

CHRIS CHRISTIE Governor Kim Guadagno

Lt. Governor

TRENTON, NJ 08625-0500

CHRISTOPHER D. CERF Acting Commissioner

April 20, 2012

Dr. Nancy Hopkins-Evans School Administrator LEAP Academy University Charter School 549 Cooper Street Camden, NJ 08102

Dear Dr. Hopkins-Evans:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the LEAP Academy University Charter School. The funding sources reviewed include titled programs for the Education Jobs Act of 2010 (Ed Jobs) in particular, and/or Elementary and Secondary Education (ESEA) and the Individuals with Disabilities Education Act (IDEA). The review covered the period July 1, 2010 through November 30, 2011. The resulting report is enclosed. Please provide a copy of the report to each board member. All issued Ed Jobs monitoring reports will be posted on the department's website at http://www.state.nj.us/education/finance/jobs/monitor/.

Utilizing the process outlined in the attached "Procedures for Charter Schools Response, Corrective Action Plan and Appeal Process," the LEAP Academy University Charter School 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 Anthony Hearn at (609) 633-2492.

Sincerely,

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

RJC/AH/dk:LEAP Academy Univ. Charter School Cover Letter/ Ed Jobs **Enclosures** 

# **Distribution List**

Christopher D. Cerf Bari Erlichson David Corso Barbara Gantwerk Justin Barra Karen Campbell Peggy McDonald Amy Ruck Anthony Hearn Peggy Nicolosi Stephen M. Eells

# STATE OF NEW JERSEY DEPARTMENT OF EDUCATION PO BOX 500 TRENTON, NJ 08625-0500

# LEAP ACADEMY UNIVERSITY CHARTER SCHOOL

549 COOPER STREET CAMDEN, NJ 08102 PHONE: (856) 614-0400



New Jersey K-12 Education

# EDUCATION JOBS CONSOLIDATED MONITORING REPORT APRIL 2012

School: LEAP Academy University Charter School

County: Camden

**Dates On-Site**: December 19 and 20, 2011

**Case #:** Ed Jobs-016-11

#### **FUNDING SOURCES**

Program		Funding Award		
Ed Jobs			\$	-
Title I				693,605
IDEA Basic				209,365
Title IIA				65,812
		Total Funds	\$	968,782

#### **BACKGROUND**

The *Education Jobs Act of 2010 (Ed Jobs)* and other federal laws require local education agencies (LEAs) to provide programs and services to their schools based on the requirements specified in each of the authorizing statutes (ESEA, IDEA and Ed Jobs). 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 school for their intended purpose and achieving the overall objectives of the funding initiatives.

#### **INTRODUCTION**

The NJDOE visited the LEAP Academy University Charter School to monitor the school's use of *Ed Jobs* funds and the related program plans, where applicable, to determine whether the school'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; Title IIA; IDEA for the period July 1, 2010 through November 30, 2011.

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 school policies and procedures. The monitoring team members also conducted interviews with school 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 IIA, and IDEA from July 1, 2010 through November 30, 2011. A sampling of purchase orders was taken from the entire population and later identified as to the grant that was charged.

# GENERAL SCHOOL OVERVIEW OF USES OF TITLE I AND IDEA FUNDS

#### **Title I Projects**

The school is using its FY 2011-2012 Title I, Part A funds to implement a schoolwide program. Primarily, the school provides tutoring services through an after school program that runs from 4:00 p.m. to 5:30 p.m. and extensive professional development.

#### **IDEA Projects (Special Education)**

The school is using its FY 2011-2012 IDEA Basic funds to deliver direct services to special education students through contracted child study team services. A portion of the funds will also be used to pay for the special education director and the purchase of instructional supplies.

#### DETAILED FINDINGS AND RECOMMEDATIONS

#### Title I

**Finding 1:** The Title I Unified Plan does not reflect the specified programs, services and/or activities being implemented. Programs such as the Saturday Scholars' Program included in the plan are no longer in place. The documentation of School Improvement Committee meetings was limited and meeting dates did not match dates in the Title I Unified Plan.

