

BOARD OF EDUCATION

RESOLUTION

**ACCEPTANCE OF OFAC REPORT ISSUED IN CASE #SAAU 01-19
REGARDING TOWNSHIP OF FRANKLIN BOE – APPLICATION FOR STATE SCHOOL AID
AND DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS REVIEW,
EXTRAORDINARY SPECIAL EDUCATION AID REVIEW, AND ADOPTION OF DISTRICT
CORRECTIVE ACTION PLAN**

WHEREAS, on or about October 22, 2019, the State of New Jersey Department of Education Office of Fiscal Accountability and Compliance (“OFAC”) issued a report in Case #SAAU 01-19 of its findings and recommendations related to its review of the District’s ASSA, DRTRS and Extraordinary Aid Applications for fiscal year 2017-2018; and,

WHEREAS, the District has prepared a Corrective Action Plan for adoption by the Board of Education to enact the recommended practices set forth in the OFAC report; and,

WHEREAS, the Board of Educations is required by regulation (N.J.A.C. 6A:23A-5.6) to publicly review and discuss (1) the findings and recommendations contained in the OFAC report at a public meeting of the Board of Education, and (2) the Corrective Action Plan to be adopted by the Board of Education;

NOW, THEREFORE, BE IT RESOLVED, that the Township of Franklin Board of Education acknowledges receipt of the OFAC report issued regarding the Township of Franklin BOE- ASSA, DRTRS and Extraordinary Aid Applications for fiscal year 2017-2018 Review (Case #SAAU 01-19).

BE IT FURTHER RESOLVED that the Township of Franklin Board of Education adopts the Corrective Action Plan to address the recommendations and findings that were made in the OFAC report for implementation by District personnel, as set forth in the Corrective Action Plan.

BE IT FURTHER RESOLVED that a copy of the OFAC report and Corrective Action Plan shall be posted on the District’s website with the agenda and meeting minutes for the November 18, 2019 meeting.

BE IT FURTHER RESOLVED that a copy of the Corrective Action Plan and this resolution shall be forwarded to OFAC immediately in accordance with N.J.A.C. 6A:23A-5.6(c).

TRUE COPY APPROVED AND ADOPTED
AT THE BOARD OF EDUCATION MEETING
HELD NOVEMBER 18, 2019

Lawren Birmingham

Lawren Birmingham.
School Business Administrator/Board Secretary
Franklinville, New Jersey



COPY

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

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

LAMONT O. REPOLLET, ED.D.
Commissioner

October 22, 2019

Mr. Jason Brandt
Board President
Township of Franklin Board of Education
3228 Coles Mill Road
Franklinville, New Jersey 08322



Dear Mr. Brandt:

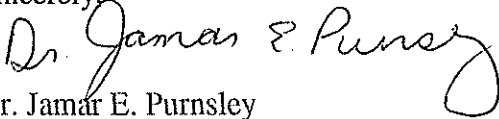
Enclosed please find one copy of a review of the Township of Franklin Board of Education's (board) enrollment data used for the Application for State School Aid (ASSA) and District Report of Transported Resident Students (DRTRS) as of October 13, 2017, OFAC Case #SAAU-01-19. Please distribute copies to all board members. There were FY 2017-2018 state aid formula audit adjustments noted on the ASSA and DRTRS, which impacted the Department of Education's Formula calculations as noted in the body of this report. The FY 2017-2018 EXAID review resulted in a state aid overpayment to the district. **The adjustments caused an FY 2017-2018 decrease in additional aid totaling \$3,062. The FY 2017-18 EXAID review resulted in a state aid decrease to the district totaling \$13,809. No state aid recovery will be processed at this time, pending audit and corrective action plan responses as detailed below.**

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the board 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 findings in dispute. 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. Please 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. Should you have any questions, please contact Steven Hoffmann, State Aid Audit Unit, at (609) 376-3593.

Thank you for your cooperation.

