



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

August 16, 2011

Mr. John Lysko, Superintendent
Ocean Township Board of Education
163 Monmouth Road
Oakhurst, NJ 07755-1597

Dear Mr. Lysko:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Ocean Township 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 29, 2011. 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 Ocean 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 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 Anthony Hearn at (609) 633-2492.

Sincerely,

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

RJC/LDM/tc:Ocean Twp. BOE Cover Letter ARRA
Enclosures

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OCEAN TOWNSHIP BOARD OF EDUCATION
163 MONMOUTH ROAD
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American Recovery & Reinvestment Act 2009
New Jersey K-12 Education

**ARRA MONITORING REPORT
AUGUST 2011**

District: Ocean Township Board of Education
County: Monmouth
Dates On-Site: June 28 and 29, 2011
Case #: ARRA-060-09

FUNDING SOURCES

	Program	Funding Award
ARRA-Title I		\$307,837
ARRA-Title I SIA		7,879
	Total ARRA Funds	<hr/> \$315,716
Title I		<hr/> \$211,280
	Total Non-ARRA Funds	<hr/> 211,280
	Total Funds	<hr/> <hr/> \$526,996

**OCEAN TOWNSHIP SCHOOL DISTRICT
ARRA MONITORING REPORT
AUGUST 2011**

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 Ocean Township 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: ARRA-Title I; ARRA-Title I SIA; Title I for the period July 1, 2009 through June 29, 2011. The monitoring also included a review of the district's budget to spend Ed Jobs funds for FY 2011-2012.

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 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

Elements comprising the review included the following:

- ARRA-Title I expenditures totaling \$307,178 were reviewed;
- ARRA-Title I SIA expenditures totaling \$7,879 were reviewed; and
- Title I expenditures totaling \$211,280 were reviewed.

In addition, the team reviewed the district's plans for spending the balance of the funding.

GENERAL DISTRICT OVERVIEW OF USES OF TITLE I AND IDEA FUNDS

ARRA-Title I and Title I Projects

The district received \$307,837 in ARRA-Title I funding. Funds were spent to pay for staffing positions, which provided direct academic support services to students on a daily basis and to purchase supplies for an enhanced technology-rich environment. Some of the noted activities used to benefit the students included the following: increasing desktop/laptop computers and

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Smart boards, implementation of new online educational programs (e.g., Study Island, etc.) introduction of graphic e-novels, upgraded mathematics manipulative kits, diagnostic reading and writing programs, and intervention kits for reading.

The district also implemented an after school club program, predicated upon review of student data and teacher recommendations, to address skill deficits of at-risk students and to help prepare them for transition to 6th grade.

The ARRA-Title I SIA, school in need of improvement (SINI) funds were used to make improvements in the area of Smart board technology integration, which afforded the students the exposure to, and subsequent use of new technologies, especially in the content area of English Language Arts to increase writing abilities.

The district also provided significant parent involvement activities including family mathematics nights to help promote academic achievement.

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Recommendation 1: The Title I students are not benefiting from the full academic program, all Title I services provided must be above and beyond the entitled academic program. Currently, the district is servicing its identified students by operating a combination of in-class support, extended day programs and a pull-out program. The pull-out portion is permissible; however, the USDE recommends that students not be pulled from core classes, but rather that Title I services be provided at other times to ensure that students are not missing core subjects. This may be done through in-class support or before or after school in order to prevent the student from losing important instruction in other classes.

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Citation: NCLB §1115(c) *Targeted Assistance Programs, Components of a Targeted Assistance Program, Policy Letter August 25, 2006.*

Recommended Action: The district should consider updating its Title I program for FY 2011-2012 to reflect the dissolution of its pull-out services for identified Title I students. The district should place more emphasis on providing supplemental services to identified participating students (i.e. in-class support, before/after school program, summer program, or test preparation program).

Finding 1: The letter distributed to parents to inform them of their child's participation in the Title I program does not meet the legislative/regulatory requirements. While the letter requests the parents' permission for their child to participate in a specific program (e.g., summer school or after school tutoring), it does not include the required components of entrance and exit criteria, instructional/academic strategies used to remediate the student, and the request for parents' authorization for the student to participate in the Title I program.

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

Required Action: The district must revise its FY 2011-2012 letter sent to parents to inform them of their children's participation in the Title I program. The letter must include the following required components: entrance and exit criteria (both quantitative and qualitative measures), instructional and academic strategies used to remediate the student and a section for parents to authorize their child's participation in the Title I program.

Finding 2: The district did not provide evidence of convening the Title I annual meeting for parents to inform them of the school's participation in Title I and the Title I parent involvement requirements and rights.

Citation: NCLB §1118(c)(1) (2): *Parental Involvement (Policy Involvement)*.

Required Action: The district must submit the invitational letter/flyer, meeting notes, sign in sheets, and the agenda from the FY 2011-2012 meeting to the NJDOE for review.

Finding 3: The schools do not have a school-level Title I parental involvement policy.

Citation: NCLB §1118(b): *School Parental Involvement Policy*, United States Department of Education's Title I, Part A Parent Involvement Non-Regulatory Guidance (Item D-1).

Required Action: The district must provide technical assistance to its schools in the development of school-level parent involvement policies and ensure that its schools work with their stakeholder groups to develop a school-level parent involvement policy. Each school must distribute its school parent involvement policy to parents of the Title I students and send a copy to the NJDOE for review.

Finding 4: The district's letter to parents of students to the SINI does not meet the legislative guidelines.

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

Required Action: The district must revise its parental notification letter to indicate how its SINI compares academically to other schools in the state. The district must date the letter, explain about school choice (even if not available) and distribute a copy of the letter to parents for FY 2011-2012 and submit a copy of the revised letter to the NJDOE for review.

Finding 5: The district has not consulted with nonpublic schools in FY 2009-2011 inside or outside the district boundaries that enroll students living within the district's eligible attendance

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areas. The nonpublic list encompasses at least 387 students that receive transportation or aid in lieu of transportation and the Title I eligibility page reflects zero.

Citation: NCLB §1120 (*Participation of Children Enrolled In Private Schools*).

Required Action: The district must write letters to all surrounding districts' nonpublic schools to determine if they have any of the district's students and offer services if required and provide the detail list to the NJDOE. The district must also update its FY 2010-2011 Electronic Web Enabled Grant (EWEG) application to reflect nonpublic enrollment, whether or not the schools opt to receive services. The district must obtain the data and conduct the consultations or get a refusal of funds.

Finding 6: The district's budget allocation of Title I and ARRA-Title I funds to its schools may not agree with the Title I school allocations on the FY 2010-2011 NCLB Consolidated Application for Title I funds (Eligibility Page, Step 4).

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

Required Action: The district must reconcile its budget to correspond to the Title I school-level allocations reflected in the FY 2010-2011 NCLB Consolidated Application for Title I funds (Eligibility Page, Step 4) and the ARRA-Title I Application. The budget must be submitted to the NJDOE for review.

Finding 7: The district information to verify the activity of ARRA-Title I and Title I funded staff, as required by federal law, lacks details as to what specifically the staff is performing and where the services are taking place. .

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 update the time and activity reporting so that they are clear as to what is being funded and ensure that the funded portion does not exceed the work performed in the grant.

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.