



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

June 21, 2013

Ms. Richelle Baugh, School Administrator
Camden's Academy Charter High School
879 Beideman Avenue
Camden, NJ 08105

Dear Ms Baugh:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Camden's Academy Charter High School**. 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 25, 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 Charter Schools Response, Corrective Action Plan and Appeal Process," the Camden's Academy Charter High School Board of Trustees 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 school'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/LR/dk:Camden's Academy Charter High School Cover Letter/consolidated monitoring
Enclosures

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CAMDEN'S ACADEMY CHARTER HIGH SCHOOL
879 BEIDEMAN AVENUE
CAMDEN, NJ 08105
PHONE: (856) 365-1000



New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
JUNE 2013**

District: Camden's Academy Charter High School
County: Camden
Dates On-Site: February 25 and 26, 2013
Case #: CM-010-12

FUNDING SOURCES

Program	Funding Award
Title I	\$ 333,574
IDEA Basic	105,719
Title IIA	11,096
Total Funds	<u>\$ 450,389</u>

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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 Camden's Academy Charter High School to monitor the school's use of federal funds and the related program plans, where applicable, to determine whether the school'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 IIA; and IDEA for the period July 1, 2011 through February 25, 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 school policies and procedures. The monitoring team members also conducted interviews with school 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, Title IIA and IDEA from July 1, 2011 through February 25, 2013. 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 AND IDEA FUNDS

Title I Projects

The school is using its FY 2012-2013 Title I funds to implement a schoolwide program. Primarily, the district provides supplemental instructional opportunities through an instructional program called, "Contemporary Math" March to March after school program, HSPA Prep, summer tutoring. The school also uses Title I funds to support a college transition counselor and technology through the use of iPads.

IDEA Projects (Special Education)

The school has submitted revisions to the FY 2012-2013 IDEA Grant and final approval has not been authorized by the NJDOE.

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1: The school was operating a schoolwide program, but the Title I expenditures did not correspond to activities in the schoolwide plan. The school was using Title I funds to support a counselor to provide college transition services and a program called Contemporary Math; neither of which were articulated in the schoolwide plan. Schools that operate a Title I schoolwide program have the option to consolidate their Title I funds with other federal funds and state/local funds to upgrade the entire education program of the school. In lieu of tracking separate funding streams, the school must maintain a plan that reflects how the schoolwide program is implementing interventions and strategies to meet the intents and purposes of the Title I legislation. Therefore, the Title I expenditures for the school must correlate to programs and strategies in the schoolwide plan.

Citation: NCLB §1114: *Schoolwide Program*.

Required Action: The school must amend its schoolwide plan to include all activities on which it is spending or plans to spend money. The school must send a copy of the amended plan to the NJDOE for review.

Finding 2: The school does not have the required supporting documents to verify the activity of staff charged to the Title I or IDEA grants at schools. The documentation must reflect what the staff is doing and when (time slots) and must match their funded percentage. This documentation is necessary to ensure that grant funded staff are actually performing grant-related responsibilities.

Citation: OMB Circular A-87, Attachment B, Section 8(h): *Cost Principles for State, Local and Indian Tribal Governments (Compensation for personal services)*.

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Required Action: The school must identify staff members whose salaries are supported in whole or in part with Title I or IDEA funds and verify the time and activity of staff charged to the grant. The school must submit a revised list of FY 2012-2013 funded staff, salaries, funding percentages and time sheets to date to the NJDOE for review (including administrative staffing).

Finding 3: The school did not include the salary of the administrative personnel on Eligibility Page, Step 4 of the FY 2012–2013 NCLB Consolidated Application for Title I funds on the Electronic Web Enabled Grant (EWEG) system. Additionally, the amount of funding for administrative costs exceeds the five percent cap.

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

Required Action: The school must update its grant to reflect the administrative salary and be sure not to exceed the five percent cap.

Title IIA

There were no findings for the Title IIA grant.

IDEA (Special Education)

Finding 4: The school did not demonstrate that it met the standards of maintenance of effort. All necessary financial information needs to be inputted in the EWEG system to show it met the requirement and substantiates the figures as shown in the IDEA grant.

Citation: Maintenance of Effort - *Funds provided to an LEA under Part B of the Act must not be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding fiscal year 34 CFR §300.203 (a-b).*

Required Action: The school must input the information into the EWEG system and provide all supporting information to the NJDOE for review.

Finding 5: The school did not implement each student's IEP as written. In addition, IEPs had conflicting placement information for students eligible for special education and related services. Specifically, IEPs would state in one section that the student would be placed in pull-out replacement for a subject, but another section would state in-class resource for the same subject. Students were placed in programs based on the availability of seats in a class rather than the requirements of the IEP. Noncompliance was due to a lack of consistent implementation of school procedures, including administrative oversight. .

Citation: N.J.A.C. 6A:14-3.7(a)1-4 and 20 USC 1412(a)(5); 34 CFR §300.119.