**Citation:** NCLB §1116(b)(3): Academic Assessment and Local Educational Agency School Improvement (School Plan).

**Required Action**: The Title I Unified Plan must be revised to reflect the Title I eligible programs implemented. The plan must identify resources that the school will allocate and reallocate to support the implementation of the strategies and programs in the plan. The School Improvement Committee must meet regarding the revisions to the plan. The updated plan must be uploaded into the school's FY 2011-2012 NCLB Consolidated Application on the Electronic Web Enabled Grant system (EWEG) and a copy of the plan plus appropriate meeting documentation must be submitted to the NJDOE.

<u>Finding 2:</u> The school has not implemented student eligibility criteria for Supplemental Educational Services (SES) and is offering SES to all students, not just income-eligible students. Additionally, the letter to parents of eligible SES students does not meet the regulatory requirements. Letters were distributed via events and meetings, but not all eligible parents were sent a letter. Also, a timeline for parents to respond was not included in the letter. The SES non-regulatory guidance advises districts that parents should have a response window of at least two weeks (preferably four weeks).

**Citation:** NCLB §1116(e): Academic Assessment and Local Educational Agency and School Improvement (Supplemental Educational Services).

**Required Action:** The school must revise the SES notification letter to meet the statutory and regulatory requirements, and redistribute the revised letter to parents of its low-income students only. The school must submit a copy of the revised letter to the NJDOE for review prior to distribution. The school's web page must be updated to include the required SES information including the number of students who were eligible for and the number of students who participated in SES beginning with the 2007-2008 school year and for each subsequent school year.

**Finding 3:** The contracts between SES providers and the school do not include provisions governing the payment of services (approved provider amount per hour), attendance and missed sessions.

**Citation:** NCLB §1116(e): Academic Assessment and Local Educational Agency and School Improvement (Supplemental Educational Services).

**Required Action**: The school must revise or add an addendum to the contracts ensuring the school contracts with SES providers at the state-approved rate (vs. max per pupil amount). The revised contract must include a provision addressing attendance and missed sessions.

**Finding 4:** The school could not provide the required supporting documentation that it convened an annual Title I parent meeting.

**Citation:** NCLB §1118(c) (1) (2): Parental Involvement (Policy Involvement).

**Required Action:** The school must submit the required meeting minutes/notes, sign in sheets, and the agendas from the Title I parent meeting(s) to the NJDOE for review.

<u>Finding 5:</u> For the 2011-2012 school year, there is no evidence the parents/families of Limited English Proficient (LEP) students have been informed about how they can be involved in their child's education.

**Citation:** NCLB §1118(a): Parental Involvement (Local Educational Agency Policy); (f): Accessibility.

**Required Action**: The school must submit evidence that parents/families of LEP students have received notification for the 2011-2012 school year informing them about how they can be involved in their child's education. The updated notification must be posted on the district's web page for parents and sent to the NJDOE.

**Finding 6:** For the 2011-2012 school year, there is no evidence the school's written parent involvement policy was distributed or board adopted. The board-adoption date was not accurately reflected on the FY 2011-2012 NCLB Consolidated Application on the EWEG system.

**Citation:** NCLB §1118 (a)(2) and (b)(1): *Parental Involvement (Local Educational Agency Policy).* 

**Required Action:** The school must board-approve its current district parent involvement policy and distribute it to all parents since it is a Title I Schoolwide program. The distribution date and board-adoption date of the parent involvement policy must be consistent with the distribution date reflected in the FY 2011-2012 NCLB Application on the EWEG system. The school must update the EWEG application to accurately reflect these dates and submit the information to the NJDOE for review.

**Finding 7:** The Title I school-parent compact did not include the required components, specifically, the students' role in sharing the responsibility for improved student academic achievement.

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

**Required Action:** The principals must work with their stakeholder groups to develop a Title I school-parent compact that outlines 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 state's high standards. The school must distribute the compact to the parents of all students and send a copy of the school-parent compact to the NJDOE for review.

**Finding 8:** For the 2011-2012 school year, there is no evidence that the school distributed the "opt-out" form to parents and adult students regarding Title IX: Access to High School Students and Information on Students by Military Recruiters. Also, there is no evidence the school maintains a record of parents and students who requested to "opt-out" of complying with requests from military recruiters, college recruiters and employers, or that the school provided students' names, addresses, and telephone listings to military recruiters, college recruiters and employers if requested.

