



## 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*

January 5, 2016

Mrs. Melissa McCoolley, Chief School Administrator  
Little Egg Harbor Township School District  
307 Frog Pond Road  
Little Egg Harbor, NJ 08087

Dear Ms. McCoolley:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Little Egg Harbor Township**. 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 November 23, 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 Little Egg Harbor 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: LittleEggHarbor Cover Letter /consolidated monitoring  
Enclosures

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LITTLE EGG HARBOR TOWNSHIP SCHOOL DISTRICT  
307 FROG POND ROAD  
LITTLE EGG HARBOR, NJ 08087  
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*New Jersey K-12 Education*

**CONSOLIDATED MONITORING REPORT  
JANUARY 2016**

**District:** Little Egg Harbor Township School District  
**County:** Ocean  
**Dates On-Site:** November 23, 2015  
**Case #:** CM-033-15

**FUNDING SOURCES**

Program	Funding Award
Title I, Part A	\$ 350,187
Title II, Part A	60,313
Title III	14,120
IDEA Basic	407,791
IDEA Preschool	27,865
Total Funds	<u>\$ 860,276</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, 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 Little Egg Harbor Township 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: Title I, Part A (Title I); Title II, Part A (Title II); Title III; and IDEA Basic and Preschool for the period July 1, 2014 through November 23, 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, and IDEA Basic and Preschool for the period July 1, 2014 through November 23, 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 AND IDEA FUNDS**

**Title I**

The district operates Targeted Assistance programs at both of its Title I funded schools: Frog Pond Elementary School and George J. Mitchell Elementary School. The district identified English Language Proficiency, English Language Arts Literacy, and Mathematics for Economically Disadvantaged and English Language Learner subgroups as its priority problems.

**Title II**

The district used Title II funds to support teacher leaders in the district.

**Title III**

The district used Title III funds for supplies.

**IDEA (Special Education)**

The district is using FY 2015-2016 IDEA funds for the salaries of paraprofessionals for students with disabilities, along with child study team secretaries. Additionally, IDEA funds are being used for professional development of district staff members working with students with disabilities, along with instructional supplies and materials for students with disabilities.

**DETAILED FINDINGS AND RECOMMENDATIONS**

**Title I**

**Finding 1:** The district used Title I funds for a Literacy Resource Specialist position. For schools operating a Targeted Assistance Title I program, services may benefit only targeted students who meet the established criteria defined by the district/school. Services funded by Title I cannot benefit the entire school. Rather, Title I 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 §1120A(b): *Fiscal Requirements (Federal Funds to Supplement, Not Supplant, Non-Federal Funds)*.

**Required Action:** During the on-site monitoring visit, the above charge was reversed. Therefore, no further action is required.

**Finding 2:** The district could not provide evidence that it had developmentally-appropriate entrance and exit criteria based upon multiple educationally-related criteria used to identify its pre-school and kindergarten children for Title I services. In a Targeted Assistance program, the

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district must ensure that there are mechanisms in place to provide supplemental instruction to students who are most academically at-risk of not meeting state academic standards.

**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 its Title I program for identified participating pre-school and kindergarten students; and evidence that the district devised and distributed its FY 2015-2016 parental notification letters listing clearly defined entrance and exit criteria to include provision of service for all of its eligible participating PreK-8 students.

**Finding 3:** The district could not provide documentation that its Title I schools convened the annual Title I parent meeting. In a Title I Targeted Assistance program, all parents/guardians of identified Title I students must be informed about the school's Title I program, legislative requirements, and how they can become actively engaged in helping their child/children succeed academically. Additionally, there must be a mechanism in place to document all feedback from these meetings.

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

**Required Action:** For FY 2016-2017, the district must ensure that its Title I schools document their annual Title I Parent Meeting with formal minutes. The district must submit a copy of each school's meeting minutes the NJDOE for review.

**Finding 4:** In its FY 2015-2016 ESEA Consolidated Application on the Electronic Web-Enabled Grant System (EWEG), the district's County District School Codes (CDS) and grade configurations were not verifiable. The district is responsible for ensuring that it has provided the correct CDS code to include grade configuration for Title I eligibility. The omission of the correctly entered CDS code and grade configuration could potentially result in inaccurate Title I school-level allocations and deprive eligible students of critical services.

**Citation:** ESEA §1113(a)(1-5): *Eligible School Attendance Areas (Determination)*.

**Required Action:** The district must contact the NJDOE Executive County Office to update its CDS codes in EWEG for the district's FY 2015-2016 ESEA Consolidated Application.

**Title II**

A review of the program and expenditures charged to the Title II grant yielded no findings.

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**Title III**

**Finding 5:** The district's use of FY 2014-2015 and FY 2015-2016 Title III funds to purchase language proficiency tests that are required under state law and administrative code supplanted state and local funds.

**Citation:** ESEA §3115(g): *Subgrants to Eligible Entities (Supplement not Supplant)*.

**Required Action:** The district reversed the FY 2015-2016 charges during the monitoring; as a result, no further action is required. 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 6:** The district's Title III parental notification letter was missing required elements.

**Citation:** ESEA §3302: *Parental Notification*.

**Required Action:** The district amended the letter while on-site and no further action is required.

**IDEA (Special Education)**

**Finding 7:** The district did not consistently maintain documentation of the frequency, duration and effectiveness of the interventions provided in the general education setting through the Intervention and Referral Service (I&RS).

**Citation:** N.J.A.C. 6A:14-3.3(c).

**Required Action:** The district must ensure that I&RS documentation includes the description, frequency, duration and effectiveness of the interventions provided in the general education setting. In order to demonstrate correction of noncompliance, the district must conduct training for I&RS team members and administrators, as well as 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 review documentation for students referred to the child study team who were provided interventions in general education between March 2016 and May 2016, and to review the oversight procedures.

**Finding 8:** The district did not consistently ensure that the required participants were in attendance at reevaluation planning and eligibility meetings for students eligible for speech-language services and students eligible for special education and related services.

**Citation:** N.J.A.C. 6A:14-2.3(k) 3.5. 20 U.S.C. §1414(b)(1). 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 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 the sign in sheets, for meetings conducted between March 2016 and May 2016, and to review the oversight procedures.

**Finding 9:** The district did not consistently provide parents of students referred and/or eligible for speech-language services, notice of a meeting for identification and eligibility determination meetings.

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

**Required Action:** The district must provide parents notice of a meeting containing all required components early enough to ensure they have an opportunity to attend. In order to demonstrate correction of noncompliance, the school 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 March 2016 and May 2016, and to review the oversight procedures.

**Finding 10:** 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 did not consistently include:

- the supplementary aids and services considered; and
- an explanation of why the supplementary aids and services were rejected.

**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. 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, review the revised IEPs, along with a random sample of IEPs for students whose annual review meetings were conducted between March 2016 and May 2016, and to



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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.

**Administrative**

**Finding 11:** A review of the district's general ledger disclosed that revenue code 4412 was incorrectly used to record the receipt of Title II and Title III 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 and 4491-4494 to record the receipt of Title II and Title III funding, respectively. 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 Chart of Accounts.

**Finding 12:** The district's standard operating procedures and purchasing manuals did not include formal written internal control policies and procedures to prevent contracting with suspended and debarred vendors. Additionally, certain board approved policies and other operating procedures were 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 must 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).