



State of New Jersey

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

CHRIS CHRISTIE  
Governor

KIM GUADAGINO  
Lt. Governor

DAVID C. HESPE  
Commissioner

December 21, 2015

Dr. Gail Verona, Interim Superintendent  
Bradley Beach School District  
515 Brinley Avenue  
Bradley Beach, NJ 07720

Dear Dr. Verona:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Bradley Beach 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, 2015 through November 12, 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 Bradley Beach 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: Bradley Beach BOE Cover Letter /consolidated monitoring  
Enclosures

Distribution List

David C. Hesse  
Robert Bumpus  
Susan Martz  
Michael Yapple  
Karen Campbell  
Anne Corwell  
Peggy McDonald  
Kimberly Murray  
Sandy O'Neil  
Kathryn Holbrook  
Lester Richens  
Stephen M. Eells

**STATE OF NEW JERSEY  
DEPARTMENT OF EDUCATION  
PO BOX 500  
TRENTON, NJ 08625-0500**

**BRADLEY BEACH SCHOOL DISTRICT  
515 BRINLEY AVENUE  
BRADLEY BEACH, NJ 07720  
PHONE: (732) 775-4413**



*New Jersey K-12 Education*

**CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

**District:** Bradley Beach School District  
**County:** Monmouth  
**Dates On-Site:** November 12, 2015  
**Case #:** CM-026-15

**FUNDING SOURCES**

Program	Funding Award
Title I, Part A	\$ 141,175
Title II, Part A	42,167
Title III	23,881
IDEA Basic	138,405
IDEA Preschool	2,637
Total Funds	<u>\$ 348,265</u>

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

**BACKGROUND**

The Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Act (IDEA) and other federal laws require local educational agencies (LEAs) to provide programs and services to their districts based on the requirements specified in each of the authorizing statutes (i.e., ESEA and IDEA). 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 districts for their intended purposes, as well as for achieving the overall objectives of the funding initiatives.

**INTRODUCTION**

The NJDOE visited the Bradley Beach 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 were meeting the intended purposes and objectives, as specified in the current year grant 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; and IDEA Basic and Preschool for the period July 1, 2015 through November 12, 2015.

The scope of work performed included the review of documentation including grant applications, program plans, 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, and IDEA Basic and Preschool for the period July 1, 2015 through November 12, 2015. A sampling of purchase orders and/or salaries was taken for each grant program under review.

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

**GENERAL DISTRICT OVERVIEW OF USE OF TITLE I, TITLE II, TITLE III AND  
IDEA FUNDS**

**Title I**

The district operates a Targeted Assistance program at its Title I funded school. The district has identified English Language Proficiency, Early Childhood Education, English Language Arts Literacy, and Technology Literacy – Economically Disadvantaged, Racial/Ethnic, English Language Learners (ELL), and all students as its identified priority problems.

**Title II**

The district used the Title II funds for multiple expenditures, including the opportunity for teachers to participate in professional development outside the district and return to become teacher leaders in the district based upon their enhanced knowledge and expertise.

**Title III**

The district used Title III funds for professional development for teachers of ELL before and afterschool and summer programs, and translation services.

**IDEA (Special Education)**

The district used the FY 2016 IDEA funds for occupational and physical therapy services for students with disabilities, a school psychologist, two instructional aides for support of students with disabilities, and instructional supplies for students with disabilities.

**DETAILED FINDINGS AND RECOMMENDATIONS**

**Title I**

**Finding 1:** In the Needs Assessment section of its FY 2015-2016 ESEA/NCLB Consolidated Application on the Electronic Web-Enabled Grant system (EWEG), the district selected English Language Arts and Technology as High Priority status for all students. For schools operating a Targeted Assistance Title I program, services must be guaranteed to only benefit targeted students attending Title I funded schools, who meet the established criteria defined by the district/school. Services funded by Title I cannot benefit the entire school. Rather, these funds must be used to supplement the existing educational program of the school, by devising programs and services to bolster the academic performance of low-achieving students.