**Citation:** NCLB §9528: Access to High School Students and Information on Students by Military Recruiters.

**Required Action:** The school must distribute an "opt-out" letter and form to the parents of high school students, as well as adult students for FY 2011-2012 and submit a copy of the revised letter to the NJDOE for review.

<u>Finding 9:</u> The school hired non-highly qualified staff to assist in the after school program. The school used Title I funds to hire substitute teachers to perform educationally related services and all staff must be highly qualified.

**Citation:** NCLB §1119: *Qualifications for Teachers and Paraprofessionals.* 

**Required Action:** The school must verify the highly qualified status of the staff teaching in the after school program and/or define their roles in conjunction with section 1119(g) for duties as a paraprofessional.

**Finding 10:** The school does not have the required supporting documents to verify the activity of Title I staff as required by federal law. The documentation must reflect the grant funded staff's time worked and activities.

**Citation:** OMB Circular A-87, Attachment B, Section 8(h): *Cost Principles for State, Local and Indian Tribal Governments (Compensation for personal services).* 

**Required Action:** The school must verify the time and activity of staff charged to the grant. The school must submit a list of FY 2011-2012 Title I funded staff, salaries, funding percentages and time sheets to date to the NJDOE for review (including administrative staffing).

**<u>Finding 11:</u>** The school does not have a comprehensive equipment inventory for items purchased with Title I and IDEA funds.

**Citation:** EDGAR, PART 80--Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Section 32, Equipment.

**Required Action:** The school must develop a system to track equipment purchased with federal grants. Although the state threshold for reporting equipment is \$2,000 in the EWEG system, the school may have its own lower threshold. The school must track any amount that is less expensive to track then it is to replace. All inventoried items should include tag number, cost, location, date of purchase, grant that funded the purchase and item description. The school must submit a comprehensive inventory of all equipment purchased to the NJDOE for review.

<u>Finding 12:</u> The school charged expenses in the amount of \$16,535 to the Title I grant for non-allowable items such as entertainment and amusement parks.

**Citation:** OMB Circular A-87, Attachment B, Section 13: *Cost Principles for State, Local and Indian Tribal Governments* (Entertainment).

**Required Action:** The school must reverse the expenditures for the non-allowable costs and identify state/local funds to support these expenditures. The school must send documentation of the adjusting entry to the NJDOE for review.

<u>Finding 13:</u> The school's use of Title I funds to support college prep classes and to purchase science and mathematics textbooks supplanted state/local funds.

**Citation:** OMB Circular A-87, Attachment B, Cost Principles for State, Local and Indian Tribal Governments, NCLB Section 1120A(b) Fiscal Requirements, Federal Funds To Supplement, Not Supplant, Non-federal Funds.

**Required Action:** The school must identify state/local funds to support the college prep classes and the textbooks. The school must send documentation of the adjusting entry to the NJDOE for review.

<u>Finding 14:</u> On several occasions, the school failed to issue a purchase order prior to services being rendered (confirming order). The school's policy and state regulations require that a properly executed purchase order be issued prior to services being rendered.

**Citation:** N.J.S.A 18A:18A(2)(v) *Public School Contracts Law*.

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

#### **Title IIA**

The school had not spent any of the Title IIA money as of the monitoring.

#### **IDEA (Special Education)**

**Finding 15:** The school did not demonstrate that it met the standards of Maintenance of Effort. All necessary financial information needs to be inputted in the EWEG system to show it met the requirement and substantiates the figures as shown in the IDEA grant.

**Citation:** Maintenance of Effort - Funds provided to an LEA under Part B of the Act must not be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding fiscal year 34 CFR §300.203 (a-b).

**Required Action:** The school must input the information into the EWEG system and provide all supporting information to the NJDOE for review.

**<u>Finding 16:</u>** The school provided an excess cost computation, but it did not include the most upto-date information and needs to be updated to reflect the most up-to-date information.

**Citation:** Use of Amounts – Amounts provided to the LEA under Part B of the Act must be used only to pay the excess costs of providing special education and related services to children with disabilities. 34 CFR §300.202(a-b).

