



State of New Jersey
DEPARTMENT OF EDUCATION
PO Box 500
TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHRISTOPHER D. CERF
Commissioner

June 20, 2013

Mrs. Helene Feldman, Superintendent
Belleville Public Schools
102 Passaic Avenue
Belleville, NJ 07109

Dear Mrs. Feldman:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Belleville 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 June 30, 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 Belleville 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 Steven Hoffmann at (973) 621-2750.

Sincerely,

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

RJC/SH/dk:Belleville BOE Cover Letter/ Ed Jobs
Enclosures

Distribution List

Christopher D. Cerf

David Corso

Justin Barra

Susan Martz

Marie Barry

Karen Campbell

Peggy McDonald

Kimberly Murray

Steven Hoffmann

Todd Flora

Stephen M. Eells

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

BELLEVILLE BOARD OF EDUCATION
102 PASSAIC AVENUE
BELLEVILLE, NEW JERSEY 07109
PHONE: (973) 450-3500



Education Jobs Fund Program
New Jersey K-12 Education

**EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013**

District: Belleville Public Schools
County: Essex
Dates On-Site: December 17, 18 and 19, 2012
Case #: Ed Jobs-022-11

FUNDING SOURCES

Program	Funding Award
Ed Jobs	\$ 844,973
Title I	932,588
IDEA Basic	1,109,826
IDEA Preschool	25,384
Title IIA	164,237
Title III	63,121
Carl D. Perkins	43,778
Total Funds	<u><u>\$3,183,907</u></u>

BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013

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 Belleville Public Schools 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 Basic and Preschool, and the Carl D. Perkins (Perkins) grant for the period July 1, 2010 through June 30, 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, student records, classroom visitations and interviews with instructional staff. The visit also included a review of student class and related service schedules, interviews of the child study team members and speech-language specialists, and an interview of the program administrator regarding the IDEA grant and 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 Ed Jobs, Title I, Title IIA, Title III, IDEA Basic and Preschool, and Perkins from July 1, 2010 through June 30, 2012. A sampling of purchase orders and/or salaries was taken from each program reviewed.

**BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013**

GENERAL DISTRICT OVERVIEW OF USES OF TITLE I, IDEA AND CARL D. PERKINS FUNDS

Title I Projects

Title I funds were expended to support teacher salaries and benefits. In addition, Title I funds were used for staff development and supplies.

IDEA Projects (Special Education)

The district is using its FY 2010-2011, 2011-2012, and 2012-2013 IDEA Basic and Preschool funds for purchased services, supplies and materials, and to reduce district tuition costs for students receiving special educational services in other public school districts and approved private schools for students with disabilities. In addition, the district is using their nonpublic proportionate share to provide speech therapy services, instruction and supplementary support for students with disabilities attending one nonpublic school located within the district.

Carl D. Perkins

The district supports three Career and Technical Education (CTE) programs. All programs are compliant with the CTE Approval Process. The district's programs have met all state and local adjusted performance levels except Placement. Funds are spent in the areas of supplies and equipment. No salaries or other budget items have been included.

DETAILED FINDINGS AND RECOMMENDATIONS

Ed Jobs Act

Finding 1:

Condition: The district failed to retain copies of the 1512 Jobs reports and the Cash Management reports for audit purposes as required.

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: Copies of quarterly 1512 and Cash Management reports must be retained for audit purposes.

BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013

Finding 2:

Condition: The district could not provide the monitors with any documentation to support the jobs created and jobs retained totals reported on the 1512 reports.

Citation: *American Recovery and Reinvestment Act (ARRA) section 1512.*

Required Action: The jobs created and jobs retained reported on the 1512 report must be calculated using the appropriate federal methodology. Documentation supporting the calculation must be retained by the district.

Title I

Finding 3:

Condition: The district's Title I program is not supplemental to its other locally funded basic skills program. The district provided the same services for students attending non-Title I schools and Title I schools. As required by legislation, Title I students must receive academic services that are above and beyond non-Title I services that specifically address the additional academic needs of those Title I students.

Citation: ESEA §1115(c): *Targeted Assistance Programs (Components of a Targeted Assistance Program).*

Required Action: To avoid violating the "supplement not supplant" provision of the Title I legislation, the district must revamp its Title I program to ensure it provides supplemental instruction for its identified Title I students. The district must provide a copy of its revised Title I program in narrative form to the NJDOE for review.

