



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE  
*Governor*

KIM GUADAGNO  
*Lt. Governor*

August 25, 2010

BRET SCHUNDLER  
*Commissioner*

Mr. Nicholas M. Eremita, Superintendent  
Keansburg Borough Board of Education  
100 Palmer Place  
Keansburg, NJ 07734

Dear Mr. Eremita:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Keansburg Borough Board of Education**. The funding sources reviewed include titled programs for the American Recovery and Reinvestment Act (ARRA) in particular, and/or No Child Left Behind Act (NCLB), the Individuals with Disabilities Education Act (IDEA) and State Fiscal Stabilization Funds (Education Stabilization Fund and Government Stabilization Fund). The review covered the period July 1, 2009 through June 7, 2010. The resulting report is enclosed. Please provide a copy of the report to each board member. All issued ARRA monitoring reports will be posted on the department's website at <http://www.nj.gov/education/arra/>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Keansburg Borough 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 school 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 Ronald Fisher at (609) 777-3723.

Sincerely,

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

RJC/LDM/tc: Keansburg Borough Board of Education Cover Letter  
Enclosures

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**STATE OF NEW JERSEY  
DEPARTMENT OF EDUCATION  
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**KEANSBURG BOROUGH BOARD OF EDUCATION**  
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**American Recovery & Reinvestment Act 2009**

*New Jersey K-12 Education*

**ARRA MONITORING REPORT  
AUGUST 2010**

**District:** Keansburg Borough Board of Education  
**County:** Monmouth  
**Dates On-Site:** June 8 and 9, 2010  
**Case #:** ARRA-040-09

**FUNDING SOURCES**

Program	Funding Award
Fiscal Stabilization Fund - Education Stabilization Fund	\$3,332,110
State Fiscal Stabilization Fund - Government Services Fund	128,991
ARRA - Title I	409,015
ARRA - Title I SIA	23,448
ARRA - IDEA Basic	500,730
ARRA - IDEA Preschool	17,977
Total ARRA Funding	<u>4,412,271</u>
 Title I	 1,358,440
Title I SIA	24,829
IDEA Basic	647,695
IDEA Preschool	17,457
Total Non-ARRA Funding	<u>2,048,421</u>
Total Funding	<u>\$6,460,692</u>

**KEANSBURG BOROUGH SCHOOL DISTRICT**  
**ARRA MONITORING REPORT**  
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**BACKGROUND**

The *American Recovery and Reinvestment Act of 2009 (ARRA)* and other federal laws require local education agencies (LEAs) to provide programs and services to their schools based on the requirements specified in each of the authorizing statutes (ESEA, IDEA and ARRA). 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 Keansburg Board of Education to monitor the district's use of *ARRA* 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: State Fiscal Stabilization Funds (SFSF) including the Education Stabilization Fund (ESF) and Government Services Fund (GSF); Title I; Title I SIA; ARRA-Title I; ARRA-Title I SIA; IDEA Basic; IDEA Preschool; ARRA-IDEA Basic; and ARRA-IDEA Preschool for the period July 1, 2009 through June 7, 2010. The monitoring also included a review of the district's most recent ARRA section 1512 and SFSF cash management quarterly reports to determine whether ARRA expenditures, jobs estimates and related information were reported accurately.

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 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 following dollar amounts of expenditures were reviewed for each program monitored for the period of July 1, 2009 through June 7, 2010:

- ESF expenditures totaling \$2,410,502 were reviewed;
- GSF expenditures totaling \$128,991 were reviewed;
- Title I expenditures totaling \$528,168 were reviewed;
- Title I SIA funds had not been expended as of the date of the monitoring visit;
- ARRA - Title I expenditures totaling \$282,314 were reviewed;
- ARRA - Title I SIA expenditures totaling \$5,389 were reviewed;
- IDEA Basic expenditures totaling \$188,404 were reviewed;
- IDEA Preschool expenditures totaling \$12,833 were reviewed;
- ARRA - IDEA Basic expenditures totaling \$425,437 were reviewed; and
- ARRA - IDEA Preschool expenditures totaling \$13,072 were reviewed.

