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DEPARTMENT OF EDUCATION
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Commissioner

February 10, 2014

Ms. Bridgit Cusata-Rosa, School Director
Freedom Academy Charter School
1400 Collings Road
Camden, NJ 08104

Dear Ms. Cusata-Rosa:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Freedom Academy Charter 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 June 17, 2013, 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 Freedom Academy Charter 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/AH/dk:Freedom Academy Charter School Cover Letter/consolidated monitoring
Enclosures

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**FREEDOM ACADEMY CHARTER SCHOOL
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New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
FEBRUARY 2014**

District: Freedom Academy Charter School
County: Camden
Dates On-Site: June 17 and 18, 2013
Case #: CM-012-12

FUNDING SOURCES

Program	Funding Award
Title I	\$ 212,548
Title I SIA	115,579
IDEA Basic	67,910
Title III	998
Total Funds	\$ 397,035

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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 Freedom Academy Charter 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 I, SIA; Title II, Part A (Title II); Title III and IDEA for the period July 1, 2011 through June 17, 2013 and expenses for fiscal 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 I SIA, Title II, Title III and IDEA from July 1, 2011 through June 17, 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 used its FY 2012-2013 Title I, Part A funds to implement a schoolwide program. However, the school did not prepare a schoolwide plan and did not operate either a schoolwide or targeted assistance program that met the intents and purposes of the Title I, Part A legislation.

IDEA Projects (Special Education)

The FY 2012-2013 IDEA Basic funds were used for the salary for a special education teacher.

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1: The school was approved to operate a Title I schoolwide program, but did not prepare a schoolwide plan for the 2012-2013 school year. Title I schoolwide programs must maintain a current schoolwide plan that reflects how the school is using Title I funds to implement interventions and strategies to meet the intents and purposes of the Title legislation. Without an updated schoolwide plan, there is no evidence that the school is using Title I funds appropriately.

Citation: ESEA §1114: *Schoolwide Program*.

Required Action: The school must reverse all FY 2012-2013 Title I expenditures and identify state/local funds to support these expenditures. The school may carryover the funds for use in the 2013-2014 school year.

For the 2013-2014 school year, the school will be designated as a Title I targeted assistance program, and may use Title I funds to provide supplemental instructional services to identified low-performing students. The school may reapply to operate a Title I schoolwide program in the 2014-2015 school year.

Finding 2: The school does not have the required supporting documents to verify the activity of staff charged to the Title I, Title I SIA or IDEA grants. 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: Although the school cannot articulate the components of its Title I program, there are some staff members working in positions that provide supplemental instructional opportunities to low-performing students. The salaries of these staff members may be attributed to the Title I grant. The school must initially identify staff members whose salaries are supported in whole or in part with Title I, Title I SIA or IDEA funds and verify the time and activity of staff charged to the grant. The school must then submit a revised list of FY 2012-2013 funded staff including administrative staffing, salaries, funding percentages and time sheets to date to the NJDOE for review.

Finding 3: The school is designated as a Focus School; therefore, it was required to set-aside 30% of its allocation for interventions to address the needs of low-performing student subgroups. However, at the time of the review, the school had not yet expended any funds in the Priority/Focus Interventions reserve.

Citation: ESEA, Section 9401; New Jersey's ESEA Flexibility Waiver from U.S. Department of Education.

Required Action: The school should develop a plan to expend the funds in the 30% Priority/Focus Interventions reserve on programs and services to address identified needs for increasing student achievement. The school will have to carryover any unused portion of the reserve into the 2013-2014 school year.

Finding 4: The school does not have a parental involvement program that reflects the requirements of the Title I legislation. The school did not convene the annual Title I parent meeting or develop the school-level Title I parental involvement policy. The exclusion of parents in the development of these documents does not offer them the opportunity for full participation in their child's educational program.

Citation: ESEA §1118: *Parental Involvement*.

Required Action: For the 2013-2014 school year, the school must convene the annual Title I parent meeting. The school must also engage parents of identified Title I students in the development of the parental involvement policy. The school must submit documentation of both the annual meeting and the process to engage parents in the development of the parental involvement policy. Acceptable documentation includes copies of information and policies to the NJDOE for review as well as an invitation, agenda and meeting notes.

Finding 5: The sampling of instructional staff found that three staff members did not meet the requirements for classification as a highly qualified teacher (HQT). Two staff persons assigned by Teach for America did not possess a Certificate of Eligibility, and another staff person possessed a K-5 certificate, but was assigned to teach seventh grade Language Arts.

Citation: ESEA §1119: *Qualifications for Teachers and Paraprofessionals*.

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Required Action: For the 2013-2014 school year, the school must ensure these teachers are assigned to instructional positions for which they meet the HQT designation. Additionally, for the 2013-2014 school year, the school must issue the Parents' Right to Know letters to the parents of all students. The school must also issue the Parents' Right to Know follow-up letter to the parents of any child that will be taught for four consecutive weeks or more by a teacher that does not meet the HQT designation. The school must submit documentation to the NJDOE that verifies the Parents' Right to Know follow up letter was issued to parents.

