



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

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Governor

KIM GUADAGNO  
Lt. Governor

DAVID C. HESPE  
Commissioner

April 6, 2015

Mrs. Cheryl Dyer, Superintendent  
Wall Township Public Schools  
PO Box 1199  
Wall, NJ 07719

Dear Mrs. Dyer:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Wall Township Board of Education**. The funding sources reviewed include titled programs for the Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Education Act (IDEA). The review covered the period July 1, 2013 through January 22, 2015. The resulting report is enclosed. Please provide a copy of the report to each board member. All issued Consolidated Monitoring Reports will be posted on the department's website at <http://www.state.nj.us/education/finance/jobs/monitor/consolidated>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Wall 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 Kathryn Holbrook at (609) 292-0198.

Sincerely,

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

RJC/KH/dk:Wall Twp. BOE Cover Letter /consolidated monitoring  
Enclosures

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*New Jersey K-12 Education*

**CONSOLIDATED MONITORING REPORT  
APRIL 2015**

**District:** Wall Township Public Schools  
**County:** Monmouth  
**Dates On-Site:** January 21 and 22, 2015  
**Case #:** CM-031-14

**FUNDING SOURCES**

Program	Funding Award
Title I, Part A	\$ 250,021
Title II, Part A	41,545
Title III	18,153
IDEA Basic	874,910
IDEA Preschool	48,912
Race To The Top	22,765
Total Funds	<u>\$ 1,256,306</u>

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**BACKGROUND**

The Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Act (IDEA) 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, Race to the Top and Carl D. Perkins). 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 Wall Township Public Schools to monitor the district's use of federal 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: Title I, Part A (Title I); Title II, Part A (Title II); Title III; IDEA Basic and Preschool; and Race to the Top for the period July 1, 2013 through January 22, 2015.

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 reviewed the supporting documentation for a sample of expenditures and conducted internal control reviews, as well as conducted interviews with program administrators and other district personnel as required. Additionally, the IDEA grant review included 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, and interviews of child study team members and speech-language specialists.

**EXPENDITURES REVIEWED**

The grants that were reviewed included Title I, Title II, Title III, IDEA Basic and Preschool, and Race to the Top for the period July 1, 2013 through January 22, 2015. 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, TITLE II, TITLE III, IDEA  
AND RACE TO THE TOP FUNDS**

**Title I**

The district operates targeted assistance programs in its three Title I schools: West Belmar Elementary School, Central Elementary School, and Wall Intermediate School. The district identified Closing the Achievement Gap, English Language Proficiency, English Language Arts, and Mathematics - All students, Economically Disadvantaged, and Limited English Proficient as priority problems.

**Title II**

The district uses Title II funds for a variety of professional development activities.

**Title III**

The district uses Title III funds for after school and summer programs, as well as supplies.

**IDEA (Special Education)**

The FY 2014-2015 IDEA funds are being used to reduce tuition expenditures for students receiving special education services in an approved private school for students with disabilities.

**Race to the Top**

The district uses Race to the Top funds for a teacher and leader evaluation system.

**DETAILED FINDINGS AND RECOMMENDATIONS**

**Title I**

**Finding 1:** The notification letters sent to the parents/guardians of identified Title I students did not include clearly defined entrance and exit criteria. The parents/guardians of Title I students must be informed of the multiple educationally related criteria used to identify their child/children for Title I services.

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

**Required Action:** In their Title I parental notification letters, the district's Title I schools must include clearly defined entrance and exit criteria. The district must provide a copy of the revised parental notification letters for each of its Title I schools to the NJDOE for review.

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**Finding 2:** During the scheduled on-site monitoring visit, the district could not provide evidence that its Title I written parental involvement policy was distributed. Per the legislative requirement, parents/guardians have a right to be involved in the development of the written parental involvement policy and informed of ways they can further engage themselves in the academic performance and achievement of their children.

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

**Required Action:** For FY 2015-2016, the district must ensure that it distributes the written parental involvement policy to all parents/guardians of the participating Title I students. The district must submit evidence of distribution to the NJDOE for review.