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**GENERAL DISTRICT OVERVIEW OF USES OF TITLE I AND IDEA FUNDS**

**ARRA - Title I**

The ARRA-Title I funds will be utilized to support three academic coaching positions, as well as a district data and assessment coordinator position. These academic coaches provide intervention services to teachers at Port Monmouth Road School, Joseph C. Caruso School, and Joseph R. Bolger Middle School. The coaches work in the classrooms as co-teachers, to model instructional strategies that will assist teachers in addressing the needs of low-performing students.

During common planning times, teachers and coaches review and develop lesson plans that incorporate the instructional elements and strategies modeled by the coaches. Using a variety of assessment results such as the New Jersey Assessment of Skills and Knowledge (NJASK), Terra Nova, Developmental Reading Assessment (DRA), benchmark assessments, and classroom-level tests, the coaches work directly with teachers to analyze student data across grades, looking for patterns and trends in student performance in core academic subjects. Once student data is analyzed, the coaches assist teachers in identifying and strengthening areas in their daily instructional practices in order to address and correct the areas of student difficulties. Plans of remediation are developed, with the coaches providing feedback during implementation.

The academic coaches also provide professional development in areas such as: classroom management strategies, data analysis approaches to teaching and learning, differentiated instruction, and effective behavior support. With the district's emphasis on the utilization of data, teachers work with the academic coaches to design and implement plans for both whole class instruction and flexible small group instruction based on identified student strengths and weaknesses. Gains in student achievement will be assessed through multiple measures to include the following: continual data analysis across grades and curricular areas, state and local assessments, benchmark assessments, teacher accountability, collaborative teacher planning, parent feedback, and walk-through evaluations as recommended.

The position of data and assessment coordinator is a new position, beginning in the 2009-2010 academic year. The coordinator works with the academic coaches, teachers, and district administration to review the district's local and state assessment programs, district surveys, school report card, school benchmarking, program evaluation, and needs assessment data in support of the district's accountability programs. The coordinator produces and interprets reports reflecting student data, and shares with teacher teams, academic coaches, and the administration, conclusions and interpretations of statistical data analysis for application throughout district programs. In addition, the data and assessment coordinator develops and provides professional development to all staff on the effective use of data to inform instruction.

The district uses Performance Pathways, an assessment database, to assist school staff in tracking and analyzing student achievement throughout the district. This system allows the district to measure student outcomes based on the New Jersey Core Curriculum Content Standards by cohorts, grades, classes, teachers, and students. In addition, the system has an array of reports, all supporting specific and unique instructional priorities.

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The data and assessment coordinator is responsible for training the academic coaches and teachers on the array of reports generated by the Performance Pathways system, and how to utilize this information as it pertains to instructional practices. The following reports are generated and utilized by district staff:

- Assessment Summary – summary information on student performance by class and by grade level.
- Question Summary – question by question information to provide the percentage of students who answered a given question correctly or incorrectly.
- Comparative Report on Proficiency Levels – proficiency level information for groups of students on multiple assessments across multiple years.
- Item Analysis – question by question results to show the number of students who answer with each possible response. Provides a bridge to instructional questions so teachers can gain a better understanding of why a student(s) may have answered a question incorrectly.

**ARRA - Title I SIA Part A**

The ARRA-Title I SIA Part A funds will be utilized for professional development activities in the areas of writing and language arts literacy and reading. In addition, the funds will be used for the purchase of supplies and materials to support these professional development activities.

