



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

July 31, 2012

Dr. Timothy Brennan, Interim Superintendent  
Old Bridge Township Public Schools  
4207 Route 516  
Matawan, NJ 07747

Dear Dr. Brennan:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by **Old Bridge Township 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 February 29, 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," Old Bridge Township 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 John Delaney at (609) 633-8751.

Sincerely,

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

RJC/JD/dk:Old Bridge Twp. BOE Cover Letter/ Ed Jobs  
Enclosures

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**STATE OF NEW JERSEY  
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**Education Jobs Fund Program**  
*New Jersey K-12 Education*

**EDUCATION JOBS CONSOLIDATED MONITORING REPORT  
JULY 2012**

**District:** Old Bridge Township Public Schools  
**County:** Middlesex  
**Dates On-Site:** April 2, 3 and 4, 2012  
**Case #:** Ed Jobs-045-11

**FUNDING SOURCES**

Program	Funding Award
Ed Jobs	\$1,591,735
Title I	844,301
IDEA Basic	2,111,653
Title IIA	248,213
Title III	66,151
Carl D. Perkins	58,251
Total Funds	<u><u>\$4,920,304</u></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, 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 Old Bridge Township 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; and Carl D. Perkins for the period July 1, 2010 through February 29, 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 (IEP), 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, IDEA and Carl D. Perkins from July 1, 2010 through February 29, 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 FY 2011-2012 funds were spent on teachers, an after school program, summer school and iPads for eligible students.

**IDEA Projects (Special Education)**

The majority of the FY 2012 IDEA Basic funds were used to reduce district tuition expenditures for students receiving special educational services in other public school districts and approved private schools for students with disabilities. A portion of the funds were allocated for the provision of supplemental instruction and related services for the classified students parentally placed in nonpublic schools in the district. These services are to be provided through a vendor, Middlesex Regional Educational Services Commission (MRESC). Funds have been allocated for the salaries of an additional child study team member and a secretary.

**Carl D. Perkins**

The district's FY 2011-2012 Carl D. Perkins Grant supports 11 programs: Computer Graphics (110803); Computer Installation & Repair Technology/Technician (A+) (470104); Accounting Technology/Technician & Bookkeeping (520302); Management Information Systems, General (Computer Applications) (521201); Automobile/Automotive Mechanics Technology/Technician (470604); Photography (500605); Sales, Distribution, & Marketing Operations, General (521801); Cad/Cadd Drafting And/Or Design Tech/Technic (151302); Cosmetology/Cosmetologist, General (120401); Electrical/Electronics, Maintenance & Repair Technology (470101); and Child Development (190706). The funds provide industry-standard supplies and equipment, supplies to align Career and Technical Education lessons to New Jersey Core Curriculum Content Standards, and support for Career and Technical Student Organizations activities.

**DETAILED FINDINGS AND RECOMMENDATIONS**

**Ed Jobs Act**

There were no findings for Ed Jobs.

**Title I**

**Finding 1:** The district does not have a Title I program that is distinct from its Basic Skills program.

**Citation:** ESEA §1120A(b(1)): *Federal Funds to Supplement, Not Supplant, Non-Federal Funds.*

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**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 is indeed providing supplemental instruction for its identified Title I students. Equally, the district should consider identifying its Title I program by another designation as opposed to *Basic Skills*; preferably, *Academic Support Program*. The district must provide a copy of its revised Title I program in narrative form to the NJDOE for review.

**Finding 2:** The district does not have clear and distinguishable identification criteria for its Title I students.

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

**Required Action:** The district must establish clear and distinguishable identification criteria based upon multiple educationally related criteria for its Title I students served in all six of its Title I funded schools.

**Finding 3:** The notification letters sent to the parents/guardians of identified Title I students did not include entrance and exit criteria.

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

**Required Action:** In the notification letter to parents of Title I students, the district must include the multiple measures used to identify students, as well as clearly defined exit criteria. The district must provide a copy of its revised parental notification letter to the NJDOE for review.

**Finding 4:** The district’s FY 2011-2012 NCLB Consolidated Application on the Electronic Web Enabled Grant System (EWEG) lists Technology Literacy for All Students as an identified priority problem. Therefore, the district’s purchase of iPads with Title I funds in a Targeted Assistance environment is unallowable.

