school must ensure each student, with an IEP who is age 14 or above, is provided with a written invitation to any IEP meeting where transition to adult life will be discussed. In order to demonstrate correction of noncompliance, the charter school

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must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review documentation of meetings held for students age 14 or above between September 2022 and December 2022
- review the oversight procedures

Finding 9:

The charter school did not consistently document all required considerations and statements in each IEP for students eligible for special education and related services. Specifically, IEPs did not consistently include a statement of how the student’s disability affects his/her involvement and progress in the general curriculum, and results of the most recent evaluation(s).

Citation(s):

20 U.S.C. §1414(d)(3)(A)(B) Evaluations, parental consent, and reevaluations; 34 C.F.R. §300.324(a)(1)(2) Development, review, and revision of IEP; N.J.A.C. 6A:14-3.7(c)1-11, (e) 1-17, and (f) Individualized education program; and N.J.A.C. 6A:14-4.10(a) Statewide assessment

Required Action(s):

The charter school must ensure that each IEP contains all required components. In order to demonstrate correction of noncompliance, the charter school must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. To demonstrate that the charter school has corrected the individual instances of noncompliance, the charter school must conduct annual review meetings and revise the IEPs for specific students identified as noncompliant. Names of the students whose IEPs were identified as noncompliant will be provided to the charter school by the special education monitor.

A monitor from the NJDOE will conduct a site visit to:

- interview staff
- review the revised IEPs, along with additional IEPs developed at meetings conducted between September 2022 and December 2022
- review the oversight procedures

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CARES ESSER I

Finding 1:

The charter school submitted documentation for purchase order (PO) number P202100440 as requested for examination. The PO, in the amount of \$31,500.00, was originally posted a general fund account in FY 2021. According to the charter school's manual notations, the PO was subsequently *closed* and the check for payment was voided. The charter school improperly reallocated this PO to a CARES ESSER I account and claimed \$31,500.00 for reimbursement purposes.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.302 Financial Management and 2 C.F.R. §§200.400 – 200.476 Subpart E - Cost Principles

Required Action(s):

The charter school must update its general ledger maintained for this grant to void the expenditure of \$31,500.00 recorded for PO P202100440. Since the charter school already received reimbursement for this amount, the charter school must reduce the sum of expenditures on its next CARES ESSER I reimbursement request by \$31,500.00. The charter school must submit copies of documents evidencing these corrections to OFAC through the CFM Homeroom Application within thirty (30) days from the date of this ROE.

CRRSA ESSER II

Finding 1:

The charter school expended CRRSA ESSER II funds totaling \$259,595.00 for the upgrade and replacement of heating, ventilation, and air conditioner units in its two school buildings. Construction is authorized under Title VII of the ESEA (Impact Aid) and therefore, is an allowable use of the Governor's Emergency Education Relief and ESSER funds under the CARES Act, the CRRSA Act and the ARP Act. Pursuant to ESEA legislation, the term "construction" means:

1. the preparation of drawings and specifications for school facilities;
2. erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities;
3. inspecting and supervising the construction of school facilities; and
4. debt service for such activities.

When expending federal funds for construction projects over \$2,000, LEAs such as BCCS, must comply with Davis-Bacon Act (DBA) and related Acts. The definition of construction is a bit more extensive under DBA and includes among other things, painting and decorating. DBA requires

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the payment of wage rates and fringe benefits prevailing in the area for each class of laborer and mechanic engaged in construction activity under contracts financed or assisted by federal funds based on determinations by the U.S. Department of Labor (USDOL). When federal and state legislation and regulations governing prevailing wages are in conflict, the most restrictive prevails.

LEAs must place a copy of the current prevailing wage determination issued by the USDOL in requests for price quotation, requests for proposals and invitation for bids. The New Jersey Prevailing Wage Act, as amended by P.L. 2021, c.301 (NJPW Act) addresses certain bids as well. Effective May 7, 2022, contractors submitting the lowest bid for a contract covered by the NJPW Act must certify to LEAs that the prevailing wages required by NJPW Act shall be paid, if that bid is 10 percent or more lower than the next lowest bid. The NJPW Act also requires contracts for public work expressly state the workers performing work under the contract shall not be paid less than the required prevailing wage rate.

LEAs must ensure that contracts and/or subcontracts for construction projects contain wage determinations and appropriate clauses required by the DBA. Wage determinations set forth by the DBA and USDOL resources to assist with compliance are available at <https://sam.gov/content/wage-determinations> and <http://www.wdol.gov>, respectively. The wage determination and the DBA poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work. This information must be displayed in a prominent and accessible place, clearly visible by the workers.

The contractor and each subcontractor is required to pay their laborers and mechanics no less than weekly and to submit certified payroll records to the charter school each week that:

- are accompanied by a signed "Statement of Compliance" indicating the payrolls are correct and complete;
- contain wage rates not less than those determined by the Secretary of Labor; and
- reflect classifications for each employee which conform with work performed.

