



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

DAVID C. HESPE
Acting Commissioner

June 13, 2014

Mr. Dennis Anderson, Superintendent
Wildwood City Public Schools
4300 Pacific Avenue
Wildwood, NJ 08260

Dear Mr. Anderson:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Wildwood City Board of Education**. The funding sources reviewed include titled programs for the Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Education Act (IDEA). The review covered the period July 1, 2012 through October 6, 2013. The resulting report is enclosed. Please provide a copy of the report to each board member. All issued Consolidated Monitoring Reports will be posted on the department's website at <http://www.state.nj.us/education/finance/jobs/monitor/consolidated>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Wildwood City Board of Education is required, pursuant to N.J.A.C. 6A:23A-5.6, to publicly review and discuss the findings in this report at a public board meeting no later than 30 days after receipt of the report. Within 30 days of the public meeting, the board must adopt a resolution certifying that the findings were discussed in a public meeting and approving a corrective action plan which addresses the issues raised in the undisputed findings and/or an appeal of any **monetary** findings in dispute (emphasis added). A copy of the resolution and the approved corrective action plan and/or appeal must be sent to this office within 10 days of adoption by the board. Direct your response to my attention.

Also, pursuant to N.J.A.C. 6A:23A-5.6(c), you must post the findings of the report and the board's corrective action plan on your district's website.

By copy of this report, your auditor is requested to comment on all areas of noncompliance and recommendations in the next certified audit submitted to the New Jersey Department of Education. If you have any questions, please contact Joseph Kirchon at (856) 486-2160.

Sincerely,

Robert J. Cicchino, Director
Office of Fiscal Accountability and Compliance

RJC/JK/dk:Wildwood City Cover Letter/consolidated monitoring
Enclosures

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David C. Hespe
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PO BOX 500
TRENTON, NJ 08625-0500**

WILDWOOD CITY BOARD OF EDUCATION
4300 PACIFIC AVENUE
WILDWOOD, NJ 08260
PHONE: (609) 552-0876



New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
JUNE 2014**

District: Wildwood City Public Schools
County: Cape May
Dates On-Site: October 7 and 8, 2013
Case #: CM-021-13

FUNDING SOURCES

Program	Funding Award
Title I, Part A	\$ 636,851
IDEA Basic	232,593
IDEA Preschool	4,497
Title II, Part A	95,897
Title III	50,749
Race To The Top	49,961
Total Funds	<hr/> <hr/> \$ 1,070,548

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BACKGROUND

The Elementary & Secondary Education Act (ESEA) and the Individuals with Disabilities Act (IDEA) and other federal laws require local education agencies (LEAs) to provide programs and services to their districts based on the requirements specified in each of the authorizing statutes (ESEA, IDEA, and Race to the Top). The laws further require that state education agencies such as the New Jersey Department of Education (NJDOE) monitor the implementation of federal programs by sub recipients and determine whether the funds are being used by the district for their intended purpose and achieving the overall objectives of the funding initiatives.

INTRODUCTION

The NJDOE visited the Wildwood City Public Schools to monitor the district's use of federal funds and the related program plans, where applicable, to determine whether the district's programs are meeting the intended purposes and objectives, as specified in the current year applications and authorizing statutes, and to determine whether the funds were spent in accordance with the program requirements, federal and state laws, and applicable regulations. The on-site visit included staff interviews and documentation reviews related to the requirements of the following programs: Title I, Part A (Title I); Title II, Part A (Title II); Title III; IDEA Basic and Preschool; and Race to the Top for the period July 1, 2012 through October 6, 2013.

The scope of work performed included the review of documentation including grant applications, program plans and needs assessments, grant awards, annual audits, board minutes, payroll records, accounting records, purchase orders, a review of student records, classroom visitations and interviews with instructional staff to verify implementation of Individualized Education Programs (IEP), a review of student class and related service schedules, interviews of child study team members and speech-language specialists and an interview of the program administrator regarding the IDEA grant, as well as current district policies and procedures. The monitoring team members also conducted interviews with district personnel, reviewed the supporting documentation for a sample of expenditures and conducted internal control reviews.

EXPENDITURES REVIEWED

The grants that were reviewed included Title I, Title II, Title III, IDEA Basic and Preschool, and Race to the Top from July 1, 2012 through October 6, 2013. A sampling of purchase orders and/or salaries was taken from each program reviewed.

