



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

October 24, 2012

Dr. Marcia V. Lyles, Superintendent
Jersey City Board of Education
346 Claremont Avenue
Jersey City, NJ 07305

Dear Ms. Lyles:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Jersey City 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 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 Jersey City 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:Jersey City BOE Cover Letter/ Ed Jobs
Enclosures

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Education Jobs Fund Program
New Jersey K-12 Education

**EDUCATION JOBS CONSOLIDATED MONITORING REPORT
OCTOBER 2012**

District: Jersey City Public Schools
County: Hudson
Dates On-Site: June 18, 19 and 20, 2012
Case #: Ed Jobs-035-11

FUNDING SOURCES

Program	Funding Award
Ed Jobs	\$13,844,068
Carl D. Perkins	334,198
Total Funds	<u>\$14,178,266</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. 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 Jersey City 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; Special Education; and the Carl D. Perkins (Perkins) grant for the period July 1, 2010 through May 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 Education Programs (IEPs). 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 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 Ed Jobs and Perkins grants were reviewed from July 1, 2010 through May 31, 2012. A sampling of purchase orders and/or salaries was taken from each program reviewed.

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OVERVIEW OF USES OF CARL D. PERKINS GRANT FUNDS

The district is approved for eleven (11) Career and Technical Education (CTE) programs for which they receive Perkins funds to support the implementation of these programs.

DETAILED FINDINGS AND RECOMMENDATIONS

Ed Jobs Act

Finding 1:

Condition: During FY 2011, the district charged approximately \$295,000 of unallowable expenses against the Ed Jobs grant. The unallowable expenditures included transportation costs and athletic costs such as bowling lane charges.

Citation: *Education Jobs Fund P.L. 111-226.*

Required Action: The unallowable expenses must be charged to state/local funds, rather than the Ed Jobs grant.

Finding 2:

Condition: The district's reporting of jobs created and jobs retained for Ed Jobs funding was not calculated using the proper federal methodology. Jobs created and jobs retained were understated during the first three quarters of FY 2012. In addition, 1512 reports were submitted with quarter ending dates of November, February and May rather than the required September, December, March and June.

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

Required Action: The jobs retained reported on the 1512 report must be calculated using the appropriate federal methodology and reported as of the required dates.

Special Education Programs

Finding 3:

Condition: The district did not consistently provide copies of evaluation report(s) to parents at least 10 days prior to the determination of initial eligibility or determination of continued eligibility for special education and related services and for students referred and/or eligible for speech-language services. Noncompliance was due to the 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).

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Required Action: The district must ensure parents are provided copies of evaluation report(s) 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. Additionally, a monitor from the NJDOE will conduct an on-site visit to review documentation of provision of evaluation report(s) to parents for students evaluated for special education and related services and speech-language services whose eligibility meetings will be held between August 2012 and November 2012.

Finding 4:

Condition: The district did not conduct a meeting within 20 calendar days of receipt of a written request for evaluation for special education and related services or for speech-language services, to determine if an evaluation was warranted. Noncompliance was due to the lack of implementation of district procedures.

Citation: N.J.A.C. 6A:14-2.5(b)6; 3.3(e) and 3.6(b).

Required Action: The district must ensure a meeting is conducted within 20 calendar days of receipt of a written request for evaluation to determine if an evaluation is warranted. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. In addition, a monitor from the NJDOE will conduct an on-site visit to review the dated initial request for evaluation and documentation from subsequent identification meetings conducted for students referred for special education and related services and for students referred for speech-language services between August 2012 and November 2012.

Finding 5:

Condition: The district did not conduct vision/hearing screenings and health/medical summaries for every student referred to the child study team for evaluation. Noncompliance was due to the lack of implementation of district procedures.

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

Required Action: The district must ensure 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 district must conduct training for child study team members regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to review the dated copies of vision and audiometric screenings and health/medical summaries provided to case managers for students referred to the child study team between August 2012 and November 2012.

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Finding 6:

Condition: The district did not consistently conduct all required sections of the functional assessment as a component of initial evaluations for students referred for special education and related services and for students referred for speech-language services. Noncompliance was due to the 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).

Required Action: The district must ensure all components of a functional assessment are conducted as part of all initial evaluations. 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, a monitor from the NJDOE will conduct an on-site visit to review the evaluation reports developed for students referred for special education and related services and for students referred for speech-language services between August 2012 and November 2012.

Finding 7:

Condition: The district does not have a policy to ensure the participation of students with disabilities, with appropriate modifications and accommodations, in district wide assessments.

Citation: 34 CFR §300.160.

Required Action: The district must revise its policies and procedures to ensure that students with disabilities participate in district wide assessments. The policy must include the provision of accommodations and modifications and the provision of alternate assessments for those children who cannot participate in the regular assessment. If the district reports publicly on the district wide assessment, the district must also report with the same frequency and in the same detail as it reports on the assessment of nondisabled children. A monitor from the NJDOE will conduct an on-site visit to review evidence of this policy revision which includes all of the required components in the citation above.

Carl D. Perkins Grant

Finding 8:

Condition: The Perkins application indicates the district expended funds for non-instructional salaries for the following programs for which no enrollment data was submitted and the district indicated were not operating:

- 46.0302 – Electrician
- 46.0401 – Building/Property Maintenance & Manager
- 46.0101 – Mason/Masonry

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- 46.0503 – Plumbing Technology/Plumber
- 46.0201 – Carpentry/Carpenter

Citation: P.L. 109-270, Sec. 135(b)1.

Required Action: The district must ensure in the future each line item in the Perkins funding application is related to an approved CTE program/program of study where students are enrolled at the time the district submits the funding application.

Administrative

Finding 9:

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.

Finding 10:

Condition: The district did not maintain an inventory of equipment such as computers and printers purchased with federal grant funds. Accordingly, monitors were unable to physically inspect specific equipment purchases.

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: The district must maintain an inventory of equipment purchased with federal grants which includes a description of the equipment, cost, serial number, district asset number and location. In addition, equipment must be tagged as purchased with federal funds.

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.

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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.