The contractor is responsible for submitting payroll records for all of its subcontractors.

The DBA and related Acts specify additional requirements for prime contracts over \$100,000. In particular, the Contract Work Hours Standard Act stipulates that contractors and subcontractors pay laborers and mechanics at least one and one-half times their regular rate of pay for all hours worked over 40 in a workweek. The overtime provision under the Fair Labor Standards Act may apply to DBA-covered contracts as well.

The charter school is required to obtain and review the weekly, certified payroll records to determine if any worker has been paid less than the prevailing wage. In the event the charter school determines the contractor or subcontractor has failed to pay any laborer or mechanic the prevailing wage, the charter school must:

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- notify the contractor or subcontractor accordingly in writing; and
- take such action as may be necessary to suspend further payments of funds until the violations have ceased.

The penalties and sanctions for noncompliance with the DBA and related Acts can be rather significant.

Citation(s):

CARES Act §§18002(c)(3) and 18003(d)(1); CRRSA Act §§312(c)(3) and 313(d)(1); ARP Act §2001(e)(2); Davis-Bacon Regulations 29 C.F.R. §5.5 Contract provisions and related matters; ESEA §7013(3) Construction; Uniform Grant Guidance, Subpart E Federal Cost Principles such as §§200.403-200.404 and 200.439(b); 2 CFR Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards; EDGAR, 34 C.F.R. §§ 76.600 Compliance with the U.S. Constitution, statutes, regulations, stated institutional policies and regulations; and 75.600 Use of a grant for construction: Purpose of §§ 75.601-618; OMB Standard Forms 424B and 424D (Assurances for Non-Construction and Construction Programs Sample forms which are accessible at [Grants.Gov](https://www.grants.gov)). Also, refer to the assurances relating to labor standards; flood hazards; historic preservation; health and safety, energy conservations, and coastal barrier resources) and N.J.S.A. 34:11-56.25 et seq. New Jersey State Prevailing Wage Act.

Required Action(s):

For all budgeted construction project costs unpaid as of the date of this ROE, the charter school must obtain and keep on file for seven (7) years, records evidencing adherence to prevailing wage requirements pursuant to the DBA and related Acts and the NJPW Act in relevant part.

Finding 2:

The charter school submitted accounting records for the CRRSA ESSER II grant which do not address or contain the relevant information summarized below:

- the Revenue Report does not reflect the receipt of reimbursed expenditures totaling \$338,469.00;
- the FY 2021 General Ledger reflects expenditures of \$5,000.00 for line item 200-400 in the absence of corresponding appropriations; and
- the balances of funds available on the FY 2022 Budget Summary and General Ledger do not take the amounts budgeted or expended during FY 2021 into consideration.

In addition, the charter school did not provide the FY 2021 Budget Summary as requested for examination.

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Please note the accurate recordation of revenues, appropriations and expenditures is essential for the proper administration of federal awards.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.302 Financial Management

Required Action(s):

The charter school must submit upload copies of corrected CRRSA ESSER II FYs 2021 and 2022 Budget Summary and FY 2022 General Ledger to OFAC within (30) days from the date of this ROE.

ARP ESSER

The review of the charter school's 2021-2022 ARP ESSER grant and subgrants yielded no findings.

Administrative Section

Finding 1:

The charter did not have formal board policies and written procedures that address:

1. ESEA legislative requirements such as Supplement not Supplant, Maintenance of Effort and Comparability (board policies); and
2. Uniform Grant Guidance requirements (written procedures) including but not limited to:
 - determining the allowability of costs in accordance with federal cost principles the and the terms and conditions of the federal award;
 - the mandatory disclosure of all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award;
 - minimizing the time elapsing between the transfer of funds from the department and the charter school's disbursement of payments to vendors for goods and services (cash management or draw-down procedures); and
 - procurement transactions, such as a Purchasing Manual that also addresses standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.

Citation(s):

ESEA § 1118 Fiscal Requirements; Uniform Grant Guidance, 2 C.F.R. §§200.302(b)(6)-(7) Financial Management and 2 C.F.R. §§200.400 – 200.476 Subpart E - Cost Principles; §200.113 Mandatory disclosures; and 2 C.F.R. §§200.317 - 327 Procurement Standards

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Required Action(s):

The charter school must implement, develop and adopt board policies and written procedures which address ESEA legislative provisions and the Uniform Grant Guidance. The charter school may opt to utilize a vendor for the preparation of the requisite board policies.

Finding 2:

The board meeting minutes provided for examination lacked mention that the charter school agreed to:

1. submit applications and/or amendment applications for certain grants/subgrants, including the dollar amount of the federal award; and
2. accept the funds upon subsequent approval of the applications.

In the case of the Title II-A and Title III Immigrant awards, the dollar amounts mentioned in the board meeting minutes did not include the funds transferred in from Title IV-A and carryover funds, respectively.

