



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

DAVID C. HESPE
Commissioner

April 20, 2015

Mr. William Hoey, Superintendent
Ocean County Vocational Technical School District
137 Bey Lea Road
Toms River, NJ 08753

Dear Mr. Hoey:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Ocean County Vocational Technical 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 February 21, 2014. 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 Ocean County Vocational Technical 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 Lori Ramella at (609) 984-0937.

Sincerely,

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

RJC/LR/dk:Ocean Co. Voc. Tech. BOE Cover Letter /consolidated monitoring
Enclosures

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**STATE OF NEW JERSEY
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OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
137 BEY LEA ROAD
TOMS RIVER, NJ 08753
PHONE: (732) 240-6414



New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
APRIL 2015**

District: Ocean County Vocational Technical School District
County: Ocean
Dates On-Site: February 19, 20 and 21, 2014
Case #: CM-049-13

FUNDING SOURCES

Program	Funding Award
Title I, Part A	\$ 162,593
Title I, Part D	46,907
Title II, Part A	22,204
IDEA Basic	175,050
Race To The Top	12,852
Carl D. Perkins	680,252
Total Funds	<u>\$ 1,099,858</u>

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BACKGROUND

The Elementary and 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, Race to the Top and Carl D. Perkins). 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 Ocean County Vocational Technical School District 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, Parts A and D (Title I); Title II, Part A (Title II); IDEA; Race to the Top; and Carl D. Perkins (Perkins) for the period July 1, 2012 through February 21, 2014.

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, and current district policies and procedures. The monitoring team members reviewed the supporting documentation for a sample of expenditures and conducted internal control reviews, as well as conducted interviews with program administrators and other district personnel as required. Additionally, the IDEA grant review included 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, and interviews of child study team members and speech-language specialists.

EXPENDITURES REVIEWED

The grants that were reviewed included Title I, Title II, IDEA, Race to the Top, and Perkins for the period July 1, 2012 through February 21, 2014. A sampling of purchase orders was taken from the entire population and later identified as to the grant that was charged.

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GENERAL DISTRICT OVERVIEW OF USES OF TITLE I, TITLE II, IDEA, RACE TO THE TOP AND CARL D. PERKINS FUNDS

Title I

The district operates targeted assistance programs at its three Title I schools: Brick Center, Jackson Center, and Toms River Center. The district identified Closing the Achievement Gap, English Language Arts, and Mathematics for its Economically Disadvantaged, Neglected and Delinquent, and Disabled students as priority problems.

Title II

The district used its Title II funds for a variety of professional development opportunities including online training, in person training, and attendance at conferences and workshops.

IDEA (Special Education)

The district used FY 2014 IDEA funds to pay the salaries of two guidance counselors who worked exclusively with special education students. The remainder of the IDEA funds were used to partially fund the salary of a supplemental English instructor for special education students.

Race to the Top

The district used Race to the Top funds for the teacher and leader evaluation system.

Carl D. Perkins

The district used Perkins funds to support Career and Technical Education (CTE) programs throughout the district's six schools located at Brick, Jackson, Lakehurst, Mates, Toms River and Waretown. The district has a total of 30 NJDOE approved secondary programs, classified under 13 of 16 career clusters. There are 14 programs of study aligned to articulation agreements at postsecondary institutions. The CTE programs support Career and Technical Student Organizations and align with Standard 9.4 of New Jersey Career and Technical Education Standards.

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1: The district used income eligibility as a criterion for student participation in the Title I program. Criteria used to identify low-performing students for Title I services must be based upon multiple educationally related and objective criteria.

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

Required Action: The district must revise its criteria for identifying participating students in its Title I program. The established criteria must consist of multiple educationally related and objective criteria. The district must provide a copy of its revised selection criteria for Title I services to the NJDOE for review.

Finding 2: The district could not provide evidence of running a viable Title I targeted assistance program in any of its funded schools. Title I services must supplement existing educational programs by providing extended learning opportunities to identified low-performing students attending Title I funded schools based upon multiple educationally related criteria.

Citation: ESEA §1115(B): *Targeted Assistance Programs (Eligible Children from Eligible Population)*; and ESEA §1120A(b)(1): *Federal Funds to Supplement, Not Supplant, Non-Federal Funds*.

Required Action: The district must provide a narrative describing the Title I program in each of its Title I schools. The district must provide a copy of the narrative to the NJDOE for review.

Finding 3: The district could not provide evidence as to when its Title I written parental involvement policy was distributed. Per the legislative requirement, parents/guardians of Title I students have a right to be involved in the development of the written parental involvement policy, as well as be informed of ways they can engage themselves in the academic performance and achievement of their children.

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

Required Action: The district must ensure that each of its Title I schools distributes a written parent involvement policy to parents/guardians of the Title I students and send copies to the NJDOE for review.

Finding 4: The district could not provide evidence of school-parent compacts for any of its Title I schools. Title I funded schools must provide a mechanism to ensure that its parents/guardians of participating students are informed of the roles and responsibility of the school, parents/guardians, and students in achieving academic success.

Citation: ESEA §1118(d): *Parental Involvement (Shared Responsibilities for High Student Academic Achievement)*.

Required Action: The district's Title I schools must devise and distribute Title I school-parent compacts to the participating students and their parents/guardians. The compacts must reflect the legislative requirements by including how each of the following: the school, parent, and students will share in the responsibility for improved student

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academic achievement. The district must provide a copy of the distributed school-parent compacts to the NJDOE for review.