Finding 4:

Condition: The district has clear and distinguishable identification criteria for its Title I students, but could not provide evidence that the multiple measures were applied to determine which students were eligible to receive Title I services. Without this evidence, the monitoring team could not verify that the lowest-performing students were receiving Title I services.

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

Required Action: The district must establish a mechanism to clearly reflect the selection criteria and the supporting data elements for the identification of its Title I students served in its Title I funded schools.

BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013

Finding 5:

Condition: The district does not have supporting documents to verify the activity of Title I teachers as required by federal law. The documentation must reflect what the staff is doing, when and where and it must match their funded percentage. This documentation is necessary to verify that funded staff are performing grant-related duties.

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 Title I grant. The district must submit a list of FY 2012-2013 Title I funded staff, salaries, funding percentages and time sheets to date to the NJDOE for review.

Finding 6:

Condition: The district did not complete the Parent Involvement – School Allocations page in the NCLB Consolidated Application on the Electronic Web Enabled Grant (EWEG) system to indicate the Title I funding to be utilized for parental involvement activities at the school-level. In addition, no evidence was provided to support that Title I parental involvement activities occurred in accordance with the required legislative parental involvement reserve at the district or school levels.

Citation: ESEA §1118: *Parental Involvement*.

Required Action: The district must ensure Title I funded schools use their Title I parental involvement funds to implement programs and activities that are aligned with the statutory and regulatory requirements. The district must submit a list of its planned expenditures for the funds in the parental involvement reserve to the NJDOE for review.

Finding 7:

Condition: For the 2011-2012 school year, there was no evidence the district's written parental involvement policy and school-parent compact were developed in conjunction with parents and distributed to them as well. The indicated board adoption date was also not accurately reflected in the FY 2011-2012 NCLB Consolidated Application on the EWEG system.

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

Required Action: The district must annually evaluate its Title I written parental involvement policy and school-parent compacts. These documents must be developed in collaboration with and distributed to parents of Title I students. In addition, the board

BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013

adoption date of the parental involvement policy must be consistent with the date reflected in the FY 2012-2013 NCLB Application on the EWEG system.

Finding 8:

Condition: The district contracted with the Essex Regional Educational Services Commission (ERESC) to provide services for nonpublic students. The contract stipulates that the district pay ERESA in 10 equal monthly installments to be determined, instead of payment for actual services rendered.

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 provide supporting documentation for payments rendered to the ERESA for the 2011-2012 school year. The documentation must detail the services performed with the costs for each of these services. The FY 2012-2013 contract with the ERESA must also be revised to stipulate that payments are for services rendered and not on an installment basis. A copy of this information must be sent to the NJDOE for review.

Finding 9:

Condition: The district's use of Title I, Part A funds to pay for Handle with Care Instruction Re-certification Program, HP ProBook 3105M Notebook PCs, and Standard Solutions, LLC professional development supplants state/local funds. These expenditures benefit non-Title I students and staff; therefore, the district should have used state/local funds for these expenditures.

Citation: ESEA §1120A(b): *Fiscal Requirements (Federal Funds to Supplement, Not Supplant, Non-Federal Funds)*.

Required Action: This matter will be referred to the Office of Fiscal Accountability and Compliance for further review.

Title IIA

Finding 10:

Condition: The district is supplanting state/local fund through the use of Title IIA funds to support the payment of \$12,000 of principal dues to the NJ Principals and Supervisors Association. The district has a contractual obligation with its principals to pay these dues; therefore, in the absence of federal funds the district would still have to provide reimbursement.

BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013

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

Required Action: The district must reappropriate Title IIA funds earmarked for dues and apply local funds for these expenditures. Title IIA funds already expended for this purpose must be replaced with local funds.

Title III

Finding 11:

Condition: Although the district provided the signed Affirmation of Consultation with Nonpublic School Officials document; the district did not show evidence of having ongoing consultation with the nonpublic school officials.

Citation: NCLB §9501.

Required Action: Annually, the district must consult with nonpublic school officials regarding how students are served and how progress is measured. The district must maintain documentation of the nonpublic consultation process (e.g., agendas, sign in sheets, meeting notes).

IDEA

Finding 12:

Condition: The district contracted with the ERESO for services to nonpublic students with disabilities for the 2010-2011 and 2011-2012 school years; however, no contract was available for review. For the 2012-2013 school year, the contract was based on the total amount of the nonpublic IDEA allotment. The contract does not include the type of services and associated rates to be provided.

Citation: IDEA Regulations 34CFR §300.130-300.144.