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**GENERAL DISTRICT OVERVIEW OF USES OF TITLE I, TITLE II, TITLE III, IDEA
AND RACE TO THE TOP FUNDS**

Title I Projects

The district allocates Title I funds to all of its three schools. The elementary and middle schools operate a schoolwide program and the high school operates a targeted assistance program.

Primarily, the district provides in-class support to struggling students and extended learning opportunities through after school and summer programs. The district's two Focus schools use a portion of their Title I reserve allocations to fund a literacy coach for the district. The district has expended Title I funds for Wilson Reading (Foundations) to supplement the instructional program of their low-performing students.

Additionally, as part of the district's parental involvement program, English as a Second Language classes are provided for parents of students in both the elementary and middle schools.

Title II Projects

Title II funds are used for a technology coach to provide continuous, job embedded, professional development for teachers. The district is also providing consultants to work with teachers in areas of need such as Language Arts Literacy (LAL) and Mathematics.

Title III Projects

Title III funds were used to support bilingual teacher's salaries and instructional supplies.

IDEA Projects

IDEA Basic and Preschool funds were used to reduce district tuition expenditures for students receiving special educational services in county special services school districts. There is no nonpublic proportionate share of the grants.

Race to the Top

The district is using Race to the Top funds for the implementation of teacher and leader evaluation systems (EVAL).

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DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1:

Condition: In the notification letter to parents of Title I students, the district did not include detailed entrance criteria, the remediation strategy/strategies being used or exit criteria. Without this information, parents are unable to understand the specific reasons for their child being selected to participate in the Title I program, the instructional approaches used to address their child's academic needs, and the criteria for their child to exit the program.

Citation: ESEA §1118(c): *Parental Involvement (Policy Involvement)*.

Required Action: In the notification letter to parents of students in the Title I program, the district must include the multiple measures it uses to identify students for eligibility, the instructional approaches used to address the students' academic needs, and the criteria for students to exit the program. The district must update the letter for the 2014-2015-school year and provide a copy to the NJDOE for review.

Finding 2:

Condition: The district did not have clear and distinguishable identification criteria for its Title I students at Wildwood High School. In targeted assistance programs, districts must identify and target Title I services to students who are most academically at risk for not attaining proficiency on challenging state academic assessments.

Citation: ESEA §1115(B): *Targeted Assistance Programs (Eligible Children from Eligible Population)*.

Required Action: The district must establish clear and distinguishable identification criteria based upon multiple, educationally related criteria for its identified Title I students. The district must submit the FY 2014-2015 entrance criteria for the Title I program to the NJDOE for review.

Finding 3:

Condition: The district did not have a parental involvement program that reflects the requirements of the Title I legislation. The district did not have evidence of implementing the following:

- Parent, Teacher, Student compact (missing role of student); and
- The annual Title I parent meeting.

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The exclusion of parents in the development of these documents does not offer them the opportunity for full participation in their child's educational program.

Citation: ESEA §1118: *Parental Involvement*.

Required Action: The district must ensure its Title I schools have a school-parent compact that is developed with the input of parents and distributed directly to parents of students participating in the Title I program. Additionally, the school must host its annual Title I meeting early in the school year. The district must submit copies of the school-level parental involvement policy, school-parent compact and documentation of the annual Title I parent meeting (e.g., meeting notes, sign in sheets, agenda) to the NJDOE for review.

Finding 4:

Condition: The district's parents' web page did not contain the required annual notifications for parental involvement.

Citation: ESEA §1111(h)(2)(E): *Public Dissemination*.

Required Action: The district must review and update their Parental Involvement web page containing required annual notifications and documents to meet the broader ESEA dissemination requirement. The district must submit the link for the updated web page to the NJDOE for review.

Finding 5:

Condition: Wildwood High School did not have a viable Title I program with a per pupil expenditure of \$216 and a total Title I school allocation of \$39,703. The district is unable to articulate how it could use these funds to provide services to the school's low-performing students.

Citation: ESEA §1115: *Targeted Assistance Programs*.

Required Action: The district convened a meeting on October 17, 2013 to determine how it will use these funds to service their low-performing students. The district will submit its plan for the high school's Title I program to the NJDOE for review.

