



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

August 15, 2013

Ms. Diana Lobosco, Chief School Administrator
Passaic County Technical Institute
45 Reinhardt Road
Wayne, NJ 07470-2210

Dear Ms. Lobosco:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Passaic County Technical Institute 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 April 30, 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 Passaic County Technical Institute 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 Steven Hoffmann at (973) 621-2750.

Sincerely,

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

RJC/SH/dk:Passaic County Technical Institute BOE Cover Letter/consolidated monitoring
Enclosures

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New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
AUGUST 2013**

District: Passaic County Technical Institute
County: Passaic
Dates On-Site: May 29, 30 and 31, 2013
Case #: CM-063-12

FUNDING SOURCES

<u>Program</u>	<u>Funding Award</u>
Title I	\$ 2,012,474
IDEA Basic	844,082
Title IIA	117,074
Title III	12,271
Race to the Top	149,070
Carl D. Perkins	732,178
Total Funds	<u><u>\$ 3,867,149</u></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 and IDEA). The laws further require that state education agencies such as the New Jersey Department of Education (NJDOE) monitor the implementation of federal programs by sub recipients and determine whether the funds are being used by the district for their intended purpose and achieving the overall objectives of the funding initiatives.

INTRODUCTION

The NJDOE visited the Passaic County Technical Institute 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; Title IIA; Title III; IDEA Basic and Preschool; Race to the Top and the Carl D. Perkins grant for the period July 1, 2011 through April 30, 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, Title IIA, Title III, IDEA Basic and Preschool, Race to the Top and the Carl D. Perkins grant from July 1, 2011 through April 30, 2013. A sampling of purchase orders and/or salaries was taken from each program reviewed.

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**GENERAL DISTRICT OVERVIEW OF USES OF TITLE I, IDEA, RACE TO THE TOP
AND CARL D. PERKINS FUNDS**

Title I Projects

Title I funds were expended to support teacher salaries and benefits, professional services, and supplies.

IDEA Projects (Special Education)

IDEA funds were used to fund salaries to provide additional staff to support students with disabilities. IDEA funds are also being utilized to provide a Structured Learning Experience for students with disabilities in their senior year and for the purchase of technology equipment, textbooks, and supplies needed to implement IEPs.

Race to the Top

The district is using Race to the Top funds for educator evaluation programs.

Carl D. Perkins

The Carl D. Perkins grant funds provided support to the approved career and technical education programs and programs of study in the form of instructional equipment, instructional supplies and materials, and Career and Technical Student Organization activities.

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1:

Condition: The FY 2012-2013 Title I eligibility participation letter did not include the multiple measures used to identify 9th and 12th grade students for eligibility in the Title I program. For 12th grade students, the letter included only one measure, the state assessment scores, and for 9th grade students, the exit criteria were missing. Without this information, parents are unable to understand the multiple measures used to identify their child for services and the academic performance level needed for their child to exit the Title I program.

Citation: ESEA §1115: *Targeted Assistance Schools*; ESEA §1118(c): *Parental Involvement (Policy Involvement)*.

Required Actions: In its Title I participation letter, the district must include the multiple measures used to identify students for eligibility in the Title I program, and the defined exit criteria for the Title I program. The district must submit its FY 2013-2014 Title I participation letter to the NJDOE for review.

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Finding 2:

Condition: The district's use of Title I, Part A funds for the leasing/renting of office space on a monthly basis to provide professional development on various topics for both Title I and non-Title I teachers, and the use of funds for food for the Parent Teacher Student Organization (PTSO) supplants state and local funds. The use of the office space for professional development by all staff for a variety of topics does not provide Title I teachers with professional development on instructional interventions and strategies above and beyond those non-Title I teachers are receiving. The food for the PTSO meetings benefits all associated parents, teachers, students; not only Title I parents, teachers, and students.

Citation: ESEA §1120A(b): *Fiscal Requirements (Federal Funds to Supplement, Not Supplant, Non-Federal Funds)*.

Required Action: The district must reverse these charges and allocate state/local funds, rather than using Title I funds to support these expenditures. The district must provide evidence of the journal entry to reverse the expenditures to NJDOE for review.

Finding 3:

Condition: There is no evidence the district's Title I parental involvement policy was reviewed and board adopted since February 24, 2011. The annual review and board adoption process is necessary for parents and other stakeholders to have input into the district's parental involvement program.

Citation: ESEA §1118(a)(2): *Parental Involvement (Written Policy)*.

Required Action: The district must provide evidence that the district's parental involvement policy has been evaluated and updated for the 2013-2014 school year. The district must submit a copy of the board approved parental involvement policy to the NJDOE for review.

Finding 4:

Condition: The district's parent web page contains documents (Parents' Right-to-Know letter and the Parental Involvement Policy) from the 2011-2012 school year. The posting of current information on the district's web page meets the ESEA requirement for the broader dissemination of required parent notifications.

Citation: ESEA §1111(h)(2)(E): *Public Dissemination*.

Action: The district must review and update its parent web page to reflect the required annual notifications for the 2013-2014 school year. The district must forward the link to its web page to the NJDOE for review.

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Title IIA

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

Title III

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

IDEA (Special Education)

Finding 5:

Condition: In the 2011-2012 grant year, the district misclassified the expenditures for support services provided by Bergen County Special Services School District as instructional services in account 100-320, when they should have been classified in their accounting system as support services – purchased professional services 200-320.