Sincerely,



Dr. Jamar E. Purnsley
Director, Office of Fiscal Accountability and Compliance

Attachment

c: AbdulSaleem Hasan
Kevin Dehmer
Glen Forney
Peggy McDonald
Cindy Lee
Allen Dupree
Michael Yapple
Steven Hoffmann
Frank Lavdas
Dennis Smeltzer
Gautam Nanavati
Troy Walton
Lawren Birmingham
Stephen Eells

**STATE OF NEW JERSEY
DEPARTMENT OF EDUCATION
OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE
P.O. BOX 500
TRENTON, NEW JERSEY 08625-0500**

**REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
REVIEW OF THE DISTRICT REPORT OF
TRANSPORTED RESIDENT STUDENTS
AS OF OCTOBER 13, 2017**

**EXTRAORDINARY SPECIAL EDUCATION AID
FY 2017-2018**

OFAC CASE # SAAU 01-19

**TOWNSHIP OF FRANKLIN BOARD OF EDUCATION
GLOUCESTER COUNTY
3228 COLES MILL ROAD
FRANKLINVILLE NJ, 08322**

**TOWNSHIP OF FRANKLIN BOARD OF EDUCATION
GLOUCESTER COUNTY
REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
REVIEW OF THE DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS
AS OF OCTOBER 13, 2017
OFAC CASE # SAAU-01-19**

SCOPE

The review verified students on roll listed on the October 13, 2017 Application for State School Aid (ASSA) with the district's New Jersey School Registers. The review verified the district's enrollment counts for regular and special education students. Total enrollment counts were verified for On Roll Full Time, Sent Full Time, Received Full Time, Sent to Approved Private Schools for Students with Disabilities and Sent to Charter Schools, Low Income Enrollment, LEP Students, and other appropriate categories as reported on the ASSA were also verified.

The review also verified the data supporting transportation services provided to students as reported on the District Report of Transported Resident Students as of October 13, 2017.

FINDINGS

On Roll Full Time

The district reported 1,402 students, while the department verified 1,404, for an increase of two students. See Exhibit A

Sent Full Time

The district reported eight students, while the department verified eleven, for an increase of three students. See Exhibit A

Received Full Time

The district reported 104 students, while the department verified 103 students for a decrease of one student. See Exhibit A

Sent to Approved Private Schools for Students With Disabilities

The district reported six students, which the department verified.

Sent to Charter Schools

The district reported three students, which the department verified.

Summary of Resident Enrollment

As a result of the above, the department determined that the district reported a total of 1,295 Resident Students, while the department verified 1,301, for an increase of six Resident Students. See Exhibit A

Low Income Enrollment

The district reported 448 students, while the department verified 447, for a decrease of one student. See Exhibit A

LEP Low Income Enrollment

The district reported ten LEP Low Income students on roll, which the department verified.

**TOWNSHIP OF FRANKLIN BOARD OF EDUCATION
GLOUCESTER COUNTY
REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
REVIEW OF THE DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS
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OFAC CASE # SAAU-01-19**

LEP Not Low-Income Enrollment

The district reported two LEP Not Low-Income students on roll, which the department verified.

Transported Students-Regular

The district reported 1,095 students, while the department verified 1,116, for an increase of 21 students transported as of October 13, 2017. The increase of 21 students is detailed as follows:

A1-Total 14

An increase of 14 Students to Students–Grade PK (section A) from Public School Students with Special Transportation Needs (section B) based on IEP reviews;

A2-Total 35

An increase of 30 students to Public School Students Exc. Voc. Students (section A) from Regular Special Education Transportation (section A) based on IEP reviews;

An increase of 9 students to Public School Students Exc. Voc. Students (section A) from Public School Students with Special Transportation Needs (section B) based on IEP reviews;

A decrease of 3 students from Public School Students Exc. Voc. Students (section A) to Special Needs Transportation (section B) based on IEP reviews;

A decrease of 1 student from Public School Students Exc. Voc. Students (section A) to AIL Charter School Students (section A)

A4-Total 2

An increase of 2 students to Charter School Students (section A) from AIL Charter School Students (section A) based on method of transportation;