**Finding 3:** During the on-site monitoring visit, the district could not provide documentation that its Title I schools convened their annual Title I parent meeting. In a Title I targeted assistance program, all parents/guardians of participating Title I students are entitled to be informed about the school's Title I program(s), legislative requirements, and ways in which they can be actively engaged in helping their child/children succeed academically.

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

**Required Action:** For FY 2015-2016, each of the district's Title I schools must convene the annual Title I parent meeting for the parents/guardians of participating Title I students. The district must submit evidence of said meeting (e.g., invitational letters/flyers, agendas, meeting minutes, sign in sheets) to the NJDOE for review.

**Title II**

**Finding 4:** Title II, Principal Training and Recruiting Funds, are for teacher and/or principal professional development and cannot be used for student use or activities that the district would otherwise carry out in the absence of these funds. As a result, the district's use(s) of Title II funds for the expenditures listed below supplanted state and local funds.

<b>Year</b>	<b>Vendor</b>	<b>Reason</b>	<b>PO #</b>	<b>Amount</b>
2013-14	Herff Jones	1 yr StrataLogica Suite (Maps, charts & graphs in 2-D & 3-D multi-media format) Student IDs for Elem., Intermediate, Primary & HS.	14-02748	\$408.70
2013-14	District Employee	Reimbursement to attend Penn State "Spend a Summer Day" School Counselor program Aug. 5 <sup>th</sup> Guidance counselors learned about opportunities for HS graduates. This activity is not related to academic instruction.	14-01098	\$159.00
2013-14	District Employee	Reimbursement for attending basketball clinic, "In Brayden's eyes" Sept. 20- Health and PE are not core areas of instruction as	14-01105	\$150.00

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		defined by the federal government and therefore, not eligible to use this funding.		
2013-14	District Employee	Reimbursement to PE teacher for attending adapted Health and PE Conference Oct. 29 - Health and PE are not core areas of instruction as defined by the federal government and therefore, not eligible to use this funding.	14-01108	\$50.00
2013-14	District Employee	Reimbursement to PE teacher for attending adapted Health and PE Conference Oct. 29 Health and PE are not core areas of instruction as defined by the federal government and therefore, not eligible to use this funding.	14-01109	\$280.00
2014-15	District Employee	Mileage reimbursement for workshop "Preparing for the NGSS" – District employee is not a teacher or principal; therefore, not eligible to use this funding.	15-00519	\$52.28
2014-15	District Employee	Workshop registration for NJAAP School Health Conference	15-00517	\$195.00

It warrants mention that the district failed to provide corresponding invoices and/or adequate documentation to support/permit verification of the claims of the \$408.70 charge under PO #14-02748 included above.

**Citation:** ESEA § 2123 (b): *Local Use of Funds (Supplement, Not Supplant)*; 2 CFR 225 (OMB Circular A-87), Attachment A, Section C.1: *Basic Guidelines (Factors affecting allowability of costs)*; 34 CFR 80.20: Standards for financial management systems; and N.J.S.A. 18A19-2: Requirements for payment of claims; audit of claims in general.

**Required Action:** The district must remit all FY 2013-2014 charges to NJDOE, and reverse all FY 2014-2015 charges and submit adjusting entries showing removal to the NJDOE for review.

### **Title III**

**Finding 5:** A review of the district's general ledger records disclosed that program codes 082 were incorrectly used to record Title III expenditures. The district also allocated Title III expenditures to account numbers containing incorrect line items. Specifically, the district recorded student field trips under the line item used for instructional supplies (100-600).

The Uniform Chart of Accounts for New Jersey School Districts (Chart of Accounts), as required by N.J.A.C. 6A:23A-16.2(f)(1) designates function/object codes 200-500 to record these expenditures. The use of distinct function/object codes provides an audit trail of the amounts spent for each project.

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**Citation:** N.J.A.C. 6A:23A-16.2 (f) (1): Principles and directives for accounting and reporting; 34 CFR 80.20 (b) (2): Standards for financial management systems; and 34 CFR 76.730 (e): Records related to grant funds.