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 update its applications and corresponding accounting records to classify items purchased according to their correct function.

Finding 6:

Condition: In the 2011-2012 and 2012-2013 grant years, the district misclassified the expenditures for IEP and web-based teacher software in account 100-320, when it should have been classified in their accounting system under support services 200-610.

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 update its applications and corresponding accounting records to classify items purchased according to their correct function and object.

Special Education Programs

Finding 7:

Condition: The district did not consistently provide parents written notice that contains all required components within 15 calendar days following identification meetings for students referred and/or eligible for special education and related services.

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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 district must ensure parents are provided written notice, which contains all required components, within 15 calendar days of the identification meeting. In order to demonstrate correction of noncompliance, the district must provide training for child study team members regarding the procedures for implementing the requirements in the citation listed above. The district must implement an oversight mechanism to regularly review the district's special education data system to ensure forms for provision of written notice include required components. Monitors from the NJDOE will conduct an on-site visit to interview staff and review documentation of the provision and content of written notice of identification meetings conducted between September 2013 and December 2013 and the oversight procedures.

Finding 8:

Condition: The district did not consistently provide copies of evaluation reports to parents at least 10 days prior to the determination of initial eligibility, or continued eligibility, for students evaluated for eligibility for special education and related services eligibility for speech-language services.

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 district must ensure 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 district must conduct training for child study team members and speech-language specialists regarding procedures for implementing the requirements in the citation listed above. The district must implement an oversight mechanism that includes regular review of documentation of provision of reports. A monitor from the NJDOE will conduct an on-site visit to review documentation of provision of evaluation reports to parents for students evaluated between September 2013 and December 2013 and the oversight procedures.

Finding 9:

Condition: The district did not consistently conduct all required sections of the functional assessment as a component of initial evaluations for students referred for special education and related services and for students referred for speech-language services. Specifically, the evaluations did not include observation in a non-testing setting and review of prior interventions.

Citation: N.J.A.C. 6A: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 all components of the functional assessment are conducted as part of all initial evaluations. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and

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speech-language specialists regarding the district's procedures for implementing the requirements in the citation listed above. The district is referred to the sample report form for speech-language evaluations which is located at: www.state.nj.us/education/speced/forms. The district must implement an oversight mechanism to regularly review evaluation reports to verify all required sections of the functional assessment are conducted as a component of initial evaluations. A monitor from the NJDOE will conduct an on-site visit to interview staff and review initial evaluation reports for students evaluated between September 2013 and December 2013 and the oversight procedures.

Finding 10:

Condition: The district did not 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) team.

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

Required Action: The district must ensure interventions are provided in the general education setting for students exhibiting academic and/or behavioral difficulties prior to referring the student for an evaluation. In addition, the district must ensure that 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 measures the effectiveness. In order to demonstrate correction of noncompliance, the district must conduct training for administrators and I&RS staff regarding the procedures for implementing the requirements in the citation listed above. The district must implement an oversight mechanism to regularly review documentation of the frequency, duration, and effectiveness of interventions provided in the general education setting. Additionally, a monitor from the NJDOE will conduct an on-site visit to interview I&RS team members and teachers and review documentation for students who were referred to the I&RS team between September 2013 and December 2013 and the oversight procedures.

Finding 11:

Condition: The district does not offer an alternate assessment for students with disabilities who are unable to participate in the general district wide assessments. The district administers district wide assessments to all students in grade 9, 10 and 12. All ninth grade students with disabilities are required to participate in the general district wide assessments, including students who have documentation of participation in alternate assessments, both district and statewide, from their previous districts.

Citation: 34 CFR §300.160.

Required Action: The district must ensure when administering district wide assessments, an alternate assessment is available to those students who are unable to take the general assessment. The district must develop policies and procedures to ensure the

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IEP team makes an individualized decision based on available student data, including participation in assessments given in previous years, with regards to participation in district wide assessments and documents that decision in each IEP. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists regarding the district's procedures for implementing the requirements in the citation listed above. The district must identify appropriate alternate assessments for any district wide assessment and make those available to students with IEPs as determined appropriate by the IEP team. The district must implement an oversight mechanism to ensure decisions regarding assessment are documented in IEPs and appropriate assessments are administered to students with disabilities. A monitor from the NJDOE will conduct an on-site visit to interview staff and review IEPs developed between September 2013 and December 2013, alternate assessments and the oversight procedures.

Race to the Top

Finding 12:

Condition: The district is charging Race to the Top expenditures to the incorrect program code in the general ledger. A program code between 290–299 should be used.

Citation: Uniform Minimum Chart of Accounts for New Jersey Public Schools.

Required Action: The district must establish accounts using the appropriate program codes in the general ledger.

Carl D. Perkins

A review of the expenditures charged to the Carl D. Perkins grant yielded no findings.

Administrative

Finding 13:

Condition: On several occasions, the district failed to issue a purchase order prior to goods being purchased or services being rendered (confirming order). District policy and state regulations require that a properly executed purchase order be issued prior to the purchase of goods or the rendering of services.

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

Required Action: Purchase orders should be issued to all vendors prior to goods or services being provided.

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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 Steven Hoffmann via phone at (973) 621-2750 or via email at steven.hoffmann@doe.state.nj.us.