Finding 6: The school did not submit a TPAF/FICA reimbursement report for FY 2011-2012.

Citation: N.J.S.A. 18A:66-90, *Reimbursement of TPAF/FICA*.

Required Action: The school must immediately submit the FY 2011-2012 TPAF/FICA report and remit the balance due.

Title II

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

Title III

A review of the expenditures charged to the Title III grant yielded no findings.

IDEA (Special Education)

Finding 7: The school's notices of meetings for students eligible for special education and related services and for students eligible for speech-language services did not consistently identify all of the purposes of a meeting. In addition, notices of IEP meetings did not inform parents of their right to invite others with expertise regarding their child. Finally, the school did not provide evidence that notices were provided to parents or that multiple attempts were made to obtain parent participation at meetings.

Citation: N.J.A.C. 6A:14-2.3(k)5.

Required Action: The school must provide notice of a meeting to parents, that contains 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 child study team members, speech-language specialists and clerical support staff regarding the procedures for implementing the requirements in the citation listed above. The school must implement an oversight mechanism to regularly review meeting invitations to ensure provision of notices that include the required components. A monitor from the NJDOE will conduct an on-site visit to interview staff, review copies of notices of meetings conducted between August 2013 and December 2013, and to review the oversight procedures.

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Finding 8: The school did not provide written notice to parents consistently with all required components. Specifically, written notice of decisions made at the initial identification meeting for students evaluated for special education and related services or for speech-language services did not consistently include an explanation of the reason for the decision and documentation of provision of N.J.A.C. 1:6A and N.J.A.C. 6A:14. In addition, written notice of decisions made at the reevaluation planning meeting did not include a description of the factors considered and the Short Procedural Safeguards Statement.

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

Required Action: The school must provide 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 child study team members and speech-language specialists regarding the procedures for implementing the requirements in the citation listed above. The school must implement an oversight mechanism to regularly review documentation of the provision of written notice. A monitor from the NJDOE will conduct an on-site visit to interview staff, review copies of written notice for identification and reevaluation planning meetings conducted between August 2013 and December 2013, and to review the oversight procedures.

Finding 9: 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 consistently include:

- goals and objectives; and
- transition requirements for students beginning at age 14.

Citation: N.J.A.C. 6A:14-3.7(c), (e), 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 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 procedures for implementing the requirements in the citation listed above. The school must implement an oversight mechanism that includes regular review of student IEPs to ensure all required components are included. In addition, to demonstrate correction of individual instances of noncompliance, the school must conduct annual review meetings and revise IEPs for the specific students whose IEPs were identified as noncompliant. A monitor from the NJDOE will conduct an on-site visit to interview staff, review the revised IEPs, a random sample of additional IEPs for annual review meetings conducted between August 2013 and December 2013, and to review the oversight procedures. The names of the students whose IEPs were identified as noncompliant will be provided to the school by the monitor.

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Finding 10: The school did not consistently provide to students beginning at age 14, written invitations to meetings where post-school transition was being discussed.

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

Required Action: The school must ensure each student with an IEP age 14 or above is provided with a written invitation to any IEP meeting where transition to adult life will be discussed. 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. The school must implement an oversight mechanism that includes regular review of student files to ensure students age 14 and above have been provided with a written invitation to the IEP meeting. A monitor from the NJDOE will conduct an on-site visit to interview staff, review notices of meetings for students age 14 and above for IEP meetings conducted between August 2013 and December 2013, and to review the oversight procedures.

Finding 11: The school did not consistently conduct an annual IEP team meeting for each student eligible for speech-language services.

Citation: N.J.A.C. 6A:14-3.7(i); 20 U.S.C. §1414(d); and 34 CFR §300.324(b)(1).

Required Action: The school must ensure IEP team meetings for students eligible for speech-language services are conducted annually or more often if necessary to review, revise and determine the services to be provided. In order to demonstrate correction of noncompliance, the school must conduct training for the speech-language specialist regarding the procedures for the citation listed above. The school must implement an oversight mechanism that includes a regular review of the school's special education data system to ensure that IEP review meetings are conducted annually. A monitor from the NJDOE will conduct an on-site visit to interview staff, review speech-language annual review time lines, a sample of students receiving speech-language services between August 2013 and December 2013, and to review the oversight procedures.

Finding 12: The school did not ensure a member of the child study team was assigned case management responsibilities for students eligible for special education and related services. The speech-language specialist functioned as the case manager for all students with disabilities. In addition, while the speech-language specialist was on leave, the school requested parental consent to excuse her from speech IEP meetings.

Citation: N.J.A.C. 6A:14-3.2(a), 2.3(k)10 and 3.6(d).

