



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

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Lt. Governor

CHRISTOPHER D. CERF
Acting Commissioner

May 3, 2012

Mrs. Geraldine Carroll, Superintendent
Lindenwold Board of Education
801 Egg Harbor Road
Lindenwold, NJ 08021

Dear Mrs. Carroll:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Lindenwold Board of Education**. 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 January 31, 2012. 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 LEA/Agency Response, Corrective Action Plan and Appeal Process," the Lindenwold 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 Anthony Hearn at (609) 633-2492.

Sincerely,

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

RJC/AH/dk:Lindenwold BOE Cover Letter/ Ed Jobs
Enclosures

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Education Jobs Fund Program
New Jersey K-12 Education

EDUCATION JOBS CONSOLIDATED MONITORING REPORT
MAY 2012

District: Lindenwold School District
County: Camden
Dates On-Site: March 12 and 13, 2012
Case #: Ed Jobs-017-11

FUNDING SOURCES

Program	Funding Award
Ed Jobs	\$ 816,287
Title I	1,291,597
IDEA Basic	587,430
IDEA Preschool	22,061
Title IIA	98,326
Title III	105,539
Total Funds	<u>\$ 2,921,240</u>

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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 districts 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 district for their intended purpose and achieving the overall objectives of the funding initiatives.

INTRODUCTION

The NJDOE visited the Lindenwold School District to monitor the district's use of *Ed Jobs* 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: Ed Jobs, Title I; Title IIA; Title III; IDEA for the period July 1, 2010 through January 31, 2012.

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 Educational Program (IEPs), review of student class and related service schedules, interviews of child study team members, speech-language specialist 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 Educational Jobs Act, Title I, Title IIA, Title III, and IDEA from July 1, 2010 through January 13, 2012. 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 AND IDEA FUNDS

Title I Projects

The district offers a schoolwide Title I program for FY 2011-2012 in one of its two elementary schools and its middle school (the other elementary school will apply for schoolwide again this year). The district has two schools identified as in need of improvement and the district has been identified as a District In Need of Improvement (DINI). The district funds an in-class support function, as well as extended school day and extended school year programs with its Title I grant.

IDEA Projects

The district is using FY 2011-2012 IDEA Basic funds to reduce district tuition expenditures for students receiving special educational services in other public school districts and approved private schools for students with disabilities.

DETAILED FINDINGS AND RECOMMENDATIONS

ED Jobs Act Funding

There were no findings in Ed Jobs.

Title I

Finding 1: The district did not include the DINI reserve in its FY 2011-2012 Electronic Web Enabled Grant (EWEG) application, nor did it include administrative salaries being charged to the grant.

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 amend its EWEG application to include the mandatory reserves and enter any administrative salaries in the FY 2011-2012 NCLB Consolidated Application for Title I funds. The district must immediately notify the NJDOE when it revises the Title I section of the FY 2011-2012 application.

Finding 2: The district is not tracking expenditures by attendance areas in its accounting system to ensure that the expenses for Title I schools are consistent with the attendance area allocation s on Eligibility Page, Step 4 of the FY 2011-2012 NCLB Consolidated Application. After revising its application to reserve DINI PD funds, the district must submit an updated schedule of expenditures by locations to the NJDOE for review.

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

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financial management systems; NCLB §9306(a)(5): *Other General Assurances (Assurances)*.

Required Action: The district must track Title I school-level allocations reflected in the FY 2011-2012 NCLB Consolidated Application for Title I funds (Eligibility Page, Step 4). The tracking for FY 2011-2012 must be submitted to the NJDOE for review.

Finding 3: The district does not have the required documentation to verify the activity of Title I staff in School 5. The documentation must indicate staff members' assignment for each period of the school day.

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 district must verify the time and activity of staff charged to the grant. The district 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).

Finding 4: For its targeted assistance school, the district is required to inform parents of the Title I program selection criteria, why the child met the selection criteria and the course of action that the school has determined to remediate the child. All of these elements must be included in the notification letter to parents about their child's participation in the Title I program.