**Citation:** ESEA §1112(a)(1)(2)(b)(1)(A)(i-iv): *Local Educational Agency Plans*;  
ESEA §1120A(b)(1): *Federal Funds to Supplement, Not Supplant, Non-Federal Funds*.

**Required Action:** The district must immediately amend its FY 2015-2016 ESEA/NCLB Consolidated Application in the EWEG system, to reflect the targeted population that the

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

multiple educationally related and objective criteria established by the district in order to attain Title I services.

**Finding 2:** The district could not provide documented evidence of its notification letters sent to the parents/guardians of identified Title I students, a list of Title I eligible students, or the measures to identify them. In addition, the district could not provide documentation related to areas of deficiency tied to language arts literacy and mathematics, documentation of services provided to identified Title I students, and a list of Title I teachers assigned to each student. In a Targeted Assistance program, the LEA must ensure there are mechanisms in place to provide supplemental instruction to students who are most academically at-risk of not meeting state academic standards, to include establishing developmentally appropriate entrance and exit criteria based upon multiple educationally related and objective criteria, as well as benchmark assessment scores used to identify its preschool and kindergarten children for Title I services.

**Citation:** ESEA §1115(b)(1)(B): *Targeted Assistance Schools (Eligible Children – Eligible Population)*.

**Required Action:** The district must submit the following to the NJDOE for review: a narrative describing the district's Title I program; a list of its Title I eligible students; and a list of all funded Title I staff. For FY 2015-2016, the district must devise and distribute its parental notification letters listing clearly defined entrance and exit criteria to include provision of service for all its eligible participating PreK-8 students.

**Finding 3:** The district could not provide evidence as to when it's 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, as well as be 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 its written parental involvement policy to all parents/guardians of identified Title I students in all four of its funded Title I school. The district must submit evidence of distribution to the NJDOE for review.

**Finding 4:** The district could not provide documented evidence of having convened its Annual Title I Parent meeting for its funded school. In a Title I Targeted Assistance program, all parents/guardians of identified Title I students are entitled to be informed about the school's Title I Part A 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)*.

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

**Required Action:** For FY 2015-2016, the district must immediately convene its Annual Title I Parent Meeting for the parents/guardians in its Title I funded school. The invitational letter/flyer, agenda, meeting minutes, and sign in sheets must be obtained and submitted as evidence of said meeting to the NJDOE for review.

**Finding 5:** In its FY 2015-2016 ESEA/NCLB Consolidated Application on the EWEG system, the district did not report any resident students who attend nonpublic schools. Section 1120 of the ESEA requires that districts receiving Title I, Part A funds provide equitable services to eligible resident nonpublic school students. The district is responsible for counting and entering the nonpublic enrollment numbers and the low-income counts for nonpublic students who reside in the district's attendance areas. The omission of enrollment data for nonpublic students results in inaccurate Title I school-level allocations, and deprives eligible resident nonpublic students of critical services.

**Citation:** ESEA §1120(b)(E)(F): *Participation of Children Enrolled in Private Schools (Consultation).*

**Required Action:** The district must ensure that it located and documented resident students that attend nonpublic schools. Upon discovery of district resident students attending nonpublic schools, the district must amend its FY 2015-2016 ESEA/NCLB Consolidated Application in an effort to report nonpublic enrollment data and nonpublic low-income data in the Title I, Part A portion of the district's FY 2015-2016 ESEA/NCLB Consolidated Application.

**Finding 6:** The district could not provide documented evidence that consultation of services for all its nonpublic schools were provided. Per the legislative requirement, the district must ensure that it performs its due diligence in meeting with the nonpublic school officials to ensure that eligible nonpublic students from its attendance area are receiving appropriate Title I services by discussing the following: poverty data collected, student identification, and services for eligible students, parents, and teachers.

**Citation:** ESEA §1120(b): *Participation of Children Enrolled in Private Schools (Consultation).*

**Required Action:** For FY 2015-2016, the district must formalize its nonpublic consultation process. The district must retain signed/certified receipts of its correspondence to nonpublic schools, copies of Affirmation of Consultation forms signed by all consulted parties, and Nonpublic School Participation Refusal forms. The district also must provide copies of meeting agenda, minutes, and sign in sheets. The district must submit verification of the above notices to the NJDOE for review.

