



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

CHRIS CHRISTIE
Governor

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Lt. Governor

DAVID C. HESPE
Acting Commissioner

August 26, 2014

Mr. Thomas Ficarra, Chief School Administrator
Morris School District
31 Hazel Street
Morristown, NJ 07960

Dear Mr Ficarra:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Morris 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, 2012 through May 31, 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 LEA/Agency Response, Corrective Action Plan and Appeal Process," the Morris 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:Morris BOE Cover Letter/consolidated monitoring
Enclosures

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New Jersey K-12 Education

**CONSOLIDATED MONITORING REPORT
AUGUST 2014**

District: Morris School District
County: Morris
Dates On-Site: June 16, 17 and 18, 2014
Case #: CM-064-13

FUNDING SOURCES

| Program | Funding Award |
|---------------------|---------------------|
| Title I, Part A | \$ 420,307 |
| IDEA Basic | 1,407,140 |
| IDEA Preschool | 47,793 |
| Title II, Part A | 161,190 |
| Title III | 130,305 |
| Title III Immigrant | 54,104 |
| Race to the Top | 43,769 |
| Carl D. Perkins | 37,744 |
| Total Funds | <u>\$ 2,302,352</u> |

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BACKGROUND

The Elementary and 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 Morris School District to monitor the district's use of federal funds and the related program plans, where applicable, to determine whether the district's programs are meeting the intended purposes and objectives, as specified in the current year applications and authorizing statutes and to determine whether the funds were spent in accordance with the program requirements, federal and state laws, and applicable regulations. The on-site visit included staff interviews and documentation reviews related to the requirements of the following programs: Title I, Part A (Title I); Title II, Part A (Title II); Title III; Title III Immigrant; IDEA Basic and Preschool; Race to the Top and Carl D. Perkins for the period July 1, 2012 through May 31, 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, 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 reviewed included Title I, Title II, Title III, Title III Immigrant, IDEA Basic and Preschool, Race to the Top and Carl D. Perkins from July 1, 2012 through May 31, 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, IDEA, RACE TO THE TOP
AND CARL D. PERKINS FUNDS**

Title I Projects

Title I funds were used to provide support directly related to closing achievement gaps across the district in grades K-2 and at 3-5 Focus Schools. Funds were expended for teacher salaries, benefits and supplies.

IDEA Projects

The majority of the FY 2012-2013 and FY 2013-2014 IDEA Basic funds were used to reduce district tuition costs for students receiving special educational services in approved private schools for students with disabilities. Coordinated Early Intervening Services directed funds were used to support salaries for direct services, professional development and related supplies to focus on academic support and progress of students at risk.

Race to the Top

The district used Race to the Top funds for transition to the Common Core State Standards and Science, Technology, Engineering and Mathematics education.

Carl D. Perkins

The district operates Career and Technical Education (CTE) programs for which they receive Carl D. Perkins funds to support the implementation of these programs. Funds are being used to support salaries, supplies, equipment, and other purchased services for: Architectural Drafting and Architectural CAD/CADD, Radio and Television, and Business Administration and Management, General.

DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1: The district could not provide documentation to substantiate the date of the last review and board adoption for its district parental involvement policy. The copy of the district parental involvement policy on the district's website was dated January 12, 2009. The hard copy of the policy that the monitors reviewed was dated October 17, 2011. The annual review and current board adoption of the district parental involvement policy allows parents and other stakeholders to impact the parental involvement process and identify the unique needs of the Title I schools and parents of Title I students.

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

Required Action: The district must have a written district parental involvement policy which is reviewed annually, clearly marked as such, posted on the district's website and

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distributed to Title I parents and stakeholders each year. Copies of the revised board approved district parental involvement policy and evidence of the annual review process (e.g., meeting agenda, sign in sheets, meeting minutes) must be submitted to the NJDOE for review.

Finding 2: The district could not provide evidence that its Title I schools developed school-level parental involvement policies.