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Required Action: The school must ensure the IEPs clearly states the programs and services to be provided to students determined eligible for special education and related services and that the students are receiving all programs and services identified in his or her IEP. The school must also ensure that decisions regarding student programs are determined by the IEP team. In order to demonstrate correction of noncompliance, the school must provide training for child study team members, teachers and administrative staff regarding the procedures for implementing the requirements in the citation listed above. Additionally, the school must conduct annual review meetings to revise the IEPs for the specific students whose IEPs were identified as noncompliant during monitoring and determine the need for compensatory services. At the next IEP meeting for all other students, the school must ensure the IEPs accurately document the programs and services to be provided. A monitor from the NJDOE will conduct an on-site visit to interview staff, verify student placement and review the revised IEP along with a sample of IEPs for students whose IEP meetings were held between March 2013 and October 2013.

Finding 6: The school's notices of eligibility, IEP and reevaluation planning meetings did not consistently include all required components for students eligible for special education and related services. Specifically, notices did not inform the parents of their right to invite other persons with expertise and, when required, did not identify that transition planning would be discussed. Noncompliance was due to a lack of compliant school procedures.

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

Required Action: The school must ensure that parents are provided notice of a meeting in writing, that contains all required components, early enough to ensure the parent has an opportunity to attend. In order to demonstrate correction of noncompliance, the school must develop procedures and conduct training for child study team members regarding the procedures for implementing the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff and review copies of notices of meetings between May 2013 and October 2013 for students eligible for special education and related services.

Finding 7: The school did not consistently inform parents of proposed actions through provision of written notice, containing all required components for students eligible for special education and related services. Specifically, written notice following reevaluation planning and redetermination of eligibility meetings did not document other options considered and reasons why they were rejected when the meeting did not immediately precede an IEP meeting. Noncompliance was due to a lack of consistent implementation of school procedures.

Citation: 20 U.S.C. §1414(b)(1)(c)(4)(A); 34 CFR §300.304(a)(4); and 34 CFR §300.305(a) and N.J.A.C. 6A:14-2.3(f) and 2.3(g)1-7.

Required Action: The school 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 school must provide training for

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child study team members regarding the procedures for implementing the requirements in the citation listed above. In addition, a monitor from the NJDOE will conduct an on-site visit to review copies of written notice sent to parents following meetings conducted between April 2013 and October 2013.

Finding 8: The school did not consistently provide copies of evaluation reports to parents at least 10 days prior to the redetermination of eligibility for students eligible for special education and related services. Noncompliance was due to a lack of consistent implementation of school procedures.

Citation: N.J.A.C. 6A:14-3.5(a); 20 U.S.C. §1414(b)(4); and 34 CFR §300.306(a).

Required Action: The school must ensure that parents are provided copies of evaluation reports not less than 10 days prior to the determination of eligibility. In order to demonstrate correction of noncompliance, the school must conduct training for child study team members regarding procedures for implementing the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff and review documentation of provision of evaluation reports to parents for initial evaluations conducted between March 2013 and October 2013.

Finding 9: The school did not consistently complete transition planning for students ages 14 and above and document decisions in the IEP. In addition, the school did not consistently provide to students beginning at age 14, written invitations to meetings where post-school transition was being discussed. Noncompliance was due to a lack of consistent implementation of school procedures.

Citation: N.J.A.C. 6A:14-2.3(k)2x and 3.7(e)11,13, 3.7(h); 20 U.S.C. §1414 (d)(1)(A)(i)(1)(VIII); and 34 CFR §300.322.b(2).

Required Action: The school must ensure students, beginning at age 14, are invited to meetings where post-school transition is discussed and that decisions are documented in the IEP. In order to demonstrate correction of noncompliance, the school must conduct training for child study team members regarding the procedures for implementing the requirements in the citation listed above. Additionally, the school must conduct annual review meetings to revise the IEPs for the specific students whose IEPs were identified as noncompliant during monitoring. A monitor from the NJDOE will conduct an on-site visit to interview staff and review student invitations to IEP meetings, the revised IEPs along with IEPs of students age 14 and above whose IEP meetings will be conducted between March 2013 and October 2013. Names of the students whose IEPs were identified as noncompliant will be provided to the school by the monitor.

Findings 10: The school did not consistently provide to students eligible for special education and related services written notice of graduation containing all required components within required time lines. Noncompliance was due to a lack of consistent implementation of the school procedures.

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Citation: N.J.A.C. 6A:14-4.11(b)2.

Required Action: The school must ensure parents or adult students are provided with written notice of graduation containing all required components prior to graduation or exiting the program. In order to demonstrate correction of noncompliance, the school must conduct training for child study team members regarding the procedures for implementing the requirements in the citation listed above. Additionally, a monitor from NJDOE will conduct an on-site visit to interview staff and review copies of written notice of graduation students for students who are graduating at the conclusion of the 2012-2013 school year.

