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DEPARTMENT OF EDUCATION
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Acting Commissioner

May 1, 2014

Ms. Deborah Nataloni, School Director
Galloway Community Charter School
112 S. New York Road
Galloway, NJ 08205

Dear Ms. Nataloni:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Galloway Community 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, 2012 through January 24, 2014. 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 Galloway Community 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 Joseph Kirchon at (856) 486-2160.

Sincerely,

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

RJC/JK/dk:Galloway Community Charter School Cover Letter/consolidated monitoring
Enclosures

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New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
MAY 2014**

District: Galloway Community Charter School
County: Atlantic
Dates On-Site: January 27 and 28, 2014
Case #: CM-005-13

FUNDING SOURCES

Program	Funding Award
Title I	\$ 120,877
IDEA Basic	49,224
IDEA Preschool	1,229
Title IIA	3,391
Race to the Top	9,692
Total Funds	<u><u>\$ 184,413</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, IDEA, and Race to the Top). 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 Galloway Community 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; Title IIA (Title II); IDEA Basic and Preschool; and Race to the Top for the period July 1, 2012 through January 24, 2014.

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, Individualized Education Programs (IEP) 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 II, IDEA Basic and Preschool, and Race to the Top from July 1, 2012 through January 24, 2014. 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, TITLE IIA, IDEA AND RACE TO THE TOP FUNDS

Title I Projects

The school's FY 2013-2014 application indicates that they are running a targeted assistance program. Prior year funds were spent on providing tutoring services through in-class support and pull-out programs.

Title II Projects

The school is using Title II funds to help the leadership team develop strategies to engage teachers more effectively who may have very different levels of experience and content expertise.

IDEA Projects

The majority of the FY 2013-2014 IDEA Basic funds were allocated for the salary of a special education teacher and for supplies.

Race to the Top

Race to the Top funds were allocated for professional development consultants from Leadership Energies (Project Area 5).

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1:

Condition: In the notification letter to parents of Title I students, the school did not include detailed entrance criteria, the remediation strategy/strategies or exit criteria. Without this information, parents are unable to understand the specific reasons for their child being selected to participate in the Title I program, the instructional approaches used to address their child's academic needs, and the criteria for their child to exit the program.

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

Required Action: In the notification letter to parents of students in the Title I program, the school must include the multiple measures it uses to identify students for eligibility, the instructional approaches used to address the students' academic needs, and the criteria for students' to exit the program. The school must update the letter for the 2013-2014 school year and provide a copy to the NJDOE for review.

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Finding 2:

Condition: The school did not provide evidence of convening its annual Title I parent meeting. Not conducting an annual meeting to explain the Title I legislation and the district's Title I programs does not allow parents of identified Title I students to be informed and vested in the Title I program.

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

Required Actions: The school must convene the FY 2013-2014 annual Title I meeting for the parents/guardians of its identified Title I students in the beginning of the year. The school must submit evidence of convening this meeting to the NJDOE for review (invitational letter/flyer, agenda, meeting minutes, and sign in sheets must be obtained).

Finding 3:

Condition: There is no evidence the school's parental involvement policy was reviewed and board adopted for the 2013-2014 school year. The annual review and board adoption of the district/school level Title I parental involvement policy provides families with the knowledge of the mechanisms the school has available for families to participate in their children's educational program.

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

Required Action: Copies of a recent board approved school parental involvement policy must be submitted to the NJDOE for review.

Finding 4:

Condition: The school's parents' web page does not contain updated required annual notifications for parental involvement.

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

Required Action: The school must review and update their Parental Involvement web page containing required annual notifications and documents to meet the broader ESEA dissemination requirement. The school must submit the link for the updated web page to the NJDOE for review.

Finding 5:

Condition: The school does not have a viable Title I program and is unable to articulate how it could use these funds to provide services to the school's low-performing students.

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Citation: ESEA §1115: *Targeted Assistance Programs*.

Required Action: The school will need to determine how they will use these funds to service their low-performing students, and submit its plan for a Title I program to the NJDOE for review.

Finding 6:

Condition: The school does not have supporting documents to verify the activity of Title I teachers as required by federal law. The documentation must reflect what the staff is doing, when and where and must match their funded percentage. This documentation is necessary to verify that funded staff are performing allowable grant activities.

