



State of New Jersey
DEPARTMENT OF EDUCATION
PO Box 500
TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHRISTOPHER D. CERF
Commissioner

May 17, 2013

Mr. Newin Shoener, Superintendent
Waterford Township Public Schools
1106 Old White Horse Pike
Atco, NJ 08089

Dear Mr. Shoener:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Waterford 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, 2011 through February 19, 2013. 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 Waterford 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 Anthony Hearn at (609) 633-2492.

Sincerely,

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

RJC/AH/dk:Waterford Twp. BOE Cover Letter/consolidated monitoring
Enclosures

Distribution List

Christopher D. Cerf
David Corso
Barbara Gantwerk
Justin Barra
Barbara Morgan
Karen Campbell
Peggy McDonald
Kimberly Murray
Anthony Hearn
Peggy Nicolosi
Stephen M. Eells

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

**WATERFORD TOWNSHIP SCHOOL DISTRICT
1106 OLD WHITE HORSE PIKE
WATERFORD TOWNSHIP, NJ 08089
PHONE: (856) 767-0331**



New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
MAY 2013**

District: Waterford Township School District
County: Camden
Dates On-Site: February 18 and 20, 2013
Case #: CM-024-12

FUNDING SOURCES

Program	Funding Award
Title I, Part A	\$ 272,468
Title IIA	28,789
IDEA Basic	345,745
IDEA Preschool	17,943
Total Funds	<u>\$ 664,945</u>

**WATERFORD TOWNSHIP SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
MAY 2013**

BACKGROUND

The Elementary & 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 Waterford 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 IIA; and IDEA for the period July 1, 2011 through February 19, 2013 and planned expenses for the current year (2012-2013).

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 that were reviewed included Title I, Part A, Title IIA, and IDEA from July 1, 2011 through February 19, 2013. A sampling of purchase orders was taken from the entire population and later identified as to the grant that was charged.

**WATERFORD TOWNSHIP SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
MAY 2013**

GENERAL DISTRICT OVERVIEW OF USES OF TITLE I AND IDEA FUNDS

Title I Projects

The district is using its FY 2012-2013 Title I, Part A funds to implement targeted assistance programs through the use of in-class support staff. Included in the program is Response to Intervention, reading recovery and a vast array of extended learning opportunities (extended day and extended year).

IDEA Projects (Special Education)

The FY 2012-2013 IDEA Basic funds are being used to reduce district tuition expenditures for students receiving special education services in approved private schools for students with disabilities. The FY 2012-2013 Preschool funds are being used to provide two personal instructional aides for students in the district's preschool program. Additionally, the nonpublic proportionate share is being used to provide an in-class support teacher at Assumption Catholic School.

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1: In the notification letter to parents of Title I students, the district did not include the entrance or exit criteria for the Title I program. Without this information, parents are unable to understand the specific reasons for their child being selected to participate in the Title I program.

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

Required Action: In the notification letter to families of students in the Title I program, the district must include the multiple measures it uses to identify students for eligibility. The letter must also include clearly defined exit criteria. The district's notification letters must be updated for FY 2012-2013 to include the missing components. The revised letter must be submitted to the NJDOE for review before the district issues it to parents.

Finding 2: The district is not tracking expenditures by attendance areas to ensure the expenses for Title I schools are consistent with each attendance area's allocation on Eligibility Page, Step 4 of the FY 2012-2013 NCLB Consolidated Application. Without this information the schools are not getting the funds allocated to them in the grant and the children with the highest needs are not getting the level of services they are entitled to.

Citation: EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 20, Standards for financial management systems; NCLB §9306(a)(5): *Other General Assurances (Assurances)*.

**WATERFORD TOWNSHIP SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
MAY 2013**

Required Action: The district must track Title I school-level allocations reflected in the FY 2012-2013 NCLB Consolidated Application for Title I funds (Eligibility Page, Step 4). The tracking for FY 2012-2013 must be submitted to the NJDOE for review.

