



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

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Governor

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CHRISTOPHER D. CERF
Commissioner

September 20, 2012

Dr. Michael Pennella, Superintendent
Essex County Vocational Technical Schools
60 Nelson Place, 1 North
Newark, NJ 07102

Dear Dr. Pennella:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Essex County Vocational Technical Schools 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 May 14, 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 Essex County Vocational Technical Schools 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:Essex Co. Voc. Tech. Schools BOE Cover Letter/ Ed Jobs
Enclosures

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Education Jobs Fund Program
New Jersey K-12 Education

**EDUCATION JOBS CONSOLIDATED MONITORING REPORT
SEPTEMBER 2012**

District: Essex County Vocational Technical Schools
County: Essex
Dates On-Site: April 23, 24 and 25, 2012
Case #: Ed Jobs-025-11

FUNDING SOURCES

Program	Funding Award
Ed Jobs	\$ 707,477
Title I	1,786,790
IDEA Basic	805,698
Title IIA	124,213
Title III	33,580
Carl D. Perkins	374,848
Total Funds	<u>\$ 3,832,606</u>

**ESSEX COUNTY VOCATIONAL TECHNICAL SCHOOLS
EDUCATION JOBS CONSOLIDATED MONITORING REPORT
SEPTEMBER 2012**

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, Carl D. Perkins 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 Essex County Vocational Technical 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; Carl D. Perkins; and IDEA for the period July 1, 2010 through April 23, 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 IEPs, a review of student class and related service schedules, interviews of child study team members and speech-language specialists and an interview of the program administrator regarding the IDEA grant 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 Educational Jobs Act, Title I, Title IIA, Title III, Carl D. Perkins and IDEA from July 1, 2010 through April 23, 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 FUNDS

Title I Projects

The district operates schoolwide programs on all four campuses - Bloomfield Tech, Newark Tech, 13th Street Tech and West Caldwell Tech. The district has identified Closing the Achievement Gap, Language Arts and Mathematics for all students as its priority problems.

Title III

Title III funds are being used to purchase consumable supplies for students, after school and summer programs, professional development for English as a Second Language instructional staff, and Assessing Comprehension and Communication in English State-to-State for English Language Learners.

IDEA (Special Education)

The majority of the district's FY 2011-2012 IDEA Basic funds are being used for salaries of special education teachers and classroom aides, as well as being used to pay for contracted professional and technical services (school psychologist, transition coordinator, inclusion facilitator). In addition, FY 2011-2012 IDEA funding provides for parent training, field trips, and supplies and materials to support instruction.

Carl D. Perkins Projects

The district's FY 2011-2012 Carl D. Perkins funds supports 33 NJDOE approved Career and Technical Education programs (CTE), under all career clusters, throughout the district's schools. These programs include, but are not limited to: Special Products Marketing Operations; Accounting Technology/Technician and Bookkeeper; Nursing Assistant/Aide and Patient Care Assistant; Computer Maintenance Technician, and Computer Programmer. A complete listing of approved programs can be found on the DOE website.

The funds supplied through the Carl D. Perkins grant provided professional development opportunities for teachers, industry-standard supplies and resources to align CTE learning to the New Jersey Core Curriculum Standards, and supported Career and Technical Student Organizations activities. The funds also provided tutoring, allowed for pre and post-testing of students and aided in enhancing opportunities for special populations.

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DETAILED FINDINGS AND RECOMMENDATIONS

Ed Jobs

There were no findings for Ed Jobs.

Title I

Finding 1: The district could not provide substantiated evidence of on-going and varied academic supports to assist parents/guardians.

Citation: NCLB §1118(e)(1-14): *Building Capacity for Involvement.*

Required Action: The district must ensure that it engages parents/families in an effective/meaningful manner in an effort to improve student academic achievement. The district must provide evidence of on-going parental involvement activities linked to its comprehensive needs assessment to the NJDOE for review.

Title IIA

Finding 2: The time and activity records for the staff funded with Title II funds are inadequate. The individuals paid from general funds and Title IIA funds did not complete a monthly timesheet as required by OMB. These individuals completed all federally funded employees' timesheets semiannually.

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 assure all persons paid with Title IIA funds complete a monthly timesheet.

Title III

There were no findings for Title III.

Carl D. Perkins

There were no findings for Carl D. Perkins.

IDEA (Special Education)

Finding 3: The time and activity records for the staff partially funded with IDEA funds are inadequate. Three individuals funded from IDEA funds did not complete a monthly timesheet as required by OMB. These individuals completed all federally funded employees timesheets semiannually.

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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 assure all staff funded with IDEA grant funds complete a monthly timesheet.

Finding 4: The district did not consistently maintain documentation of the description, frequency, duration and effectiveness of the interventions provided in the general education setting through the Intervention and Referral Service (I&RS). Noncompliance was due to a lack of consistent implementation of district procedures.

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

Required Action: The district must ensure that I&RS documentation includes the description, frequency, duration and effectiveness of the interventions provided in the general education setting. 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 submit documentation for students referred to the child study team who were provided interventions in general education between September 2012 and December 2012 to the NJDOE for review.

Finding 5: The district did not provide an excess cost computation.

Citation: 34 CFR §300.202(a-b). *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.*

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.

Administrative

Recommendation 1: The district 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 district should update internal control policies to prevent errors from potentially occurring.

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

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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 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.