Finding 5: The district could not provide evidence that its Title I schools convened an annual Title I parent meeting. The parents/guardians of participating Title I students are entitled to be informed about the school's participation in Title I program, legislative requirements, and ways in which they can be involved in helping their child/children succeed academically.

Citation: ESEA §1118(c)(1): *Parental Involvement (Policy Involvement)*.

Required Action: The district's Title I schools must convene their annual Title I parent meeting for the parents/guardians of participating Title I students. The district must submit evidence of the meetings (e.g., invitational letters/flyers, agendas, meeting minutes, and sign in sheets) to the NJDOE for review.

Finding 6: The district did not fully comply with required timekeeping standards for federally funded grants. Employees with 100 percent of their salary paid with Title I funds must complete a semi-annual certification attesting to their performance of Title I related duties. Employees with less than 100 percent of their salary paid with Title I must complete monthly personal activity reports.

Citation: 2 CFR 225, Attachment B, §8(h): *Compensation for personal services (Support for salaries and wages)*.

Required Action: The district must ensure employees submit detailed personal activity reports that have been verified by supervisors, as required.

Title II

Finding 7: The district used Title II funds to support teachers that do not qualify for the funds according to the federal definition of Core Content area. The term "core academic subjects means English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography [Section 9101(11)]." Therefore, teachers of New Jersey Core Content Standard 2: Comprehensive Health & Physical Education, Standard 8: Technology and Standard 9: 21st Century Life and Careers, are not able to utilize these funds for targeted professional development opportunities.

Citation: Improving Teacher Quality State Grants ESEA Title II, Part A Non-Regulatory Guidance 2006. Definitions of Core Content Area P. A-2.

Required Action: The district must allocate state/local funds rather than using Title II funds to support these expenditures. The district must provide evidence of the adjusting accounting entry for the expenditures to the NJDOE for review.

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Recommendation 1: The completed appropriate New Jersey Highly Qualified Teacher Approved Forms which are located at: www.state.nj.us/education/profdev/nclb should be included in every teacher's personnel file along with a copy of any supporting documentation(s) such as; teaching certificate(s), Praxis scores, transcripts, and/or National Board Certification.

Recommendation 2: Highly qualified forms and documentation should be kept in the personnel file in a secure location, at the district board of education office.

IDEA (Special Education)

Finding 8: The district did not assume responsibility for full-time special education students attending Ocean County Vocational Technical School District. According to N.J.A.C. 6A:14-4.7(h), in a full time vocational education program, all responsibility for programs and services for special education students rests with the receiving district board of education. Currently, the district has 14 full-time special education students.

Citation: N.J.A.C. 6A:14-4.7(h).

Required Action: The district must ensure that policies and procedures are developed to ensure that when a special education student attends their district full-time, the district assumes all responsibilities for that student. In addition, the district must designate staff to case manage full-time special education students. The district must also conduct training and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from NJDOE will conduct an on-site visit to interview staff and to review the procedures.

Race to the Top

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

Carl D. Perkins

Finding 9: The district relocated its postsecondary culinary program and equipment acquired with State Vocational Education funds approved as part of the Perkins Post Secondary Grant Application to the Ocean County Golf Course at Atlantis for the operation of a restaurant, bar and concession stand. However, the district failed to obtain prior written approval before using program equipment on activities not sponsored or authorized by NJDOE. Nor did the district obtain authorization from the department when it subsequently transferred all operations, furniture, fixtures and program funded equipment for use at the golf course to a third party. Although grantees are permitted to make limited budget and program changes to an approved project without authorization, the use of program equipment on other than program activities is permissible only if prior written approval is granted by the awarding agency.

Citation: 2 CFR 215.34(d): *Equipment*; 34 CFR 80.30: *Changes*.

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Required Action: A determination of whether the district's postsecondary culinary program remains compliant with the approval granted by NJDOE and a determination of whether current use of the program equipment interferes with approved activities were beyond the scope of the consolidated monitoring. Therefore, this matter is being referred to the NJDOE Office of Career and Technical Education for further review.

Finding 10: The district failed to account for and credit its CTE account for all proceeds from the sale of food and alcohol service at the Ocean County Golf Course at Atlantis. As a result, the amount of program income that should have been credited to the district's CTE account was indeterminable. A district board of education operating a CTE program is required to account for and credit to the CTE account of the school district all proceeds from the sale or resale of any articles, materials, or services produced in the various classes and shops maintained under the career and technical education program. Further, a district is required to establish and maintain records for tracking and reporting all program income earned and disbursed.

Citation: N.J.A.C. 6A:19-2.1(g): Administration of career and technical education programs and programs of study; 34 CFR 80.20(b)(2): Standards for financial management systems (Accounting records).

Required Action: The district must submit an accounting of all receipts and disbursements related to the sale of food and alcohol service at the golf course for FY 2012-2013 and FY 2013-2014 to NJDOE for review. Additionally, the district must implement policies and procedures to ensure that program income is accounted for, tracked and reported in accordance with federal and state regulations.

Administrative

Finding 11: On several occasions, the district failed to issue a purchase order prior to services being rendered (confirming orders). District policy and state regulations require that a properly executed purchase order be issued prior to services being rendered.

Citation: 34 CFR §80.20: Standards for financial management systems; and N.J.S.A. 18A:18A 2(v): Public School Contracts Law.

Required Action: The district must implement a process to ensure that purchase orders are issued prior to receiving goods and services from vendors.

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 Lori Ramella via phone at (609) 984-0937 or via email at lori.ramella@doe.state.nj.us.