In the district's elementary schools, the professional development will encompass training in the Writer's Workshop. Specifically, teachers will learn strategies for engaging students in writing activities, which will be implemented with a master teacher providing co-teaching services. In the middle school, the professional development will encompass training in restorative practices, so teachers learn ways to remediate social difficulties that interfere with instruction and learning. Teachers are expected to gather data on these new instructional strategies and present their findings at faculty meetings. In addition, this information affords teachers the opportunities to serve as coaches to other teachers. Each teacher is asked to incorporate into their lesson plans, the strategies learned through these professional development sessions. Student benefit from these professional development services and supplies and materials will be measured by improved scores on classroom and benchmark assessments, teacher observations of writing across the curriculum, and at least a 10% increase in the numbers of students meeting proficiency levels on the state assessments.

**Title I**

The FY 2010 Title I funds will be utilized to support four teaching positions for basic skills instruction in mathematics and language arts literacy and reading, as well as 35% of the salary for the Director of Federal Programs. Basic skills instruction services are provided through a push-in model that addresses students' needs based on a Response to Intervention (RTI) instructional approach. Students are tested in cycles in order to determine their level of need. Based on the analysis of this testing data, specific interventions are established in mathematics and language arts literacy and reading to address the needs of individual students. Gains in

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academic achievement are monitored and measured using data from state assessments, local benchmark assessments, teacher observations, parent feedback, and classroom assignments.

In first grade, the lowest performing 30% of students, identified through initial screening exiting Kindergarten, receive Reading Recovery, a one-on-one intense reading program where students work with the basic skills teacher, who is trained in Reading Recovery, to learn reading strategies to decode words, use meaning, and apply word work strategies to their reading and writing. This program is for the purpose of accelerating students to reach the average targeted level of instruction expected in the first grade. After approximately a 19-week period, students “test from” the program. These students simultaneously receive guided reading instruction in the regular classroom, as well as intervention.

At Port Monmouth Road School, the Title I program is primarily a push-in program. Students are serviced in the regular classroom setting in both mathematics and language arts literacy and reading in a variety of ways. Each classroom where basic skills students are identified has a regular classroom teacher, as well as a Basic Skills teacher for a 75-minute math block for initial instruction five times a week. This allows the teachers to instruct students in small groups within the math block. Also, Title I students are seen for intervention in small groups of three students for an additional 15 minutes daily to target skills. In language arts literacy and reading, each classroom teacher works with the Basic Skills teacher for a minimum of 60 of the 90 minute literacy block. This provides an opportunity for both teachers to meet with guided reading groups and target instruction at students’ individual reading levels. When necessary, Title I students are seen for intervention in small groups of three students for a minimum of an additional 15 minutes daily to target skills.

At Joseph C. Caruso School, two teachers, who are identified as Interventionists, are employed specifically for the Basic Skills Instructional Program. Each is assigned to a grade level, and spends the majority of their day with two regular education teachers on each grade level. Many of the students in each of those classes are in need of interventions in literacy, writing, or mathematics. Specifically, each Basic Skills teacher facilitates guided reading groups and small group instruction in the above instructional areas. Small groups are defined utilizing the data collected through assessments such as the DRA, Dynamic Indicators of Basic Early Literacy Skills (DIBELS), running records, monthly assessments, quarterly benchmarks, and teacher conferencing. Student gains are measured through improvement on state assessments, classroom quizzes, monthly assessments in reading and writing, math unit assessments, teacher observations, and parent feedback. The Joseph R. Bolger Middle School also employs a push-in program for students who need Basic Skills services. Facilitated by Basic Skills teachers, small group instruction is provided in mathematics and language arts literacy and reading. Student achievement is measured through increased numbers of students reaching proficiency on state assessments and teacher exams.

The Keansburg School District also will utilize FY 2010 Title I funds for a portion of the salary for the Director of Federal Programs. The person in this position coordinates all aspects of the Title I program for the district. The Director of Federal Programs also provides professional development support in the areas of data analysis, classroom management, differentiated instruction, instructional strategies and RTI.

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**Title I SIA Part A**

The FY 2010 Title I SIA Part A funds will be utilized to purchase supplies and materials. Specifically, three computer carts with 10 laptops each will be purchased to provide students with learning opportunities using the most current educational software. Not only can the teachers run reports on student progress, but also the students can run regular reports to show their academic improvement over time. Gains in academic achievement are monitored and measured through a continual analysis of student data by both the teachers and students. Based on this data, teachers revise lesson plans and students develop individualized student plans listing academic, as well as social goals and objectives. These performance reports are used to drive instruction at a student, classroom, and school level, as all teachers have access to this information.