**Required Action:** Prior to the issuance of this report, the district furnished records demonstrating correction of the program codes. However, the district must proceed with charging expenditures to general ledger accounts which reflect appropriate line items. The district should review its expenditures for FY 2014-2015 and transfer all improperly recorded transactions to the appropriate accounts prior to submitting its FY 2014-2015 Final Expenditure Report.

**Finding 6:** The district incorrectly included costs incurred for several FY 2014-2015 purchase orders on its FY 2013-2014 Final Expenditure Report. Since no benefit was derived from these items during the aforementioned project period, the charges should have been allocated to the 2014-2015 grant period, which runs July 1, 2014 through June 30, 2015.

**Citation:** 34 CFR 80.23: *Period of availability of funds.*

**Required Action:** The district must implement procedures to ensure program costs are charged to the appropriate grant year. To facilitate the proper delivery of supplies/materials needed for summer programs, the district should contact the NJDOE no more than 60 days before the start of the project period, and request approval for these pre-award costs.

**Finding 7:** The district's use of Title III funds to purchase language proficiency tests (WIDA MODEL) supplanted state/local funds. The district is required to purchase such tests under state bilingual administrative code requirements. Therefore, the district would need to carry out these activities in the absence of federal Title III funds.

**Citation:** ESEA 3115 (g): *Supplement, Not Supplant.*

**Required Action:** The district corrected this during the monitoring; therefore, no further action is required.

**Race to the Top**

A review of the expenditures charged to the Race to the Top grant yielded no findings.

**IDEA (Special Education)**

**Finding 8:** The district did not consistently ensure that the required participants were in attendance at annual review, reevaluation planning and eligibility meetings.

**Citation:** N.J.A.C. 6A:14-2.3 (k); 20 U.S.C. § 1414 (b) (1); and 34 CFR 300.304 (a).



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**Required Action:** The district must ensure that meetings are conducted with required participants and that documentation of attendance and/or written parental consent to excuse a member of the team is maintained in student files. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review meeting documentation, including the sign in sheets, for meetings conducted between May 2015 and July 2015, and to review the oversight procedures.

**Finding 9:** 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, consideration of placement in the least restrictive environment. Specifically, IEPs for those students placed in separate settings, did not consistently include activities to transition the student to a less restrictive environment.

**Citation:** N.J.A.C. 6A:14-4.2 (a) 8 (i), (ii) and (iii); and 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. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. To demonstrate that the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise the IEPs for specific students with IEPs that were identified as noncompliant. A monitor from NJDOE will conduct an on-site visit to interview staff, review the revised IEPs, along with a sample of IEPs developed at meetings conducted between May 2015 and July 2015, and to review the oversight procedures. The names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

**Finding 10:** The district did not obtain board approval for the submission of the FY 2013-2014 IDEA application. The ESEA requires each district to “submit an application to the SEA at such time, in such manner, and containing such information as the SEA may reasonably require.” The NJDOE requires each district to go before its board of education to obtain approval for submission of the application, as well as the acceptance of the grant funds, upon the subsequent approval of the application.

**Citation:** ESEA § 2122: *Local Application and Needs Assessment*.

**Required Action:** The district must obtain the necessary board resolutions to ensure conformity with applicable federal and state requirements.

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**Administrative**

**Finding 11:** On several occasions, the district failed to issue a purchase order prior to services being rendered (confirming order) in contravention of state regulations. It is imperative that purchase orders are issued by the purchasing agent to: authorize vendors to provide goods and perform services to the district; reduce the duplication of items and services acquired; and avoid the likelihood of overpayment to vendors.

**Citation:** N.J.S.A. 18A:18A (2) (v): *Public School Contracts Law*.

**Required Action:** The district must implement a process to ensure that purchase orders are issued prior to receiving goods and services from vendors.

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 Kathryn Holbrook via phone at (609) 292-0198 or via email at [Kathryn.Holbrook@doe.state.nj.us](mailto:Kathryn.Holbrook@doe.state.nj.us).