**Citation:** ESEA §1120A(b(1)): *Federal Funds to Supplement, Not Supplant, Non-Federal Funds*.

**Required Action:** The district must immediately provide documented evidence to the NJDOE that these expenditures were reversed and charged to local funds. However, the district may use Title I funds to purchase supplemental applications, materials, and resources for the iPads to be used by its identified Title I students.

**Finding 5:** The district could not provide evidence of convening the annual Title I parent meeting.

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

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**Required Action:** The district must convene its FY 2012-2013 annual Title I meeting at the beginning of the school year for the parents/guardians of its identified Title I students and submit evidence of said meeting to the NJDOE for review (invitational letter/flyer, agenda, meeting minutes, and sign in sheets must be obtained).

**Finding 6:** The district could not provide evidence of providing ongoing and meaningful academic support strategies to assist parents /guardians of students in the Title I program.

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

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

**Title IIA**

**Finding 7:** The district maintains the Highly Qualified Teacher (HQT) forms in the individual schools where teachers are assigned, rather than in the central office.

**Citation:** NCLB 1119, 2123.

**Required Action:** The district must maintain the original HQT forms in teachers' individual personnel file located in the Human Resources Department at the central office.

**Finding 8:** A review of the district's Title IIA expenditures indicated that in one instance the district did not secure a contract or board approval prior to expending the funds.

**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:** In order to ensure efficient use of the district's assets, as well as comply with NJDOE statues the district should closely monitor the dollar threshold required for competitive bidding, contract execution and adherence to proper approval process.

**Title III**

There were no findings for Title III.

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**Special Education (IDEA):**

**Finding 9:** The invoices provided to the district by the vendor, MRESC, do not include the specific students' initials, nor the frequency and duration of service for which payment is being requested. In addition, the vendor did not include service provider sign in (or attendance) sheets to document the actual provision of the services listed in the students' Service Plans. As a result, the district did not have clear documentation of the provision of service(s) for which the vendor is requesting payment.

**Citation:** IDEA Regulations 34 CFR §3000.130-300.144.

**Required Action:** The district must contact the vendor, MRESC, to ensure that invoices provide detailed documentation of provision of services to students that are reflected in each student's Service Plans for which the vendor is requesting payment. In order to verify provision of service, billing details must include student initials, frequency, total minutes per session and total minutes per week for each service being provided through the IDEA grant.

**Finding 10:** 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



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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 August 2012 to the NJDOE for review. The names of the students with IEPs that were identified as noncompliant will be provided to the district by the monitor.

**Finding 11:** 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 August 2012 to the NJDOE for review.

**Carl D. Perkins**

**Finding 12:** The district did not provide a copy of the completed one year funding application to the Workforce Investment Board(s) (WIB) for review and comment.

**Citation:** Carl D. Perkins Act §134(b)(5).

**Required Action:** WIB should be provided a copy of the grant application and spending plan for review/comment for each grant period.

**Finding 13:** The district could not provide evidence of convening Advisory Board meetings for the FY 2012 grant period.

**Citation:** Carl D. Perkins Act 134(b)(5) and N.J.A.C.

**Required Action:** The district must provide the NJDOE with a list of the dates for the two Advisory Board meetings that will be scheduled for the FY 2012-2013 project period.

**Finding 14:** All programs offered must be a three course sequence and adhere to the program approval process.

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**Citation:** NJSA 18A:26-2; NJSA 18A:54-1 et.seq.; NJAC 6A:19-1 et seq.; NJAC 6A:8-2.2,,23,3.2.

**Required Action:** The district must amend its Five Year Plan to reflect the current program offerings. The course selection book prepared by the district should reflect the appropriate three course sequence with prerequisites noted. All supported programs must follow the established new program or program reapproval process.

**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 these errors from recurring

**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.

**Recommendation 3:** The district does not have formal written policies for requesting reimbursement from the EWEG system; however, the district's practice for requesting reimbursement was 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.

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 John Delaney at (609) 633-8751 or at [john.delaney@doe.state.nj.us](mailto:john.delaney@doe.state.nj.us).