Citation(s):

All Consolidated Grant Applications; refer to the Submit tab (Board Authorization) in the EWEG system

Required Action(s):

While completing each Consolidated Grant Applications in EWEG, the charter school must enter the actual or anticipated date of a board resolution approving the submission of the grant application and acceptance of grant funds following subsequent approval. The board resolution must be kept on file for audit or monitoring purposes.

Finding 3:

Certain purchase orders provided for examination lacked sufficient description of the goods or services acquired by the charter school. Pursuant to the Uniform Grant Guidance, the charter school is required to prepare:

1. all solicitations with clear and accurate technical descriptions of the items and/or services being procured; and
2. records in a manner which demonstrates compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.319(d)(1) Competition; §200.302(a) Financial Management; and §§200.400 – 200.476 Subpart E - Cost Principles

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Required Action(s):

The charter school must prepare solicitations containing descriptions that sufficiently address and conform to the Uniform Grant Guidance requirements and citations listed above.

Finding 4:

On a few occasions, the charter school failed to issue a purchase order, prior to goods being purchased or services being rendered (confirming order). State regulations require that a *properly executed* purchase order be issued *prior* to the purchase of goods or the rendering of services.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.302(b)(4) Financial Management and N.J.S.A. 18A:18A(2)(v) Definitions “Purchase Order”

Required Action(s):

Purchase orders should be issued to all vendors prior to goods or services being provided.

Finding 5:

A number of purchase order voucher packets were selected and examined during monitoring. The charter school was unable to provide evidence that multiple quotes were obtained for more than one purchase order as required by:

1. the New Jersey Public School Contracts Law (PSCL) and charter school policy; or
2. procurement standards under Uniform Grant Guidance, whichever is most restrictive.

Federal procurement standards do not include all exemptions allowed under the PSCL, specifically, professional services.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §§200.317 - 327 Procurement Standards and N.J.S.A. 18A:18A-37(a) Award of purchases, contracts, or agreements

Required Action(s):

The charter school must adhere to the PSCL or applicable provisions of the Uniform Grant Guidance, whichever is most restrictive, when obtaining goods and services.

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Finding 6:

A number of purchase orders were examined during monitoring with dollar amounts equal to or greater than \$25,000. Such purchase orders meet one of a number of definitions of a covered transaction in 2 C.F.R. §180.220. Before entering into covered transactions, these regulations require the charter school to determine the vendor is not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. The covered transactions tested lacked any indication that verifications of this nature are being performed. Verifications may be accomplished by:

1. checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration and available at <https://www.beta.sam.gov/> ;
2. collecting a certification from the entity; or
3. adding a clause or condition to the covered transaction with that entity (2 C.F.R. section 180.300)

Copies of evidence demonstrating performance of the requisite verifications must be maintained.

Citations:

Uniform Grant Guidance, 2 C.F.R. §200.214 Suspension and debarment

Required Action(s):

The charter school is required to implement procedures to confirm vendors are neither debarred, nor suspended prior to entering into purchase orders or contracts equal to or in excess of \$25,000.

Finding 7:

The charter school charged a couple of expenditures to incorrect line items (also referred to as expenditure categories). As a few examples, the purchase of:

- various software licenses like Commonlit and School Mint recorded under Title I, Part A, line item 100-600, Instructional Supplies should have been charged to 100-300, Purchased Services; and
- a used passenger bus allocated to CRRSA ESSER II, line item 200-400, Purchased Property Services should have been recorded under line item 400-732, Facilities Acquisition and Construction Services – Noninstructional Equipment.

In addition, staff compensation budgeted for Title II-A and Title III under line item 200-100 Support Services Salaries was incorrectly posted to line item 100-100, Instructional Salaries.

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Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.302 Financial Management and The Uniform Minimum Chart of Accounts for New Jersey Public Schools and Approved Private Schools for Students with Disabilities (UMCOA)

Required Action(s):

The charter school must follow the UMCOA when charging expenditures in the general ledger.

Finding 8:

The charter school did not submit reimbursement requests for its CRRSA ESSER II grants on a monthly, but no less than quarterly basis. In addition, the supporting documentation provided for a CARES ESSER I reimbursement request did not sufficiently detail the actual amount claimed for a particular function code by the charter school.

Citation(s):

Uniform Grant Guidance, 2 C.F.R. §200.305 Federal Payment; [Office of Grants Management, General Federal Entitlement Grant Guidance](#); and [Policies and Procedures for Reimbursement of Federal and Other Grant Expenditures](#)

Required Action(s):

The charter school is required to submit reimbursement requests on a monthly basis, or at least quarterly. In addition, the charter school is responsible for maintaining supporting documentation for seven (7) years and for making it available to the NJDOE, the U.S. Department of Education, and/or their authorized representatives upon request.

The NJDOE thanks you for your time and cooperation during the monitoring visit and looks forward to a successful resolution of every finding and implementation of all required actions and recommendations contained in this report.

If you have any questions, please contact Lisa D. McCormick via phone at (609) 376-3608 or via email at lisa.mccormick@doe.nj.gov.