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

Required Action: The school planned to use Title I funds for the salary of one in-class support teacher for FY 2013-2014. However, based on a review of the teacher's job duties and schedule, the school cannot charge this salary to the grant and must use state/local funds to pay for her salary.

Title IIA

Finding 7:

Condition: The school administration assigned teachers to instructional assignments for which they were not highly qualified (HQ). Students receiving direct instruction must be taught by a highly qualified teacher in core subjects. Local Education Agencies must notify parents of students attending Title I funded schools if the teacher does not meet state or federal qualifications/requirements.

Example A:

Teacher A holds a K-8 elementary school teacher certificate. The schedule stated she was assigned to a K-8 self-contained general education setting and she is identified as HQ for elementary generalist assignments based on points accrued on the HOUSE Matrix. The HOUSE Matrix point system is not a valid tool to be used to demonstrate HQ status for elementary generalist assignments. New Jersey teachers have been required to pass a test of content knowledge in order to obtain a teaching certificate ((i.e., General Knowledge Test of the Core Battery of the National Teacher Examination or Praxis II Elementary Education: Content Knowledge Test). No test results are on file.

Example B:

Teacher B is a new teacher with the school who is listed on the Employee Roster as providing Basic Skills for Grade 8 students. The 2013-2014 Schedule shows her assigned to provide 50% of her time to teaching Basic Skills and 50% of her time

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covering 8B, the class previously taught by another teacher. Teacher B's actual teaching schedule shows her assigned to Social Studies, Mathematics and Science (Grades 6-8) on alternating days and times, Teacher B needs to be HQ for Grades 6-8 rotating assignment in each subject area assigned for departmentalized instruction and for Basic Skills instruction (Grades 6-8). There is no information on file identifying Teacher B as HQ for this assignment.

Citation: ESEA §1119(a)(1): *Qualifications for Teachers and Paraprofessionals*
ESEA § 1111(h)(6)(B)(ii) Right to Know letter.

Required Action: The school must notify the parents of students being taught by teachers that are not HQ with the required "Right to Know" letter. A copy of the letter must be sent to the NJDOE for review.

Finding 8:

Condition: The documentation provided (rosters, schedules, HQT packets, certificates) did not reflect the assigned duties of some of the personnel files sampled and files did not contain appropriate credentials for certificate staff. The Employee Roster, 2013-2014 Schedule, and individual teacher schedules contained conflicting or missing information, resulting in the inability to confirm certification and HQ status for teacher assignments.

Example A:

Teacher A is listed as assigned to a Grade 8 Basic Skills class on the Employee Roster. Her name does not appear on the 2013-2014 Schedule as assigned to any of the classes in session. Further investigation resulted in identifying Teacher A as holding multiple non-instructional assignments. No certification was on file for Teacher A at the time of this visit.

Example B:

Teacher B is a new teacher with the school who is listed on the Employee Roster as providing Basic Skills for Grade 8. The 2013-2014 Schedule indicates she provides her assigned 50% of her time to teaching Basic Skills, 50% of her time covering 8B, the class previously taught by another teacher and providing pull-out services in Language Arts and Mathematics.

Discussion with school administration staff clarified that Teacher B provides 50% of her time teaching PE and the remaining 50% of her time on a regular teaching schedule, replacing another teacher who is on a modified schedule. While the school administration staff describes her assignment as "self-contained," Teacher B's actual schedule does not meet the criteria to be described as a "self-contained" environment where teachers "teach 3 of the 4 core courses to a single group of students in a single day."

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Teacher B's "pull-out" assignment is described as a "resource support," yet the students are being removed from core instruction in the same subject where they are receiving "support" in. The NJDOE recognizes this as a "replacement" scenario. When the team inquired as to details on Student "pull-out," they were told that no students had been pulled out yet this year and that all support services were being provided "in-class." No certification was on file at the time of the visit.

Citation: ESEA Part A – Improving Basic Programs Operated by Local Educational Agencies, ESEA §1119. *Qualifications for Teachers and Paraprofessionals*, ESEA §2123(A)(5)(B) *Local Use of Funds*, N.J.A.C. 6A:9-3 *Professional Licensure and Standards*.