Required Action: The district must create a valid contract, with signatures from all parties, for the current school year with the ERESO to include the type of services and associated rates to be provided. The district must request detailed invoices from the ERESO that includes specific dates of service and type of service provided.

Finding 13:

Condition: A review of invoices from the ERESO for transportation services to students placed in separate settings revealed the invoice was charged to the incorrect account number; 100-500. According to the Uniform Minimum Chart of Accounts, the function code 100 is for instructional activities and function code 200 is reserved for activities which facilitate and enhance instruction. Since transportation is not considered

BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013

instructional activities, it should be charged to account 270-511 in the district's accounting system.

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

Required Action: The district must update its applications and corresponding accounting records to classify expenditures according to their correct function and object codes.

Finding 14:

Condition: For students with disabilities in nonpublic settings, the district is not providing the services indicated in Individual Service Plans (ISP). In many ISPs, the program page indicates In-Class-Support, which is a service provided by a special education teacher. The district is not providing In-Class-Support to the students in the nonpublic school, but is providing supplementary support by a paraprofessional. In addition, some ISPs indicate assistance of a classroom paraprofessional and/or a one to one assistant in all general education classes to be provided daily. However, the district is not providing this service.

Citation: IDEA Regulations 34CFR §300.130-300.144; Chapter 192 & 193 Programs for Nonpublic School Students 2011-2012.

Required Action: All ISPs must be revised, through a properly configured meeting, to reflect the correct level of service being provided in the nonpublic school, or the district must begin providing the services of a special education teacher, where indicated.

Carl D. Perkins

Finding 15:

Condition: The district has no documentation of consultation with the Workforce Investment Board (WIB) to develop the one year spending plan.

Citation: Perkins Act §134(b)(5). One Year Grant Application Guidelines July 1, 2011-June 30, 2012. Section C: 3.1 Workforce Investment Board (WIB) Review.

Required Action: In the future, the district must ensure that the Perkins application has been developed in consultation with the WIB.

Finding 16:

Condition: Equipment purchased with Perkins funds did not have a visible, permanently attached, numbered inventory tag.

BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013

Citation: OMB Circular A-87; EDGAR 80.32. Perkins: P.L. 109-270§135 (b) 7, Perkins One Year Grant Application Guidelines July 1, 2011- June 30, 2012, Section D:1.5.7 Equipment.

Required Action: The district must place visible, permanently attached, numbered inventory tags on equipment.

Finding 17:

Condition: Delivery date on equipment (three Smart Boards) was after the close of the grant period (July 1, 2011 – June 30, 2012).

Citation: Perkins One-Year Grant Application Guidelines July 1, 2011 – June 30, 2012, Section 1.5.7 Equipment.

Required Action: The cost of the three Smart Boards is disallowed. The district must charge this cost, \$7,962.00 (equipment \$8,862.00 less warranty \$900.00) to local funds or other funding sources.

Finding 18:

Condition: The district has not established advisory boards for any of their approved CTE programs.

Citation: Perkins: P.L. 109-270,§134 (b) (5) and N.J.A.C. 6A:19-3.1 Program Requirements.

Required Action: The district must establish an advisory board for each approved CTE program. Each advisory board must meet at least twice per project period. Once the advisory board has been established, the district must submit a copy of the advisory board minutes to their Perkins program officer. Programs without evidence of functioning advisory boards will not be considered approved programs and will not be eligible for future Perkins funding.

Finding 19:

Condition: The district purchased an equipment warranty (Smart Boards) extending beyond the grant period (July 1, 2011-June 30, 2012).

Citation: Perkins One-Year Grant Application Guidelines July 1, 2011 – June 30, 2012, Section 1.5.8 Non-allowable Costs.

Required Action: The cost of the extended warranty is disallowed. The district must charge this cost, \$900.00 to local funds or other funding sources.

BELLEVILLE PUBLIC SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JUNE 2013

Administrative

Finding 20:

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.

Recommendation 1: Although the district does not have formal written policies for requesting reimbursement from the EWEG system, the district's practices for requesting reimbursement were verified through questions concerning the district'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 district must have a formal board policy concerning the reimbursement of grant funds and should submit this to the NJDOE for review.

Recommendation 2: The district does not have a purchasing manual that details procedures for the procurement of goods and 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.A.C. 6A:23A-6.6 Standard operating procedures for business functions.

Recommended Action: The district should prepare and adopt a detailed purchasing manual to ensure compliance with current state and federal procurement regulations.

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 Steven Hoffmann via phone at (973) 621-2750 or via email at steven.hoffmann@doe.state.nj.us.