Required Action: The school must ensure a child study team member is assigned as case manager for all students with disabilities and that the speech-language specialist is assigned as case manager only for students classified as under the category of communication impaired or eligible for speech-language services. In order to demonstrate correction of noncompliance, the school must conduct training for the child

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study team members and speech-language specialist regarding the procedures for the citation listed above. The school must implement an oversight mechanism that includes regular review of case management assignments and IEP meeting participants. A monitor from the NJDOE will conduct an on-site visit to interview staff, review case management assignments for the 2013-2014 school year, speech IEP participants for meetings conducted between August 2013 and December 2013, and to review the oversight procedures.

Finding 13: The school 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 in order to maintain a student in a general education setting and why they were rejected.

Citation: N.J.A.C. 6A:14-4.2 (a)8; N.J.A.C. 6A:14-4.2(a)4.

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. 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. The school must implement an oversight mechanism that includes regular review of IEPs for students removed from general education for more than 20 percent of the school day. In addition, to demonstrate the school has corrected the individual instances of noncompliance, the school must conduct annual review meetings and revise IEPs for the 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, a random sample of additional IEPs for annual review meetings conducted between August 2013 and December 2013, and to review the oversight procedures. The names of the students whose IEPs were identified as noncompliant will be provided to the school by the monitor.

Finding 14: The school did not have in place a special education parent advisory group to provide input to the school on issues concerning students with disabilities. The school has had a parent advisory group in the past, but did not have an active group this year.

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

Required Action: The school must convene a special education parent advisory 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 15: The school did not consistently complete all required components of the evaluation process for students referred for special education and related services. Specifically, evaluations did not include:

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- evidence of vision/hearing screenings and health/medical summaries for every student referred for an initial evaluation;
- provision of evaluation reports to parents at least 10 days prior to the eligibility conference; and
- certification of each child study team evaluator as to whether his/her evaluation report reflects the conclusion of eligibility for each student evaluated as part of an initial evaluation or reevaluation.

Citation: N.J.A.C. 6A:14-2.5(b)6, N.J.A.C. 6A:14-3.4(f),(h) and (j), and N.J.A.C. 6A:14-3.5(a); 20 U.S.C. §1414(b)(4) and (5); and 34 CFR §300.306(c)(i).

Required Action: The school 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 school must provide copies of reports to parents at least 10 days prior to the eligibility conference and ensure each child study team member that conducts an assessment for an initial evaluation or reevaluation certifies in writing that his/her report reflects the conclusion of eligibility. 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. The school must implement an oversight mechanism that includes regular review of documentation of implementation. A monitor from the NJDOE will conduct an on-site visit to interview staff, review documentation for evaluations conducted between August 2013 and December 2013, and to review the oversight procedures.

Finding 16: The school did not consistently maintain documentation of the description, frequency, duration and effectiveness of the interventions provided in the general education setting through the Intervention and Referral Service (I&RS). Interviews with staff members indicated there was no functioning I&RS committee during the 2012-2013 school year.

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

Required Action: The school must ensure interventions are provided in the general education setting, as appropriate, for students exhibiting academic and/or behavioral difficulties prior to referring the student for an evaluation. In addition, the school must ensure when the I&RS team identifies interventions to meet the needs of a struggling learner, the team identifies and maintains documentation of the nature, description, frequency, and duration of the interventions and measure the effectiveness. In order to demonstrate correction of noncompliance, the school must establish a committee and conduct training for administrators and committee members regarding the procedures for implementing the requirements in the citations listed above. The school must implement an oversight mechanism to review action plans for students referred to I&RS to ensure interventions are provided and documented. Additionally, a monitor from the NJDOE will conduct an on-site visit to interview I&RS team members and teachers, review

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documentation for students who were provided interventions in general education between August 2013 and December 2013, and to review the oversight procedures.

Finding 17: The school did not implement each student's IEP as written. Interviews indicated that students did not receive in-class support for science and social studies for the 2012-2013 school year due to scheduling and staffing issues. In addition, when the speech-language specialist was on medical leave, students did not receive speech-language services.

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

Required Action: The school must ensure IEPs are implemented as written. In order to demonstrate correction of noncompliance, the school must provide training for child study team members, speech-language specialists, teachers and administrative staff regarding the procedures for implementing the requirements in the citation listed above. Additionally, the school must conduct IEP meetings for the specific students whose IEPs were not fully implemented and determine the need for compensatory services. The school must implement an oversight mechanism to regularly review IEPs, student/teacher schedules and logs of related services to ensure implementation of IEPs and the provision of compensatory services determined appropriate by the IEP team as a result of the IEP review meetings. A monitor from the NJDOE will conduct an on-site visit to interview staff, review current IEPs, teacher schedules for the 2013-2014 school year, documentation of provision of any needed compensatory services and to review the oversight procedures.

Administrative

Finding 18: 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 should update internal control policies to prevent errors from potentially occurring.

Finding 19: The school does not have formal written policies for requesting reimbursement from the Electronic Web Enabled Grant system. However, the monitoring team did verify the school's practice for requesting reimbursement through inquiries about the school'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.

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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 20: 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 (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 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 district 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.