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

Required Action: The district's Title I schools must have school-level parental involvement policies that are evaluated annually. The district should provide technical assistance to its schools in the development of school-level parental involvement policies and ensure its schools work with their stakeholder groups to develop the policies. Copies of the schools' FY 2014-2015 school-level policies must be submitted to the NJDOE for review.

Finding 3: The district did not provide evidence that each of its Title I schools convened their annual Title I parent meeting. The district presented documentation of Normandy Park Elementary School's Back to School Night; however, this meeting did not fulfill the legislative requirements for the Title I parent meeting. The district did not provide evidence that Hillcrest Elementary School, Alfred Vail Elementary School or Woodland Avenue Elementary School conducted the annual meeting. Not conducting an annual meeting to explain the Title I legislation and the district's Title I program does not allow Title I parents/guardians to be informed and vested in the Title I process.

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

Required Action: The district's Title I schools must convene their FY 2014-2015 annual Title I meeting for the parents/guardians of Title I students in the beginning of the school year (no later than mid-October). This meeting can be held during the Back to School Night with a pull-out meeting for Title I parents, during which the Title I program and legislation is discussed. Evidence of each school's meeting (e.g., invitational letters/flyers, agendas, meeting minutes, and sign in sheets) must be submitted to the NJDOE for review.

Finding 4: The district's Title I parental notification letter did not include the multiple, educationally related, objective entrance and exit criteria used for Title I student identification, the remediation actions the district is using and the option for parents to opt-out of Title I services. This information is necessary for parents/guardians of Title I students to understand the reasons their child was selected to participate in the Title I program and what is needed for their child to exit the program.

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

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Required Action: The district must revise its Title I participation letter to include the multiple, educationally related, objective criteria used for Title I student identification, the remediation actions the district is using and the option for parents to opt-out of Title I services. The district must provide a copy of its revised FY 2014-2015 Title I participation letter to the NJDOE for review.

Finding 5: The time sheets for the staff providing nonpublic equitable services for one student lacked required relevant information to substantiate services provided were Title I allowable. The documentation must reflect what the staff is doing, when and the location to ensure that funded staff is actually 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 district must revise the time and activity sheet for staff to clearly reflect when the equitable services to nonpublic students charged to the grant are occurring and what services are being provided. The district must submit copies of the revised time and activity sheet to the NJDOE for review.

Finding 6: The district provided insufficient data to support the student selection process for the Title I program. The data presented did not fully support the stated criteria.

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

Required Action: The district must maintain data to support the student selection process. The identification of Title I students must be based on the established multiple measures, and educationally related objective criteria established by the district and the school. The district must establish and maintain a database which includes, but is not limited to, the student name, grade, homeroom teacher, Title I teacher, date entering the program, multiple measures used for selection, exit criteria and the exit date if completing the program. The district will provide the NJDOE with a sample of the database for the 2014-2015 academic year for review.

Title II

Finding 7: The school did not have supporting documents to verify the activity of Title II class size reduction teachers as required by federal law. The documentation must reflect what the staff is doing, when and where they are working, and it must match their funded percentage. This documentation is necessary to verify that funded staff is actually 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)*.

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Required Action: The school must verify the time and activity of staff charged to the grant. The school must submit a list of FY 2013-2014 Title II funded staff, salaries, funding percentages and appropriate time sheets to date to the NJDOE for review.

Title III

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

Title III Immigrant

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

IDEA (Special Education)

Finding 8: In the 2012-2013 and 2013-2014 grant years, the district entered into contracts with an agency; however, the contract did not include all required components. In addition, invoices from the agency did not adequately document the provision of services to students.

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 enter into a contract with all agencies or consultants providing services to students. Contracts must include a per-service or hourly rate and a not to exceed amount. Invoices must document the provision of services to all students. All contracts must be presented before the board for approval.

IDEA Program

Finding 9: 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 assessments did not include:

- review of prior interventions;
- parent interviews; and
- review of developmental history.