Finding 3: The district did not include nonpublic student enrollment numbers on its FY 2012-2013 NCLB Application in Step One of the Title I, Part A eligibility. The district must include the enrollment data even if nonpublic schools decline to participate in the Title I program. Without this information, the allocation to the schools is not properly reflected; therefore, the neediest students may not be getting services they are entitled to.

Citation: ESEA §1120 *Participation of Children Enrolled In Private School and EDGAR, PART 80--Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Section 20, Standards for financial management systems.*

Required Action: For FY 2012-2013, the district's Electronic Web Enabled Grant (EWEG) application must reflect the accurate number of resident nonpublic students in its attendance areas. The district must revise the student enrollment data indicated on the Title I portion of its FY 2012-2013 application.

Finding 4: The district did not include the salary of administrative personnel Step 4 of the Title I eligibility section in the EWEG system. Without this information, the allocation to the schools is not properly reflected; therefore, the neediest students may not be getting services they are entitled to.

Citation: EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Section 36, Procurement.*

Required Action: The district must update its grant to reflect the administrative salary.

Title IIA

There were no findings for the Title IIA grant.

IDEA (Special Education)

Finding 5: The district violated student confidentiality by including students' names on purchase orders for students educated in tuition placements.

Citation: IDEA Regulation 34 CFR 99; N.J.A.C. 6A:32-7.

Required Action: The district must revise procedures to ensure the confidentiality of student information is maintained and that only persons having educational responsibility for those students have access to this information. Revised procedures must be submitted to the NJDOE for review.

**WATERFORD TOWNSHIP SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
MAY 2013**

Finding 6: The district charged expenses intended for the IDEA grant to state/local funds. The district intends to move the expenses to the IDEA grant and those expenses will be permitted once the grant is submitted and receives final approval.

Citation: EDGAR, PART 80-- *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments* Section 20, Standards for financial management systems.

Required Action: The district must revise their grant to accurately document IDEA expenses.

Finding 7: The district did not consistently document all required considerations and statements in each IEP for students eligible for special education and related services and for students eligible for speech-language services.

Specifically, IEPs for students eligible for special education and related services did not consistently include:

- method of evaluating student progress on goals and objectives;
- goals and objectives;
- specific location of related services;
- documentation of the factors considered when determining the need for extended school year (ESY services); and
- an accurate description of programs for students in the preschool inclusion program.

In addition, IEPs for students eligible for speech language services did not consistently include:

- method of evaluating student progress on goals and objectives;
- supports for school personnel;
- specific location of services; and
- documentation of the factors considered when determining the need for ESY services.

Noncompliance was due to a lack of implementation of district procedures.

Citation: N.J.A.C. 6A:14-3.7(c)1-11, (e) 1-17, and (f); N.J.A.C. 6A:14-4.3(c); 20 U.S.C. §1414(d)(3)(A)(B); and 34 CFR §300.324(a)(1)(2).

Required Action: The district must ensure each IEP contains all required components. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding district procedures. To demonstrate the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise IEPs for the specific students whose IEPs were identified as noncompliant. Additionally, a monitor from the NJDOE will conduct an on-site visit to interview staff and review the revised IEPs and a random sample of additional IEPs for annual review meetings conducted

**WATERFORD TOWNSHIP SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
MAY 2013**

between June 2013 and October 2013. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

Finding 8: The district did not consistently document in the IEPs of students removed from the general education setting for more than 20 percent of the day, including students placed in separate settings, consideration of placement in the least restrictive environment. Specifically, IEPs did not consistently include:

- the supplementary aids and services considered and explanation of why the supplementary aids and services were rejected;
- a comparison of the benefits of general education and the benefits of special education;
- the potentially beneficial or harmful effects which a placement in the general education setting may have on students with disabilities or other students in the class; and
- for those students placed in separate settings, activities to transition the student to a less restrictive environment

In addition, rationales for removal were not individualized. Noncompliance was due to a lack of implementation of district procedures.

Citation: N.J.A.C. 6A:14-4.2 (a)8(i),(ii) and (iii); N.J.A.C. 6A:14-4.2(a)4.

