



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHRISTOPHER D. CERF
Acting Commissioner

July 20, 2012

Dr. David Abbott, Chief School Administrator
Marlboro Township Public Schools
1980 Township Drive
Marlboro, NJ 07746

Dear Dr. Abbott:

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

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Education Jobs Fund Program
New Jersey K-12 Education

EDUCATION JOBS CONSOLIDATED MONITORING REPORT
JULY 2012

District: Marlboro Township Public Schools
County: Monmouth
Dates On-Site: March 19, 20 and 21, 2012
Case #: Ed Jobs-050-11

FUNDING SOURCES

| Program | Funding Award |
|-------------|----------------------------|
| Ed Jobs | \$ 448,099 |
| Title I | 163,589 |
| IDEA Basic | 1,102,964 |
| Title IIA | 93,221 |
| Title III | 19,441 |
| Total Funds | <u><u>\$ 1,827,314</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 Marlboro Township 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; and IDEA 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, and IDEA 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 district operates Targeted Assistance Programs in five of its funded elementary schools. The district has identified Language Arts Literacy and Mathematics for youth at-risk of dropping out, as its priority problems.

Title IIA Projects

Funding from Title IIA is being utilized to provide professional development opportunities in Language Arts Literacy and Mathematics to teachers.

Title III Projects

Title III funding is being used to provide a Family Literacy program and the provision of classroom supplies for English Language Learners.

IDEA Projects (Special Education)

The majority of funds (approximately \$750,000) are being used for tuition for private schools for the students with disabilities and/or public separate schools. A portion of the funds (approximately \$125,000) are allocated for instructional supplies and equipment for special education classrooms. The nonpublic proportionate share of the grant is being used to provide in-class resource/support and related services through a vendor, Monmouth-Ocean Educational Services Commission (MOESC), for students with disabilities attending nonpublic schools in the district. The remaining funds will be used to provide consultants to support the district's classified students.

DETAILED FINDINGS AND RECOMMENDATIONS

Ed Jobs Act

Finding 1: Ed Jobs funding was utilized to purchase and install a district wide Wi-Fi system (\$276,118.92).

Citation: Education Jobs Fund (Public Law No. 111-226, Section 5).

Required Action: An LEA must use its funds only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary education and related services. The district has agreed to reallocate the funds expended for the Wi-Fi system to the Ed Jobs budget.

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Title I

Finding 2: The district's Title I program is not clear and distinguishable from its district run basic skills program.

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 (Power 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 3: The district does not have clear and distinguishable identification criteria for its Title I students. Once the criteria is set, a parent notification letter is required that has the detail criteria.

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 each of the five Title I funded schools. The district must submit this criteria and a sample parental notification letter to the NJDOE for review.

Finding 4: The district could not provide evidence of when its Title I written parental involvement policy was distributed.

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

Required Action: The district must ensure that the distribution date of its written parental involvement policy matches the date entered on the Electronic Web Enabled Grant system (EWEG). The district must notify the NJDOE how the policy was distributed and post a copy on its website.

Finding 5: The district could not provide evidence of convening its annual Title I parental meeting.

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

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

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Finding 6: The district's FY 2012 NCLB Consolidated Application does not accurately reflect the number of resident students enrolled in nonpublic schools.

Citation: NCLB §1120 (b): Participation of Children Enrolled in Private Schools.

Required Action: The district must amend its FY 2011-2012 NCLB Consolidated Application to indicate an enrollment of seven, not zero resident students enrolled in nonpublic schools. The district must send a copy of Step 1 of the Title I eligibility page that shows the number of nonpublic students to the NJDOE for review.

Title IIA

There were no findings for Title IIA.

Title III

There were no findings for Title III.

IDEA

Finding 7: The Service Plans developed by the vendor, MOESC, do not reflect sufficient detail of in-class support services for the nine students at the Shalom Torah Academy and the 10 students at the Solomon Schechter Day School, who are receiving services through the IDEA grant. The in-class support services listed in the Service Plans do not include all subjects for which the vendor is billing, nor the frequency and duration of service to be provided in each subject class. Time sheets and bills to the district that reflect the provision of service are lacking detail including the names of students for whom the service is being provided and the amount of time the provider is working in each classroom.

Citation: IDEA Regulations 34 CFR 300.130-300.144.

Required Action: The district will meet with the vendor to ensure that all Service Plans reflect the required detail of services that must be provided for each student. The details of service must include the frequency, total minutes per session and total minutes per week for each subject class. All sign in sheets and/or bills from the vendor must also include the students' initials, frequency per week (time) and total minutes per sessions for each subject class in which support was provided to students through the IDEA Grant.

Finding 8: In the IDEA Preschool a purchase order does not identify the grant or indicate specific students served.

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

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Required Action: The district should identify students by initials on purchase orders to private schools for students with disabilities so that there is a clear link to the services and the students being serviced.

Finding 9: In three instances, the payment amount does not agree with the contract. Amounts in question involve the Search Day Program; the Manchester Township School District; and the Douglas Outreach School.

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 should clearly be able to link the amount paid to a purchase order. The district should strengthen internal controls to prevent unauthorized transactions from occurring.

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 potential errors from 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 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

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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 John Delaney at (609) 633-8751 or via email at john.delaney@doe.state.nj.us.