## **Title II**

**Finding 7:** 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

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

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 supplants state and local funds:

Item	Vendor	Description	Reference	Amount
1	Third Sector New England	Tools of mind PK program training and materials. LEA would have sent teacher and paid with local funds.	15-000-199	\$3,950.00
2	NAHPERD	NAHPERD Conference for Health professionals. Health teachers and professionals are not recognized as eligible participants in this ESEA authorization.	15-000-478	\$100.00
3	Lisa Hannah	Strong training for five new teachers. LEA is responsible to provide new teacher training.	15-000-875	\$875.00
4	The Training Center	Boiler Training. Expenditure is not part of the education of students. This is a district responsibility.	15-000-467	\$550.00
5	NAETI	Asbestos Awareness training. Expenditure is not part of the education of students. This is a district responsibility.	15-000-334	\$65.00
Total				\$5,540.00

**Citation:** ESEA §2123(5)(10)(b): *Local Use of Funds (Supplement, Not Supplant)*. 2 CFR §200.403: Basic Considerations (Factors affecting allowability of costs).

**Required Action:** The district must reverse the FY 2015-2016 expenditures and submit documentation of the adjusting entry to the NJDOE for review. Going forward, the district must establish a system of internal control sufficient to provide reasonable assurance that Title III funds supplement, rather than supplant, state and local funds.

**Finding 8:** A review of the district's general ledger disclosed that revenue code 4412 was used incorrectly to record the receipt of Title II funds. 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 revenue codes 4451-4455 to record the receipt of Title II funding. The use of distinct revenue codes provides an audit trail of the reimbursements received for each project.

**Citation:** N.J.A.C. 6A:23A-16.2(f)(1): Principles and directives for accounting and reporting. 2 CFR §200.302(b)(3): Financial management. 34 CFR §76.730(e): Records related to grant funds.

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



**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

**Title III**

**Finding 9:** The district’s use of FY 2015-2016 Title III funds totaling \$180, to pay a district employee a stipend for translation services, supplanted state and local funds.

The district also supplanted other funding sources when it used FY 2014-2015 Title III funds for the following:

Item	Vendor	Description	Reference	Amount
1	District Employee	Stipend for translation services that was not supplemental, nor related to the grant.	PPE: 10/30/14; 11/26/14; 01/30/15; 05/29/15	\$420.00
2	Nora Hyland	Professional development (PD). There was no description or indication that this vendor actually provided any PD or how it related to improving students’ English proficiency.	15-00738	\$1,500.00
			Total	\$1,920.00

**Citation:** ESEA §3115(g): *Subgrant to Eligible Entities (Supplement, Not Supplant)*.

**Required Action:** The district must reverse the FY 2015-2016 expenditures and submit documentation of the adjusting entry to the NJDOE for review. Going forward, the district must establish a system of internal control sufficient to provide reasonable assurance that Title III funds supplement, rather than supplant, state and local funds.

**Finding 10:** As an applicant LEA, the district did not maintain control of its Title III consortia funds for participant LEAs. In particular, the district issued purchase orders 15-000364 and 15-000738 to reimburse Cranbury Township and Neptune Township, respectively, for the cost of various Title III supplies acquired by their boards of education. Consequently, the LEA was not able to demonstrate that the charges represent allowable program costs.

**Citation:** 2 CFR §200.302(b)(3): Financial management.

**Required Action:** The district must exercise its responsibilities as the applicant LEA and maintain control of all funds generated for participant LEAs.

**IDEA (Special Education)**

**Finding 11:** 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, including students placed in

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

separate settings, consideration of placement in the least restrictive environment. Specifically, IEPs did not consistently include:

- the supplementary aids and services considered;
- an explanation of why the supplementary aids and services were rejected; and
- for those students placed in separate settings, 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).

**Required Action:** The district must ensure 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. The district also must ensure for students placed in separate settings, the IEP team identifies activities to transition the student to a less restrictive environment and document them in each IEP. 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 the NJDOE will conduct an on-site visit to interview staff and review the revised IEPs, along with a random sample of IEPs for students whose annual review meetings were conducted between June 2016 and September 2016, and to review the oversight procedures. The names of the students with IEPs that were identified as noncompliant will be provided to the district by the monitor.