Required Action: The school must provide an Excess Cost Calculation to the NJDOE in accordance with the guidance in 34 *CFR* §300.202(a-b), and provide all supporting information to the NJDOE for review.

**Finding 17:** The school did not have the required supporting documents to verify the activity of IDEA I staff as required by federal law. The documents must reflect the grant funded staff time worked and activities.

**Citation:** OMB Circular A-87, Attachment B, Section 8(h): *Cost Principles for State, Local and Indian Tribal Governments (Compensation for personal services).* 

**Required Action:** The school must verify the time and activity of staff charged to the grant. The district must submit a list of FY 2011-2012 IDEA I funded staff, salaries, funding percentages and time sheets to date to the NJDOE for review (including administrative staffing).

<u>Finding 18:</u> The school did not consistently ensure that the required participants were in attendance at annual review, initial, eligibility determination, and reevaluation Individualized Education Program (IEP) meetings for students eligible for speech-language services and students eligible for special education and related services. Noncompliance was due to lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-2.3(k)1(i-vii); 20 U.S.C. §1414(d)(1)(B); and 34 CFR §300.321(a).

**Required Action:** The school must ensure that IEP team meetings (initial, reevaluation, annual review, and eligibility determination meetings) are conducted with required participants and that documentation of attendance is maintained in students' files. In order to demonstrate correction of noncompliance, the school must ensure implementation of the school's procedures. To demonstrate implementation of the procedures, the school must submit the IEP participants signature page from initial, annual review, eligibility, and reevaluation meetings for students eligible for speech and language services and students eligible for special education and related services whose IEP team meeting was conducted between March 2012 and May 2012 to the NJDOE for review.

<u>Finding 19:</u> The school did not consistently document all required considerations and statements in each IEP for students eligible for special education and related services and speech-language services. Specifically, IEPs did not consistently include:

- frequency, duration and location of related services;
- documentation of special considerations; and
- a statement describing the consideration of extended school year (ESY) with a description of the program when ESY will be provided.

Noncompliance was due to lack of implementation of school procedures.

**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 school must ensure that that each IEP contains all required components. In order to demonstrate correction of noncompliance, the school must ensure implementation of the school's procedures. To demonstrate that the school has corrected the individual instances of noncompliance, the school must conduct annual review meetings and revise IEPs for specific students whose IEPs were identified as noncompliant. The school must submit the revised IEPs, along with the IEPs of students whose annual review meetings were conducted between March 2012 and May 2012 to the NJDOE for review. Names of the students whose IEPs were identified as noncompliant will be provided to the school by the special education monitor.

**Finding 20:** The school did not provide to students eligible for special education and related services written notice of graduation prior to their graduation and a summary of academic achievement and functional performance. Noncompliance was due to a lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-4.11(b)2; N.J.A.C. 6A:14-4.11(b)4; 20 U.S.C. §1414(c)(5)(B); and 34 CFR §300.305(e)(3).

**Required Action:** The school must ensure that parents or adult students are provided with written notice prior to graduation and a summary of academic achievement and functional performance. In order to demonstrate correction of noncompliance, the school must develop school procedures for implementing the requirements in the citations listed above. To demonstrate implementation of the procedures, the school must submit written notice of graduation for three students who are graduating in June 2012 to the NJDOE for review.

**Finding 21:** The school did not consistently include the required components in notice of identification, eligibility, and reevaluation meeting for students referred for special education and related services and student speech-language services. Noncompliance was due to lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-2.3(k)3.5; 20 U.S.C. §1414(b)(1); and 34 CFR §300.304(a).

**Required Action:** The school must ensure that notices of identification, eligibility and reevaluation meetings contain all required components. In order to demonstrate correction of noncompliance the school must ensure implementation of school procedures. To demonstrate implementation of the school's procedures, the school must submit notices of identification and eligibility meetings conducted for students referred for special education and related services and speech-language services between March 2012 and May 2012. In addition, the school must submit notices of reevaluation meetings held between March 2012 and June 2012 to the NJDOE for review.

<u>Finding 22:</u> The school did not provide written invitations to students to meetings where post-school transition was being discussed beginning at age 14 and above for students eligible for

special education and related services. Noncompliance was due to a lack of implementation of the school procedures.