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

Required Action: The district must revise its parent notification letters to include the multiple measures used to identify the students, the reason for identification, entrance criteria and exit criteria. The district must update its notification letters for the 2012-2013 school year. Prior to distributing the letter, the district must send a copy to the NJDOE for review.

Finding 6: The Title I school-parent compact does not include the required components, specifically information on the school's responsibility to provide high-quality curriculum and instruction in a supportive and effective learning environment that enables children served under Title I, Part A to meet the state's student academic achievement standards.

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

Required Action: The FY 2012-2013 Title I school-parent compact must be amended to include additional information pertaining to the school's responsibility to provide high-quality curriculum and instruction in a supportive and effective learning environment that enables children served under Title I, Part A to meet the state's student academic achievement standards. Prior to distributing the 2012-2013 school-parent compact to

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parents, the district must send a copy to the NJDOE for review. The Title I, Part A Non-Regulatory Guidance can be found at: www2.ed.gov/programs/titleiparta/parentinvguid.doc.

Finding 7: The district's criteria for identifying eligible nonpublic students for equitable services does not consist of multiple, educationally related, objective criteria to identify low-performing students. Instead, the district uses income as a criterion for eligibility.

Citation: ESEA §1120 *Participation of Children Enrolled In Private School*.

Required Action: In its consultation with nonpublic schools for services to eligible students in the 2012-2013 school year, the district must ensure that it is using an appropriate method to collect poverty data on nonpublic schoolchildren and multiple, educationally related, objective criteria to identify eligible nonpublic schoolchildren for Title I services. Information on equitable participation can be found on the NJDOE website at: <http://www.state.nj.us/education/title1/leg/policy/equitable.shtml>.

Title IIA

There were no findings in Title IIA.

Title III

There were no findings in Title III.

IDEA

Finding 8: The district did not consistently provide written notice in the native language of the parents following identification, initial eligibility, initial IEP, eligibility/IEP, reevaluation planning, determination of continued eligibility, and annual review meetings. Noncompliance was due to a lack of implementation of district procedures.

Citation: Provision and Content of Written Notice following a meeting 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 district must ensure that parents are provided written notice following an IEP team meeting in the native language of the parent. In order to demonstrate correction of noncompliance, the district must provide training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. In addition, the district must submit copies of notices of identification, initial eligibility, initial IEP, eligibility/IEP, reevaluation planning, redetermination of eligibility, reevaluation/IEP and annual review meetings used by the district in languages other than English to the NJDOE for review.

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Finding 9: The district did not provide copies of evaluation report(s) to parents at least 10 days prior to the determination of initial eligibility or redetermination of eligibility (when assessments were conducted). Noncompliance was due to a lack of implementation of district 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 district 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 district must conduct training for child study team members and speech-language specialists regarding procedures for implementing the requirements in the citation listed above. To demonstrate implementation of the procedures, the district 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 May 2012 and July 2012 to the NJDOE for review.

Finding 10: The district 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:

- duration of related services;
- documentation of students' strengths in the Present Level of Functional Performance Statement;
- goals and objectives for counseling; and
- criteria for goals and objectives.

Noncompliance was due to a lack of implementation of district 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 district must ensure that each IEP contains all required components. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding district procedures. To demonstrate that the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise IEPs for specific students who IEPs were identified as noncompliant. The district must submit the revised IEPs, along with the IEPs for students whose annual review meetings were conducted between May 2012 and July 2012 to the NJDOE for review. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the special education monitor. For assistance with correction of noncompliance, the district is referred to the state IEP sample form at: www.statenj.us/education/specialed/forms.

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Finding 11: The district did not consistently document in the IEPs of students removed from the general education setting for more than 20 percent of the school day (including students placed in separate settings), consideration of placement in the least restrictive environment (LRE). Specifically, IEPs did not consistently include:

- the supplementary aids and services considered;
- an explanation of why the supplementary aids and services were rejected;
- the potentially beneficial or harmful effects which a placement in general education may have on the students with disabilities or other students in the class; and
- for those students placed in separate settings, and activities to transition the student to a less restrictive environment.

