



State of New Jersey

DEPARTMENT OF EDUCATION
PO Box 500
TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

DAVID C. HESPE
Commissioner

August 11, 2016

Mrs. Patricia Blood
Chief School Administrator
Kearny School District
172-174 Midland Avenue
Kearny, NJ 07032

Dear Mrs. Blood:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the Kearny School District. 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, 2014 through May 31, 2016. 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/compliance/monitor/>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Kearny School District 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(e), 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 Steven Hoffmann at (973) 621-2750.

Sincerely,

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

RJC/SH/dk: Kearny School District CM Cover Letter
Enclosures

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PO BOX 500
TRENTON, NJ 08625-0500**

**KEARNY SCHOOL DISTRICT
172 MIDLAND AVENUE
KEARNY, NJ 07032
PHONE: (201) 955-5000**



New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
AUGUST 2016**

District: Kearny School District
County: Hudson County
Dates On-Site: June 14, 15 and 16, 2016
Case #: CM-022-15

FUNDING SOURCES

Program	Funding Award
IDEA Basic	1,388,717
IDEA Preschool	27,126
Carl D. Perkins	51,760
Total Funds	<u>\$ 1,467,603</u>

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BACKGROUND

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 (IDEA 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 Kearny School District 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: IDEA Basic, IDEA Preschool and Carl D. Perkins for the period July 1, 2014 through May 31, 2016.

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, as well as 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 reviewed included IDEA Basic and Preschool and Carl D. Perkins from July 1, 2014 through May 31, 2016. A sampling of purchase orders and/or salaries was taken from each program reviewed.

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GENERAL DISTRICT OVERVIEW OF USES OF IDEA AND CARL D. PERKINS FUNDS

IDEA Projects

The district utilized the FY 2014-2015 and FY 2015-2016 IDEA Basic and Preschool funds to reduce district tuition costs for students receiving special educational services in other public school districts and approved private schools for students with disabilities. Additionally, the district utilized funds for instructional supplies, software, and professional services such as speech, occupational and physical therapies, and evaluations. Basic funds were also used to provide services for students with disabilities in nonpublic settings.

Carl D. Perkins

The district operated eight career and technical programs in the 2014-2015 and 2015-2016 school years: Computer Systems; Culinary; Commercial Photography; Medical Assistant; Dental Assistant; Accounting; Business Office Automation; and Sales Distribution.

In both school years, funds were expended primarily to support the “not met” technical skill attainment (TSA) Perkins performance indicator. To this end, funds were expended to enhance and/or upgrade classroom technology with the purchase of items such as smart boards, 3D printers, and laptops. Funds were also targeted for pre-tests and supplemental materials to identify and support the needs of at-risk students.

DETAILED FINDINGS AND RECOMMENDATIONS

IDEA Program

Finding 1: The district did not conduct meetings within 20 calendar days of receipt of a written request for evaluation for students referred for special education and related services and for students referred for speech-language services.

Citation: N.J.A.C. 6A:14-3.3(e), 3.4(j).

Required Action: The district must ensure a meeting is conducted within 20 calendar days of receipt of a written request for evaluation to determine if an evaluation is warranted. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists 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 the dated initial request for evaluation from the resulting meetings conducted between November 2016 and January 2017, and to review the oversight procedures.

Finding 2: The district did not ensure child study team participation at the planning conferences of students transitioning from an early intervention program to preschool.

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Citation: N.J.A.C. 6A:14-2.3(k)2(ix); 20 U.S.C. §1414(d)(1)(D); and 34 CFR §300.321(f).

Required Action: The district must ensure a member of the child study team participates in the planning conference for each student transitioning from early intervention to preschool. 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 citations listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review documentation of child study team participation at the planning conferences of students transitioning from an early intervention program to preschool conducted between November 2016 and January 2017, and to review the oversight procedures.

Finding 3: The district did not consistently conduct all required sections of the functional assessment as a component of initial evaluations for students referred for special education and related services and for students referred for speech-language services.

Citation: N.J.A.C. 6A:14-3.4(f)4(i –vi); 20 U.S.C. §1414(b)(4) and (5); and 34 CFR §300.306(c)(i).

Required Action: The district must ensure all components of the functional assessment are conducted as part of all initial evaluations. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. Monitors from the NJDOE will conduct an on-site visit to interview staff, review initial evaluation reports for students evaluated between November 2016 and January 2017, and to review the oversight procedures.

Finding 4: 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.