**ARRA-IDEA Basic and Preschool**

The district utilized the ARRA-IDEA Basic funds to hire a special education teacher for a behavioral disabilities program and a social worker. Funds will also support technology in the classroom by purchasing the Kurzweil 3000 reading, writing and learning software program and computers to operate the new instructional software. The district also plans to utilize funds to pay for professional development for special education staff to attend workshops for Positive Behavioral Support, data collection in developing measurable Individualized Education Programs (IEP) goals, assistive technology and functional assessment. The district utilized the ARRA-IDEA Preschool funds for technology in the classroom and for staff professional development.

**Expectations and Benefits**

The district plans to utilize the following in the measurement of student progress/impact due to ARRA funds:

- Increase the percentage of classified students in general education programs. The Special Education Annual Public Reporting of Local District Performance will be the progress indicator.
- Results of Staff Surveys.
- Completion of all student IEP Goals and Objectives.
- Student Report Cards.
- Lesson plans documenting use of technology and Kurzweil software programs, including interval assessments, data discussion, and comments from coaches.
- Inclusion of web-based resources that extend essential services to students and parents beyond the school day.
- Staff observations documenting use of technology and/or Kurzweil software program.
- Decreased number of out-of-district placements.
- Improvement in post-school outcomes.



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**IDEA Basic and Preschool**

The district will utilize the IDEA Basic funds for out-of-district tuition, two special education teacher assistants, professional development and consultants to provide services to teachers, staff and parents. The district is utilizing the IDEA Basic Preschool funds to pay for a portion of the salary for a preschool special education teacher. Instructional supplies and materials will also be provided to enhance the current program.

**Expectations and Benefits**

The district plans to utilize the following in the measurement of student progress/impact:

- Increase the percentage of classified students in general education programs. The Special Education Annual Public Reporting of Local District Performance will be the progress indicator.
- Completion of all student IEP Goals and Objectives.
- Student Report Cards.
- Digital cameras will enhance documentation of individual student progress in the student portfolios.
- Documentation of discrete trials, collecting data, and functional analysis.
- Decreased number of out-of district placements.

**DETAILED FINDINGS AND RECOMMENDATIONS**

**ARRA-Title I**

**Finding 1:**

**Condition:** The district has plans to fully fund the Data and Assessment Coordinator position in the second half of the ARRA-Title I project period with ARRA-Title I funds. Our review of the expected duties of this position for FY 2011 indicates that the Data and Assessment Coordinator may perform duties of positions that were previously funded by local funds.

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

**Required Action:** The district must verify the time and activity of the Data and Assessment Coordinator position charged to the ARRA-Title I grant. The district must submit to the NJDOE the time and activity reports to document the percentage of time the Data and Assessment Coordinator worked on Title I activities in eligible Title I schools.

**Finding 2:**

**Condition:** The district did not complete Program Plan information in the Title I – Part A or the Title I SIA Part A sections of the ARRA-Title I application.

**Citation:** NCLB §1112 *Local Educational Agency Plans*.

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**Required Action:** The district must correct the Title I Part A and Title I SIA Part A sections of the ARRA-Title I application by completing all required Program Plan information, per section. The district must submit the revised Program Plan information to the NJDOE for review.

**Title I and NCLB**

**Finding 1:**

**Condition:** The district did not consult with nonpublic schools outside the district boundaries attended by Keansburg students. The Aide-in-Lieu report showed the district expended funds to transport students to nonpublic schools outside the district's boundaries; however, the district did not conduct consultation activities, as required under Title I Part A, with any of these nonpublic schools. No nonpublic schools are located within the district's boundaries.