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 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

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conduct an on-site visit to interview staff, review evaluations reports for students evaluated between November 2014 and January 2015, and to review the oversight procedures.

Finding 10: The district did not consistently provide parents notice of a meeting to students referred and/or eligible for special education and related services.

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 district must ensure parents are provided notice of a meeting early enough to ensure the parent has an opportunity to attend. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members 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 meeting documentation for meetings conducted between November 2014 and January 2015, and to review the oversight procedures.

Finding 11: The district did not consistently convene identification and IEP team meetings with required participants for students eligible for special education and related services.

Citation: N.J.A.C. 6A:14-2.3(k)1(i-vii); 20 U.S.C. §1414(d)(1)(B); and 34 CFR §300.321(a).

Required Action: The district must ensure meetings are conducted with required participants and that documentation of attendance and/or written parental consent to excuse a member of the team is obtained prior to the meeting and is maintained in student's records. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members 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 meeting documentation, including sign in sheets, for meetings conducted between November 2014 and January 2015, and to review the oversight procedures.

Finding 12: The district did not conduct a meeting within 20 calendar days of receipt of a written request for evaluation for special education and related services to determine if an evaluation was warranted.

Citation: N.J.A.C. 6A:14-2.5(b)6; 3.3(e) and 3.6(b).

Required Action: The district must ensure a meeting is conducted within 20 calendar days of receipt of a written request for evaluation to determine if an evaluation is warranted. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members 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 from

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meetings conducted between November 2014 and January 2015, and to review the oversight procedures.

Finding 13: The district did not include required considerations and statements in each IEP for students eligible for special education and related services and for students eligible for speech-language services. The following considerations and required statements were missing or noncompliant:

- a statement of the student's present level of academic achievement and functional performance, including how the student's disability affects the student's involvement and progress in the general curriculum;
- participation in district wide assessments and any accommodations and modifications to be provided; and
- strengths of the student.

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

Required Action: The district must ensure each IEP contains the required considerations and statements. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. To demonstrate the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise IEPs for 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 along with a sample of IEPs developed at meetings conducted between November 2015 and January 2015, and to review the oversight procedures.

Finding 14: The district did not consistently document consideration of placement in the least restrictive environment 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. Specifically, IEPs of students did not consistently include:

- 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 general education 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.

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

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Required Action: The district must ensure when determining the educational placement of a child with a disability, the IEP team considers the general education class first and 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 district must also ensure that for students placed in separate settings, the IEP team identifies activities to transition the student to a less restrictive environment and document them in the IEP. In order to demonstrate correction of noncompliance, the district 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 district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise the IEPs for 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 along with a sample of IEPs developed at meetings conducted between November 2015 and January 2015, and to review the oversight procedures.

Finding 15: The district 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 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 district 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 district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review invitations to IEP meetings to students age 14 and above for meetings conducted between November 2014 and January 2015, 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.

Carl D. Perkins

Finding 16: The district does not have all required stakeholders represented on their advisory committees. The advisory committees for the Radio and TV program and the Architectural Drafting program did not include a postsecondary member. In addition, the Radio and TV advisory committee did not include any industry representatives. Meeting minutes were not available for any of their advisory committees.

Citation: Perkins: P.L. 109-270§134 (b) (5) and N.J.A.C. 6A:19-3.1 *Program Requirements*.

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Required Action: The district must ensure advisory board meetings are held at least twice per project period and include the required members. Meeting minutes must be forwarded to their Perkins program officer.

Finding 17: A review of the district's general ledger records disclosed that the district incorrectly used the Function/Object code for Supplies (100-600) to record Carl D. Perkins expenditures for Other Purchased Services (100-300) for the purchase of NOCTI testing on purchase order #304438 and 404749.

Citation: Perkins§135 (a) and (b)1-12.

Required Action: The district must ensure that expenditures are charged to the appropriate Function and Object code as indicated in the approved application.

Administrative

Finding 18: 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.

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.