Citation: N.J.A.C. 6A:14-2.5(b)6, 3.4(g)3 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 and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review initial evaluation reports for students evaluated between November 2016 and January 2017, and to review the oversight procedures.

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Finding 5: The district did not consistently follow appropriate procedures to evaluate students referred for a speech-language evaluation. Speech-language specialists conducted screenings of individual students to determine if an evaluation was warranted prior to initiating the formal referral process.

Citation: N.J.A.C. 6A:14-3.3(e), 3.4(j).

Required Action: The district must discontinue the practice of screening individual students prior to initiating the evaluation process. In order to demonstrate correction of noncompliance, the district must conduct training for speech-language specialists 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 documentation from identification meetings conducted between November 2016 and January 2017, and to review the oversight procedures.

Finding 6: The district did not consistently provide notice of a meeting to parents of students referred and/or eligible for speech-language services.

Citation: N.J.A.C. 6A:14-2.3(k)3 and 5; 20 U.S.C. §1414(b)(1); and 34 CFR §300.304(a).

Required Action: The district must provide parents notice of a meeting in writing that contains all required components, early enough to ensure they have an opportunity to attend. In order to demonstrate correction of noncompliance, the district must conduct training for speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review documentation from meetings conducted between November 2016 and January 2017, and to review the oversight procedures.

Finding 7: The district did not consistently provide parents written notice that contains all required components, within 15 calendar days of meetings for students referred and/or eligible for speech-language services.

Citation: N.J.A.C. 6A:14-2.3(f)(g)(h) and 5; 20 U.S.C. §1414(b)(1); and 34 CFR §300.304(a).

Required Action: The district must ensure parents are provided written notice following a meeting that contains all required components within 15 calendar days of the meeting. In order to demonstrate correction of noncompliance the district must conduct training for speech-language specialists 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 documentation from meetings conducted between November 2016 and January 2017, and to review the oversight procedures.

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Finding 8: The district did not consistently convene meetings with required participants for students referred and/or eligible for speech-language services.

Citation: N.J.A.C. 6A:14-2.3(k)1-2; 3.3(e); 20 U.S.C. §1414(d)(1)(B); and 34 CFR §300.321(a).

Required Action: The district must ensure meetings are conducted with required participants and documentation of participation is maintained in students' records. In order to demonstrate correction of noncompliance, the district must conduct training for speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citations 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 November 2016 and January 2017, and to review the oversight procedures.

Finding 9: The district did not consistently conduct the requirements related to transition at age 16. Specifically, IEPs did not contain postsecondary goal(s) based on age appropriate transition assessment.

Citation: N.J.A.C. 6A:14-3.7(e)(13), 3.7(e)12 and(h); 20 U.S.C. §1414(d)(1)(A)(i)(1)(VIII); and 34 CFR §300.322.b(2).

Required Action: The district must ensure that beginning at age 16, all age 16 transition requirements are conducted. 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 citations listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review IEPs from the resulting meetings conducted between November 2016 and January 2017, and to review the oversight procedures.

Finding 10: The district did not ensure that IDEA funds expended to the private nonpublic schools were either controlled and administered by the district and that the funds expended were used to meet the special education and related services needs of eligible students, but were utilized to benefit the school or to finance the existing level of instruction in the private school.

Citation: 34 CFR §300.140 and 144.

Required Action: The district must ensure that when expending funds to the private nonpublic schools where eligible students have been parentally placed, that the funds are utilized for meeting the needs of the students and that the funds are controlled and administered by the district. Additionally, the district must return the funds to the NJDOE from purchase orders 162660, 162406, 163106, and 162136, in the amount of \$14,015.86.

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Carl D. Perkins

A review of the expenditures charged to the Carl D. Perkins grant yielded no findings.

Administrative

Finding 11: On several occasions, the district failed to issue a purchase order prior to goods being purchased or services being rendered (confirming order). District policy and state regulations require that a properly executed purchase order be issued prior to the purchase of goods or the rendering of services.

Citation: Uniform Grant Guidance 2 C.F.R. 200.302; N.J.S.A. 18A:18A(2)(v) Public School Contracts Law.

Required Action: Purchase orders should be issued to all vendors prior to goods or services being provided.

Finding 12: The district charged several expenditures to the incorrect general ledger accounts.

Citation: Uniform Minimum Chart of Accounts (Handbook 2R2.)

Required Action: The district should ensure that expenditures are charged to the appropriate general ledger account in accordance with the Uniform Minimum Chart of Accounts.

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 Steven Hoffmann via phone at (973) 621-2750 or via email at steven.hoffmann@doe.state.nj.us.