**Finding 12:** The district did not consistently document required participants were in attendance at meetings for students eligible for special education and related services and for students eligible for speech-language services.

**Citation:** N.J.A.C. 6A:14-2.3(k)1(i-vii). 20 U.S.C. §1414(d)(1)(B). 34 CFR §300.321(a).

**Required Action:** The district must ensure 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 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 meeting documentation, including sign in sheets, for meetings conducted between June 2016 and September 2016, and to review the oversight procedures.

**Finding 13:** The district did not consistently provide parents of students eligible for speech-language services notice of a meeting.

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

**Citation:** N.J.A.C. 6A:14-2.3(k). 20 U.S.C. §1414(b)(1). 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 citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review meeting documentation for meetings conducted between June 2016 and September 2016, and to review the oversight procedures.

**Finding 14:** The district did not conduct meetings within 20 calendar days of receipt of a written request for a speech-language evaluation to determine if an evaluation was warranted.

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

**Required Action:** The district must ensure that identification meetings are conducted within 20 calendar days of receipt of a written request for evaluation and that required participants are in attendance. 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 meeting documentation for meetings conducted between June 2016 and September 2016, and to review the oversight procedures.

**Finding 15:** The district did not consistently conduct reevaluations within three years of the previous classification date for students eligible for speech-language services.

**Citation:** N.J.A.C. 6A: 14-3.8(a). 20 U.S.C. §1414(a)(2).

**Required Action:** The district must ensure that reevaluations are conducted within required time lines. 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 of eligibility meetings held as part of the reevaluation process conducted between June 2016 and September 2016, and to review the oversight procedures.

**Administrative**

**Finding 16:** The district incorrectly included amounts expended for various purchase orders attributable to the 2014-2015 grant period on financial records for FY 2015-2016. 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.

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

**Citation:** 2 CFR §200.309: Period of Performance.

**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 17:** Although the district obtained board approval for the submission of the grant application and for the acceptance of the federal awards, it did so simultaneously in one resolution. ESEA requires each district to “submit an application to the State Education Agency (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. Upon the subsequent approval of the application, the NJDOE then requires each district to go before its board to obtain approval for the acceptance of the grant funds.

**Citation:** ESEA §2122: *Local Application and Needs Assessment*. ESEA §9306(a): *Other General Assurances*. 34 CFR §76.770: A state shall have procedures to ensure compliance.

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

**Finding 18:** Although the district provided documentation to support a number of payroll charges, the records do not comply with required timekeeping standards for federally funded grants. Employees whose salaries are paid 100 percent with grant funds must complete a semi-annual certification attesting to their performance of grant related duties. Employees whose salaries are partially paid with grant funds must complete monthly personal activity reports. The documentation must reflect what the staff is doing, when and where they are working, and it must support their funded percentage. This documentation is necessary to ensure that grant funded staff are actually performing grant related responsibilities.

**Citation:** 2 CFR §200.430(i): Compensation—personal services (Standards for Documentation of Personnel Expenses).

**Required Action:** The district must identify staff members whose salaries are supported in whole or in part with grant funds, and verify the time and activity of staff charged to the grant. The district must submit sample time sheets utilized during FY 2015-2016 to the NJDOE for review.

**Finding 19:** 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

**BRADLEY BEACH SCHOOL DISTRICT  
CONSOLIDATED MONITORING REPORT  
DECEMBER 2015**

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:(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.

**Finding 20:** The district's standard operating procedures manual does not include formal written internal control policies and procedures to prevent contracting with suspended and debarred vendors. Additionally, certain board approved policies are out-of-date and in need of revision.

**Citation:** 2 CFR §200.302(b)(3): Financial management. 2 CFR §200.318: General procurement standards. N.J.A.C. 6A:23A-6.6: Standard operating procedures for business functions.

**Required Action:** The district should revise/adopt written policies and procedures to ensure compliance with current state and federal procurement 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 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).