Finding 11: The school did not consistently document all required considerations and statements in each IEP for students eligible for special education and related services. Specifically, IEPs did not include:

- a description of the needs of the student in the statement Present Levels of Academic Achievement and Functional Performance which reflected the placement and programs and service decisions;
- statement of how progress towards annual goal(s) will be measured;
- criteria to determine if the student successfully met the goal; and
- documentation of student interests, preferences and strengths and liaison to postsecondary resources for students age 14 and above.

Noncompliance was due to a lack of consistent implementation of the school procedures.

Citation: N.J.A.C. 6A:14-3.7(c)1-11, (e) 1-17, and (f) N.J.A.C. 6A:14-4.10(a); 20 U.S.C. §1414(d)(3)(A)(B); and 34 CFR §300.324(a)(1)(2).

Required Action: The school must ensure each IEP contains all required components. In order to demonstrate correction of noncompliance, the school must conduct training for child study team members regarding school procedures. To demonstrate the school has corrected the individual instances of noncompliance, the school must conduct annual review meetings and revise IEPs for specific students whose IEPs were identified as noncompliant during the monitoring. A monitor from the NJDOE will conduct an on-site visit to interview staff and review the revised IEPs along with IEPs of students whose IEP meetings were conducted between April 2013 and October 2013. Names of the students whose IEPs were identified as noncompliant will be provided to the school by the monitor. For assistance with correction of noncompliance, the school is referred to the state IEP sample form which is located at: www.statenj.us/education/specialed/forms.

Finding 12: The school 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 separate settings, consideration of placement in the least restrictive environment. Specifically, IEPs did not consistently include:

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- the supplementary aids and services considered;
- an explanation of why the supplementary aids and services were rejected;
- the potentially beneficial or harmful effects which a placement in the general education setting may have on the 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.

Noncompliance was due to a lack of consistent implementation of school procedures.

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

Required Action: The school must ensure when determining the educational placement of a child with a disability, the IEP team considers the general education class first and 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 school must also ensure for students placed in separate settings, the IEP team identifies school activities to transition the student to a less restrictive environment and document them in each IEP. In order to demonstrate correction of noncompliance, the school must conduct training for child study team members regarding the school's procedures. To demonstrate the school has corrected the individual instances of noncompliance, the school must conduct annual review meetings and revise the IEPs for specific students with IEPs that were identified as noncompliant. Additionally, at the next IEP meeting for all other students removed from general education for more than 20 percent of the day, the school must ensure the procedures are implemented. A monitor from the NJDOE will conduct an on-site visit to interview staff and review the revised IEPs along with the IEPs of those students whose IEP meetings were conducted between April 2013 and October 2013. Names of the students whose IEPs were identified as noncompliant will be provided to the school by the monitor.

Finding 13: The school did not consistently maintain written certification for each child study team evaluator as to whether his/her report reflects his/her conclusion of eligibility of the student for special education and related services. Noncompliance was due to a lack of consistent implementation of school procedures.

Citation: N.J.A.C. 6A:14-3.4(h)5.

Required Action: The school must maintain the written certification of each child study team evaluator as to whether his/her evaluation report reflects his/her conclusion of eligibility of each student they evaluated. In order to demonstrate correction of noncompliance, the school must conduct training for child study team members regarding the procedures for implementing the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff and review copies of eligibility meetings conducted between April 2013 and October 2013 to verify documentation of written certification of each child study team member who conducted

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an evaluation as to whether or not his/her report reflects his/her determination of eligibility.

Financial Management and Reporting

Finding 14: A review of the school's fiscal records indicated the following issues regarding internal control and procurement:

- Failing to secure vendor certification prior to payment of invoices;
- Failing to charge expenses to the grant as they are incurred;
- Incurring expenses prior to the start of the project period;
- Charging incorrect staff to the Title I and IDEA grants (prior year staff were charged and then adjusted out of the grant);
- Issuing purchase orders that do not match the amount charged to the grant;
- Approving financial statements that label the school as operating a targeted assistance program, rather than a schoolwide program;
- Paying a lump sum to a provider prior to the services being rendered (IDEA); and
- Paying invoices prior to issuing a purchase order.

Citation: EDGAR, PART 80--*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 36, Procurement and Section 20, Standards for financial management systems. N.J.S.A 18A:18A(2)(v) *Public School Contracts Law*.

Required Action: The school needs to address all these issues and the necessary corrective action they are implementing to prevent these errors from occurring.

Administrative

Finding 15: The school does not have internal control policies and procedures to prevent contracting with disbarred vendors.

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

Required Action: The school must update internal control policies to prevent errors from potentially occurring.

Finding 16: The school does not have formal written policies for requesting reimbursement from the EWEG or System for Administering Grants Electronically systems. However, the monitoring team did verify the school's practice for requesting reimbursement through inquiries about the school's internal controls.

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

Finding 17: The school has no evidence of competitively contracting for the provision of goods and services by vendors. In accordance with the Public School Contracts Law [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 school should review 34 CFR Part 80.36 and use open and competitive procedures where at all possible. The school should also analyze and include documentation in its files that demonstrates the school ensured the costs were reasonable.

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.