**Citation:** NCLB §1120 *Participation of Children Enrolled in Private School.*

**Required Action:** The district must begin immediately the consultation process with those nonpublic schools that enroll students who reside within the boundaries of the district's eligible school attendance areas. The district must submit its Affirmation of Consultation forms and, if necessary, its Nonpublic School Refusal of Funds forms for FY 2010 Title I funds to the NJDOE for review.

**Finding 2:**

**Condition:** The district's initial Parents' Right-to-Know letter does not meet the regulatory requirements. The letter, sent in September 2009, does not indicate how parents may request information on the qualifications of their child's teacher.

**Citation:** 34 CFR §200.61 – *Parents' right to know* and 34 CFR §200.56 – *Definition of "highly qualified teacher."*

**Required Action:** The district must revise its initial Parents' Right-to-Know letter to include the process by which parents may request information on the highly qualified status of their child's teacher.

**Finding 3:**

**Condition:** The School in Need of Improvement (SINI) letter for the Joseph R. Bolger Middle School did not meet the legislative guidelines. Specifically, the letter is missing the following required components: 1) an explanation of what the identification means, and how the school compares in terms of academic achievement to other schools in the state; and 2) the reasons for the SINI identification.

**Citation:** NCLB §1116 (b)(6) *Academic Assessment And Local Educational Agency And School Improvement.*

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**Required Action:** The district must revise its parental notification to meet the regulatory requirements and distribute a copy of the revised letter to parents. The district must submit a copy of the revised letter to the NJDOE for review.

**Finding 4:**

**Condition:** In the FY 2010 NCLB application, \$44,180 in FY 2010 Title I funds is allocated for administration reserve costs in Eligibility Step 4; however, \$0 funds is listed for administrative costs in the Title I budget. The salary of the Director of Federal Programs is budgeted under 200-100 FICA Only in the FY 2010 NCLB application.

**Citation:** NCLB §9306(a)(5): *Other General Assurances (Assurances).*

**Required Action:** The district must amend the FY 2010 NCLB application information so that the same amount of FY 2010 Title I funds is listed for administration reserve costs in both Eligibility Step 4 and the Title I budget. The revised Title I reserve and budget information must be submitted to the NJDOE for review.

**Finding 5:**

**Condition:** The district did not complete Program Plan information in the Title I SIA Part A section of the FY 2010 NCLB application.

**Citation:** NCLB §1112 *Local Educational Agency Plans.*

**Required Action:** The district must correct the Title I SIA Part A section of the FY 2010 NCLB application by completing all required Program Plan information. The district must submit the revised Program Plan information to the NJDOE for review.

**ARRA - IDEA Basic and Preschool**

The review in this area yielded no findings.

**IDEA Basic and Preschool**

The review in this area yielded no findings.

**Financial Management and Reporting**

**Finding 1:**

**Condition:** The district expended Title I funds for professional development which did not benefit Title I instructional programs and for professional development activities for a non-Title I eligible school.

**Citation:** NCLB Section 1120A(b) *Fiscal Requirements, Federal Funds To Supplement, Not Supplant, Nonfederal Funds.*

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**Required Action:** The district must reverse the expenditure transactions for the unallowable Title I expenditures and charge an appropriate funding source.

**Finding 2:**

**Condition:** The district does not maintain formal written policies and procedures covering periodic review of suspended/disbarred vendors and reimbursement requests for federal funds from the Electronic Web Enabled Grant system.

**Citation:** Education Department General Administrative Regulation (EDGAR) Part 80.20 - *Standards for financial management systems* and New Jersey Administrative Code 6A:23A-6.6 - *Standard Operating Procedures for Business Functions*.

**Required Action:** The district must develop and maintain complete written policies and procedures which as part of internal controls provides reasonable assurance that the following objectives are being achieved: effectiveness and efficiency of operations; reliability of financial reporting; and compliance with applicable laws and 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 Ronald Fisher at (609) 777-3723 or via email at [ronald.fisher@doe.state.nj.us](mailto:ronald.fisher@doe.state.nj.us).