**Citation:** N.J.A.C.6A:14-2.3(k)2 and 3.7(e)13, 3.7(h); 20 U.S.C. §1414 (d)(1)(A)(i)(1)(VIII); and 34 CFR §300.322.b(2).

**Required Action:** The school must ensure that each student with an IEP, 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 school must ensure implementation of school procedures regarding the citation listed above. To demonstrate implementation of the procedures, the school must submit to the special education team leader copies of invitations to IEP meetings addressed to students, ages 14 and above, for IEP meetings conducted between March 2012 and May 2012 to the NJDOE for review.

<u>Finding 23:</u> The school did not conduct identification meetings within 20 calendar days of receipt of a written request for evaluation for special education and related services and speech-language services. Noncompliance was due to lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-3.3(e).

Required Action: The school must ensure that identification meetings are conducted within 20 calendar days of receipt of a written request for evaluation with the required participants. In addition, the school must document attempts to obtain parent participation at the identification meeting for students referred for special education and related services and speech-language services. In order to demonstrate correction of noncompliance, the school must ensure implementation of the school's procedures. To demonstrate implementation of the procedures, the school must submit participant signatures from identification meetings and copies of the dated initial request for evaluation for students referred for special education and related services and for speech-language services between March 2012 and May 2012 to the NJDOE for review.

<u>Finding 24</u>: The school did not perform vision/hearing screenings and obtain health/medical summaries for every student referred to the child study team for evaluation. Noncompliance was due to lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-3.4(j).

**Required Action:** The school must ensure that a vision and audiometric screening is conducted for every student referred to the child study team with a copy of the results maintained in students' files, along with available health/medical summaries. In order to demonstrate correction of noncompliance, the school must ensure implementation of the school's procedures. To demonstrate implementation of the procedures, the school must submit documentation verifying receipt of the health summary, including the vision and

hearing screening, for students referred to the child study team between March 2012 and May 2012 to the NJDOE for review.

<u>Finding 25:</u> The school did not provide written notice within 15 days following identification meetings. Additionally, written notice did not contain all the required components for students referred for special education and related services or for speech-language services. Noncompliance was due to lack of implementation of school procedures.

**Citation:** 20 U.S.C. §1414(b)(1)(c)(4)(A); 34 CFR §300.304(a)(4); and 34 CFR §300.305(a) and N.J.A.C. 6A:14-2.3(f) and 2.3(g)1-7.

**Required Action:** The school must ensure that that written notice that contains the required components is provided to parents within 15 days of the identification meeting. In order to demonstrate correction of noncompliance, the school must ensure implementation of school procedures. To demonstrate implementation of the procedures, the school must submit copies of written notices following identification meetings conducted between March 2012 and May 2012 for students referred for special education and related services and for speech-language services to the NJDOE for review.

<u>Finding 26:</u> The school did not obtain written parental consent to conduct an initial evaluation for students referred for speech-language services. Noncompliance was due to lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-2.3(a); 20 U.S.C. §1414(a)(1)(D); and 34 CFR §300.300(a).

**Required Action:** The school must ensure that informed parental consent is obtained when required and maintained in student files. In order to demonstrate correction of noncompliance, the school must conduct training for speech-language specialists regarding the procedures. The school must also ensure implementation of school procedures. To demonstrate implementation of the procedures, the school must submit signature(s) of parental consent to conduct initial evaluations for students referred for speech-language services between March 2012 and October 2012 to the NJDOE for review.

**<u>Finding 27:</u>** The school did not conduct multidisciplinary initial evaluations for students referred for speech-language services. Noncompliance was due to lack of implementation of school procedures.

**Citation:** with N.J.A.C. 6A:14-2.5(b)6 and 3.6(b).

**Required Action:** The school must ensure that a multidisciplinary evaluation is conducted for evaluations to determine eligibility for speech-language services by obtaining the education impact 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 school must conduct

training for speech-language specialists regarding the procedures. The school must also ensure implementation of the school's procedures. To demonstrate implementation of the procedures, the school must submit initial evaluation reports for students referred for speech-language services between March 2012 and May 2012 to the NJDOE for review.

<u>Finding 28:</u> The school did not provide to parents copies of evaluation report(s) at least 10 days prior to the determination of initial eligibility. Noncompliance was due to lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-3.5(a); 20 U.S.C. §1414(b)(4); and 34 CFR §300.306(a).