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 IEPs for students in separate settings must also include activities to transition the student to a less restrictive environment. Finally, the district must ensure that rationales are individualized, based on the needs of each student. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members regarding the district's procedures. To demonstrate the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise IEPs for the specific students with IEPs that were identified as noncompliant. Additionally, a monitor from the NJDOE will conduct an on-site visit to interview staff and review the revised IEPs and a random sample of additional IEPs for annual review meetings conducted between June 2013 and October 2013. Names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

Finding 9: The district did not have in place a special education parent advisory group to provide input to the district on issues concerning students with disabilities. Noncompliance was due to a lack of compliant implementation of district procedures.

Citation: N.J.A.C. 6A:14-1.2 (h).

**WATERFORD TOWNSHIP SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
MAY 2013**

Required Action: The district must ensure a special education parent advisory group is available in the district. In order to demonstrate correction of noncompliance, the district must convene a parent group. A monitor from NJDOE will conduct an on-site visit to interview staff and review the list of members of the special education parent advisory group and any agendas for meetings held subsequent to the monitoring visit.

Finding 10: The district did not consistently complete all required components of the initial evaluation process for students referred for special education and related services and students referred for speech-language services.

Initial evaluations of students referred for special education and related services did not include:

- evidence of vision/hearing screenings and health/medical summaries for every student referred; and
- certification of each child study team evaluator as to whether his/her evaluation report reflects his/her conclusion of eligibility for each student that they evaluated.

Initial evaluations of students referred for speech-language services did not include:

- an educational impact statement from the classroom teacher for initial speech-language referrals.

Noncompliance was due to a lack of implementation of district procedures.

Citation: N.J.A.C. 6A:14-3.4(f)4(i-vi), (j), 14-2.5(b)6 and 3.6(b), 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 a vision and audiometric screening is conducted for every student referred to the child study team, including parent referrals, with a copy of the results maintained in students' files, along with available health/medical summaries. In addition, the district must ensure each child study team member that conducts an assessment certifies in writing that the report reflects his/her conclusion of eligibility. For speech-language referrals, the district must ensure the classroom teacher provides a written statement of the educational impact of the speech problem after the parent has given consent to evaluate. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from the NJDOE will conduct an on-site visit to interview staff and to review documentation of vision/hearing screenings and health summaries, certification of agreement/disagreement, and the educational impact statement for initial evaluations conducted between June 2013 and October 2013.

**WATERFORD TOWNSHIP SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
MAY 2013**

Administrative

Finding 11: The district does not have internal control policies and procedures to prevent contracting with disbarred vendors. The district must update its internal control policies to prevent errors from potentially occurring.

Citation: EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 36, Procurement.

Required Action: The district should update internal control policies to prevent errors from potentially occurring.

Finding 12: The district does not have formal written policies for requesting reimbursement from the EWEG system or the System for Administering Grants Electronically. However, the monitoring team did verify the district's practice for requesting reimbursement through inquiries about the district's internal controls.

Citation: EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 20, Standards for financial management systems.

Required Action: The district must have a formal board policy concerning the reimbursement of grant funds. The district must submit a copy of its written policy to the NJDOE for review.

Finding 13: The district has no evidence of competitively contracting for the provision of goods and services by vendors. In accordance with the Public School Contracts Law (PSCL) [N.J.S.A. 18A:18A:10(a)], a board of education may place its order with a vendor offering the lowest price, including delivery charges, that best meets the requirements of the board of education. However, for all federal funds, districts need to review 34 CFR Part 80.36 on procurement requirements. The federal procurement regulations under this section do not include all the exemptions allowed under the PSCL and therefore, these federal regulations require districts to competitively contract or bid all goods and services under the bid threshold, whether exempt under PSCL or not. The federal rules do include provisions for procurement by "noncompetitive proposals," but only under certain circumstances.

Citation: EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 36, Procurement.

Required Action: The district should review 34 CFR Part 80.36 and use open and competitive procedures where at all possible. The district should also analyze and include documentation in its files that demonstrates the district ensured the costs were reasonable.

**WATERFORD TOWNSHIP SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
MAY 2013**

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.