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Title II

Finding 6:

Condition: Students receiving direct instruction must be taught by a highly qualified teacher in core subjects.

Example 1: A teacher assigned to 6th grade Mathematics, LAL and Science holds an N-8 elementary school certificate and Teacher of Students with Disabilities. No Highly Qualified Teacher (HQT) identification in the files to reflect HQT status for the middle grades subject assigned. Teachers must be highly qualified in each subject area assigned for a departmentalized setting for grades 6-8 and for Basic Skills Instruction for middle grades assignment.

Example 2: A Teacher of World Language - Spanish has a certificate issued in 1982 and is assigned to teach Spanish at the high school-level. Teachers holding a World Language issued certificate prior to 2004 must demonstrate highly qualified status through the completion of 30 semester hour credits in the subject, an appropriate degree, a passing score on the Praxis II in the subject matter or completion of the Oral Proficiency Interview. There is no documentation on file to reflect HQ status in World Language - Spanish.

Example 3: A Teacher of the Handicapped identified on the HOUSE Matrix as highly qualified to teach English Language Arts and Mathematics is assigned to teach middle grades Science/ESL. The teacher is not highly qualified in Science or ESL. The schedule shows some assigned periods identified with Remedial Reading/In-Class Support. Clarification was sought on the designation. It was explained that the teacher was a co-teacher. In a co-teaching scenario, each teacher providing direct instruction in core academic courses must be highly qualified.

Citation: ESEA §1119: Qualifications for Teachers and Paraprofessionals.

Required Action: In the absence of documentation to support the highly qualified status of teachers assigned to core instructional areas, the district must issue the Parent's Right to Know follow up letter to inform parents their child is being taught by a teacher that does not meet the highly qualified designation. For the 2013-2014 school year, the district must ensure these teachers meet the highly qualified designation. The district must submit documentation to the NJDOE that verifies the Parent's Right to Know follow up letter was issued to parents.

Finding 7:

Condition: Highly Qualified (HQ) status was not supported by correct paperwork. Records presented for review did not contain the information necessary to confirm HQ status.

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Example 1: A teacher assigned to 6th grade Mathematics, LAL and Science holds an N-8 elementary school certificate and TOSD. No HQT information is in the files to reflect HQT status for the middle grades subject assigned.

Example 2: A Teacher of the Handicapped is assigned to a 6th grade class in ESL but does not have an ESL certificate.

Example 3: The same teacher was identified on the HOUSE Matrix as highly qualified in LAL and Mathematics. Transcripts attached identify one course in each resulting in an inaccurate award of points, since teachers must present a minimum of four points in the Content College Coursework category to use the HOUSE Matrix.

Citation: ESEA §1119. Qualifications for Teachers and Paraprofessionals.

Required Action: Teachers personnel records must be updated so that they contain teacher certificates and supporting documentation to verify HQ status for current assignments. This may include HQT ID Forms, HOUSE Matrix, certificates, transcripts, test scores, etc.

Title III

Finding 8:

Condition: The district had a parental notification letter, but the letter did not outline all of the Title III parental notification requirements. Although the district had a parental notification letter for students identified for ESL, there is no letter for parents that specifically outline the requirements for Title III. The missing elements that need to be included in the parental notification letter are: students' level of English proficiency, how such level was assessed, and how the program will meet the objectives of an IEP of a child with a disability. This excludes parents from a complete understanding of the program their children are entering.

Citation: ESEA §3302 *Parental Notification*.

Required Action: The district must revise its Title III parental notification letter to outline the specific requirements for Title III. Additional information is available at: <http://www.state.nj.us/education/bilingual/title3/accountability/notification/title3par.htm>. The district must submit a copy of the revised letter to the NJDOE for review.

Finding 9:

Condition: Salaries funded through Title III were not for supplemental purposes. The Title III funded bilingual teacher is providing core services required by state law. The district is required under New Jersey's Administrative Code to provide these bilingual services. Therefore, the use of Title III funds for this expenditure supplants state/local

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funds. Also, the diversion of Title III funds for unallowable expenditures restricts student access to needed services.

Citation: ESEA §3115(g) *Supplement, Not Supplant*.

Required Action: The district must reverse the charges and use state/local funds for the salaries of the bilingual teachers required by state law. The district must send documentation of the adjusting journal entry to the NJDOE for review.