**Required Action:** The school must ensure the provision of copies of evaluation report(s) to parents not less than 10 days prior to the determination of eligibility. In order to demonstrate correction of noncompliance, the school must ensure implementation of the school's procedures. To demonstrate implementation of the procedures, the school must submit the documentation of provision of evaluation report(s) to parents for students evaluated for special education and related services and speech-language services between March 2012 and May 2012 to the NJDOE for review.

<u>Finding 29:</u> The school did not conduct reevaluations within three years of the previous classification date for students currently eligible for special education and related services. Noncompliance was due to lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-3.8(a) and 20 U.S.C. §1414(a)(2)(B)(ii) and N.J.A.C. 6A:14-3.7(i); 20 U.S.C. §1414(d); and 34 CFR §300.324(b)1.

**Required Action:** The school must ensure that reevaluations are conducted within required timelines. In order to demonstrate correction of noncompliance, the school must ensure implementation of the school's procedures. To demonstrate implementation of procedures, the school must submit the cover pages of IEPs of students reevaluated for special education and related services and speech-language services between March 2012 and May 2012 to the NJDOE for review.

<u>Finding 30:</u> The school did not maintain documentation of attempts to obtain parental consent when planning to conduct reevaluation assessments. Noncompliance was due to lack of implementation of school procedures.

**Citation:** N.J.A.C. 6A:14-2.3(a)6; 20 U.S.C. §1414(a)(1)(D); 34 CFR §300.300(a).

**Required Action:** The school must ensure that records of informed parental consent to conduct assessments are maintained in students' files. If the parent fails to respond to request for consent to conduct reevaluation assessments, the school must maintain documentation of attempts to obtain consent in students' files. In order to demonstrate correction of noncompliance, the school must ensure implementation of the school's procedures. To demonstrate implementation of the procedures, the school must submit

documentation of parental consent, or documentation of attempts to obtain consent, to conduct reevaluation assessments for students eligible for special education and related services and speech-language services whose meetings were held between March 2012 and October 2012 to the NJDOE for review.

# Administrative

<u>Recommendation 1</u>: The school does not have internal control policies and procedures to prevent contracting with disbarred vendors.

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

**Recommended Action:** The school must update internal control policies to prevent errors from potentially occurring.

**Recommendation 2:** The school does not have formal written policies for requesting reimbursement from the EWEG system; however, the school's practice for requesting reimbursement was verified through questions concerning the school's internal controls.

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

**Recommended Action:** The school must have a formal board policy concerning the reimbursement of grant funds and should submit this to the NJDOE for review.

Recommendation 3: Under the New Jersey's Public School Contracts Law (PSCL), schools are not required to advertise for bids or competitively contract the provision of goods and services by vendors on the state contract list. In accordance with the PSCL [N.J.S.A. 18A:18A:10(a)], a board of education may place its order with a vendor offering the lowest price, including delivery charges, that best meets the requirements of the board of education. However, for all federal funds, schools need to review 34 CFR Part 80.36 on procurement requirements. The federal procurement regulations under this section do not include all the exemptions allowed under the PSCL and therefore, it is our understanding these federal regulations require schools to competitively contract or bid all goods and services over the bid threshold, whether exempt under PSCL or not. The federal rules do include provisions for procurement by "noncompetitive proposals," but only under certain circumstances.

The NJDOE has requested clarification from the federal government regarding vendors on the state contract list and we are still waiting for a definitive response. It is the department's position and recommendation to the federal government that such contracts do not need any additional documentation beyond the statutory requirement under N.J.S.A. 18A:18A:10(c) that prior to placing orders, the board of education shall document with specificity that the goods and services selected best meet the requirements of the board of education. See LFN 2010-3 issued January

15, 2010 for more information on competitive contracting for schools and professional development services.

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

**Recommended Action:** The school should review 34 CFR Part 80.36 and use open and competitive procedures where at all possible. The school should also analyze and include documentation in its files that demonstrates the school ensured the costs were reasonable.

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 Anthony Hearn via phone at (609) 633-2492 or via email at anthony.hearn@doe.state.nj.us.