Noncompliance was due to a lack of implementation of district procedures.

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 that when determining the educational placement of a child with a disability, the IEP team considers the general education class first and that 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. The district must also ensure that for students placed in separate settings, the IEP team identifies activities to transition the student to a less restrictive environment and document them in each IEP. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members regarding the district's procedures. To demonstrate that the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise the IEPs for specific students with IEPs that were identified as noncompliant. The district must submit the revised IEPs, along with the IEPs for students whose annual review meetings were conducted between May 2012 and July 2012 to the NJDOE for review. Names of the students with IEPs that were identified as noncompliant will be provided to the district by the special education monitor.

Finding 12: The district did not consistently document in the IEPs of students eligible for special education and related services the relevant factors considered when determining whether a student requires an extended school year program (ESY). Noncompliance was due to a lack of implementation of district procedures.

Citation: *Consideration of ESY* N.J.A.C. 6A:14-4.10(a).

Required Action: The district must ensure that consideration of ESY is documented in the IEP. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members regarding the procedures for implementing the requirements in the citation listed above. Additionally, the district must conduct annual review meetings to review and revise IEPs for the specific students whose IEPs were identified as noncompliant during monitoring and submit them to the NJDOE for review,

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along with IEPs for students whose annual review meetings were conducted between May 2012 and July 2012. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the special education monitor.

Finding 13: The district did not consistently complete transition planning for students ages 14 and above and document decisions in the IEP. Noncompliance was due to a lack of implementation of district procedures.

Citation: *Post-school Transition* N.J.A.C. 6A:14-3.7(e)11.

Required Action: The district must ensure that transition is discussed at each IEP meeting for students age 14 or above, and that decisions are documented in the IEP. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members regarding the procedures for implementing the requirements in the citation listed above. Additionally, the district must conduct annual review meetings to review and revise IEPs for the specific students whose IEPs were identified as noncompliant during monitoring and submit them along with IEPs for students whose annual review meetings were conducted between May 2012 and July 2012 to the NJDOE for review. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the special education monitor.

Finding 14: The district did not consistently conduct multidisciplinary initial evaluations for students referred for speech-language services by obtaining an educational impact statement from the classroom teacher. Noncompliance was due to a lack of implementation of district procedures.

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

Required Action: The district must ensure that a multidisciplinary evaluation is conducted for students referred for speech-language services by obtaining a 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 district must conduct training for speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. Additionally, the district must submit initial evaluation reports for students referred for speech-language services whose eligibility meetings were held between May 2012 and July 2012 to the NJDOE for review.

Finding 15: The district did not consistently conduct all required sections of the functional assessment as a component of an initial evaluation for students referred for special education and related services and students referred for speech-language services. Noncompliance was due to a lack of implementation of district procedures.

Citation: N.J.A.C. 6A:14-3.4(f)4(i-vi); 20 U.S.C. §1414(b)(4) and (5); and 34 CFR §300.306(c)(i).

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Required Action: The district must ensure that all components of the functional assessment are conducted as part of the initial evaluations process. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the district's procedures for implementing the requirements in the citation listed above. In addition, the district must submit evaluation reports developed between May 2012 and July 2012 for students referred for special education and related services and speech-language services to the NJDOE for review.

Administrative

Recommendation 1: The district does not have internal control policies and procedures to prevent contracting with disbarred vendors. The district should update internal control policies to prevent potential errors from occurring.

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

Recommendation 2: Under the New Jersey's Public School Contracts Law (PSCL), districts 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, districts 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 districts 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 districts 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 district should review 34 CFR Part 80.36 and use open and competitive procedures where at all possible. The district should also analyze and

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include documentation in its files that demonstrates the district 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.