Required Action: The school must update the HQ documentation in the personnel records so that they contain teacher certificates, transcripts, HQT ID Forms, test scores, etc. Schedules must clearly identify the teacher assigned, grade level, subject matter, self-contained or departmentalized and whether the teacher is the primary teacher or providing in-class support.

IDEA Special Education

Finding 9:

Condition: The school did not document all required considerations and statements in each IEP of students eligible for speech-language services. IEPs did not include:

- method(s) of evaluating progress on goals and objectives;
- special considerations;
- participation in statewide assessments;
- results of initial or most recent evaluations; and
- status in speech-language performance, including how the student's disability affects involvement and progress in general education.

Citation N.J.A.C. 6A:14-3.7(c)1-11, (e) 1-17, and (f); 20 U.S.C. §1414(d)(3)(A)(B); and 34 CFR §300.324(a)(1)(2); N.J.A.C. 6A14-3.7(e)7(i);20 U.S.C. §1412(a)(16)(a); and 34 CFR §300.158-300.161.

Required Action: The school must ensure each IEP contains the required considerations and statements. In order to demonstrate correction of noncompliance, the school must conduct training for speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. 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 NJDOE will conduct an on-site visit to interview staff, review the revised IEPs, a random sample of additional IEPs developed at meetings conducted between May 2014 and September 2014, and to review the oversight

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procedures. The 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 10:

Condition: 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:

- a comparison of the benefits provided in the regular class and the benefits provided in the special education class; and
- the potentially beneficial or harmful effects which a placement (general education) may have on the student with disabilities or the other students in the class.

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 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 and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. To demonstrate that the school has corrected the individual instances of noncompliance, the school must conduct annual review meetings and revise the IEPs for the specific students that were identified as noncompliant. A monitor from NJDOE will conduct an on-site visit to interview staff, review revised IEPs, a random sample of additional IEPs developed at meetings conducted between May 2014 and September 2014, 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 11:

Condition: The school did not conduct meetings within 20 calendar days of receipt of a written request for evaluation for students referred for special education and related services.

Citation: N.J.A.C. 6A:14-3.3(e) and 3.4.

Required Action: The school must ensure identification meetings are held within 20 days of receipt of a written request for evaluation and that required participants are in attendance. The school must conduct training for child study team members and develop

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an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review documentation from meetings conducted between May 2014 and September 2014, and to review the oversight procedures.

Finding 12:

Condition: The school did not use established criteria in determining eligibility for students evaluated for speech-language services.

Citation: N.J.A.C.6A:14-3.5(c)1-14 and 3.6(b) 1-3; 20 U.S.C.§1414(b)(4-5); and 34 CFR §300.306.

Required Action: The school must ensure established criteria are used in determining eligibility. The school must conduct training for speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review initial evaluations report developed between May 2014 and September 2014, and to review the oversight procedures.

Finding 13:

Condition: The school did not consistently conduct reevaluations within three years of the previous classification date for students eligible for special education and related services and for students eligible for speech-language services.

Citation: N.J.A.C. 6A:14-3.8(a) and 20 U.S.C. §1414(a)(2).

Required Action: The school must ensure that reevaluations are conducted within required time lines. In order to demonstrate correction of noncompliance, the school must conduct training for child study team member and speech-language specialist and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review documentation of eligibility meetings held as part of the reevaluation process between May 2014 and September 2014, and to review the oversight procedures.

Race to the Top

A review of the expenditures charged to the Race to the Top grant yielded no findings.

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Administrative

Finding 14:

Condition: The school does have internal control policies and procedures to prevent contracting with disbarred vendors; however, there was no evidence of implementation.

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 procedures to demonstrate implementation of the internal control policies to prevent errors from potentially occurring.

Finding 15:

Condition: The school does have written policies for requesting reimbursement from the Electronic Web Enabled Grant or System for Administering Grants Electronically systems; however, there are no details regarding the specific process to be followed.

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 update its procedures to include a description of the specific process that will be followed.

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 Joseph Kirchon via phone at (856) 486-2160 or via email at joseph.kirchon@doe.state.nj.us.