Finding 10:

Condition: The Idea Proficiency Test, English language proficiency test was funded with Title III funds. This is not a Title III allowable cost as entrance proficiency testing is a core service. Therefore, the use of Title III funds for this expenditure supplants state/local funds. Also, the diversion of Title III funds for unallowable expenditures restricts student access to needed services.

Citation: ESEA §3115(g) *Supplement, Not Supplant*.

Required Action: The district must reverse the charges and use state/local funds for the cost of the IPT test. The district must send documentation of the adjusting journal entry to the NJDOE for review.

IDEA (Special Education)

Finding 11:

Condition: The district did not consistently document all required considerations and statements in each IEP. Specifically, IEPs for students eligible for special education and related services did not consistently include:

- measurable goals and objectives; and
- method(s) of evaluating progress on goals and objectives.

IEPs for students eligible for speech-language services did not include:

- factors considered when determining the need for extended school year services; and
- participation in statewide assessment.

Citation: N.J.A.C. 6A:14-3.7(c)1-11, (e) 1-17, and (f); N.J.A.C. 6A:14-4.10(a); 20 U.S.C. §1414(d)(3)(A)(B); and 34 CFR §300.324(a)(1)(2).

Required Action: The district must ensure each IEP contains all required components. The district must conduct training for child study team members and speech-language specialists and develop an oversight mechanism to ensure compliance with the

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requirements with the citations listed above. To demonstrate the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise the IEPs for specific students whose IEPs were identified as noncompliant. A monitor from NJDOE will conduct an on-site visit to interview staff, review the revised IEPs, along with IEPs for students whose annual review meetings were conducted between October 2014 and January 2015, and to review the oversight procedures. The names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

Finding 12:

Condition: The district did not consistently document in the IEPs of students removed from the general education setting for more than 20 percent of the day, including students placed in separate settings, consideration of placement in the least restrictive environment. Specifically, IEPs did not consistently include:

- the supplemental aids and services considered and the reasons they were rejected;
- a comparison of the benefits of general education and the benefits of special education;
- the potentially beneficial or harmful effects of placement in general education; and
- for those students placed in separate settings, and activities to transition the student to a less restrictive environment.

Citation: N.J.A.C. 6A:14-4.2 (a)8(i),(ii) and (iii); N.J.A.C. 6A:14-4.2(a)4.

Required Action: The district must ensure when determining the educational placement of a child with a disability, the IEP team considers the general education class first and all required decisions regarding the placement are documented in the IEP for each student removed from general education for more than 20 percent of the school day. In addition, the district must ensure for students placed in separate settings, consideration of activities to move the student to a less restrictive environment are discussed at each annual review meeting and the decision making process is documented in the IEP. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. To demonstrate that the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise IEPs for the specific students with IEPs that were identified as noncompliant. A monitor from the NJDOE will conduct an on-site visit to interview staff, review the revised IEPs, a random sample of additional IEPs for annual review meetings conducted between October 2014 and January 2015, and to review the oversight procedures. The names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

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Race to the Top

A review of the expenditures charged to the Race to the Top grant yielded no findings.

Administrative

Finding 13:

Condition: On several occasions, the district failed to issue a purchase order prior to goods being purchased or services being rendered (confirming order). District policy and state regulations require that a properly executed purchase order be issued prior to the purchase of goods or the rendering of services.

Citation: EDGAR, PART 80-*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 20, Standards for financial management systems. N.J.S.A. 18A:18A(2)(v) *Public School Contracts Law*.

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

Finding 14:

Condition: The district does have internal control policies and procedures to prevent contracting with disbarred vendors; however, there was no evidence of implementation.

Citation: EDGAR, PART 80-*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 36, Procurement.

Required Action: The district must update its procedures to demonstrate implementation of the internal control policies to prevent errors from potentially occurring.

Finding 15:

Condition: The district does not have formal written policies for requesting reimbursement from the Electronic Web Enabled Grant or System for Administering Grants Electronically systems.

Citation: EDGAR, PART 80-*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 20, Standards for financial management systems.

Required Action: The district must have a formal board policy concerning the reimbursement of grant funds.

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

If you have any questions, please contact Joseph Kirchon via phone at (856) 486-2160 or via email at joseph.kirchon@doe.state.nj.us.