A5-Total -1

An increase of 1 student to AIL Charter School Students (section A) from Public School Students Exc. Voc. Students (section A) based on attendance;

A decrease of 2 students from AIL Charter School Students (section A) to Charter School Students (section A) based on method of transportation;

A6-Total 11

A net increase of 3 students to Transported Non-Public School Students (section A) based on attendance reports;

An increase of 8 students to Transported Non-Public School Students (section A) from AIL Transported Non-Public School Students (section A) based on method of transportation;

A7-Total -19

**TOWNSHIP OF FRANKLIN BOARD OF EDUCATION
GLOUCESTER COUNTY
REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
REVIEW OF THE DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS
AS OF OCTOBER 13, 2017
OFAC CASE # SAAU-01-19**

A decrease of 11 students from AIL Transported Non-Public School Students (section A) based on attendance reports;
A decrease of 8 students from AIL Transported Non-Public School Students (section A) to Transported Non-Public School Students (section A) based on method of transportation;

A8 Total -21

An increase of 7 students to Regular Special Education Transportation (section A) from Special Needs Transportation (section B) based on IEP reviews;
An increase of 2 students to Regular Special Education Transportation (section A) from Courtesy Busing (section C) based on mileage;
A decrease of 30 students from Regular Special Education Transportation (section A) to Public School Students Exc. Voc. Students (section A) based on IEP reviews;

Transported Students-Special Education

The district reported 131 students, while the department verified 107, for a decrease of 24 students transported as of October 13, 2017. The decrease of 24 students is detailed as follows:

B1-Total -24

An increase of 3 students based on IEP reviews;
An increase of 3 students to Public School Students with Special Transportation Needs (section B) from Public School Students Exc. Voc. Students (section A) based on IEP reviews;
A decrease of 14 students from Special Needs Transportation (Section B) reclassified to Students-Grade PK (section A) based on IEP reviews;
A decrease of 9 students from Public School Students with Special Transportation Needs (section B) reclassified to Public School Students Exc. Voc. Students (section A) based on IEP reviews;
A decrease of 7 students from Public School Students with Special Transportation Needs (section B) to Regular Special Education Transportation (section A) based on IEP reviews;

B3-Total 1

An increase of 1 student to Out-of-District Private Schools for Students with Special Transportation Needs (Section B) from Out-of-District Private Schools for Students without Special Transportation (Section B);

B6-Total -1

A decrease of 1 student from Out-of-District Private Schools for Students without Special Transportation (Section B) to Out-of-District Private Schools for Students with Special Transportation Needs (Section B);

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GLOUCESTER COUNTY
REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
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OFAC CASE # SAAU-01-19**

See Exhibit B for all DRTRS changes.

CONCLUSION

In accordance with the language contained in the New Jersey State annual budget for FY 2017-2018, the full amount of formula aid was not included in state aid payments to the district. The formula calculations were used to calculate Reduced Formula Aid totaling \$9,274,364. By restating the formula calculations based on the OFAC audit adjustments, the district's Additional Formula Aid decreased to \$9,271,302. A total state aid decrease was identified totaling \$3,062.

EXTRAORDINARY AID (EXAID) APPLICATION FY 2017-2018

The district filed the FY 2017-2018 Application for Special Education EXAID based upon submitted costs in the amount of \$674,582 for 9 students. The total itemized student costs exceeding \$40,000 for all public student placements and \$55,000 for all private schools for students with disabilities placements was reported as \$239,582, which was the basis for prorated EXAID totaling \$93,628.

The OFAC examined supporting cost documentation for all submitted students. It was determined that total verified costs were identified totaling \$703,866 for 10 eligible students.

There were five students with increases in actual costs. There were two other students that had decreases in costs. There were three students reported on the application with no changes in costs. The verified amount above the appropriate thresholds increased to \$703,866. Revised aid was calculated in the amount of \$79,819 for a potential decrease to EXAID calculations of \$13,809.

RECOMMENDATIONS

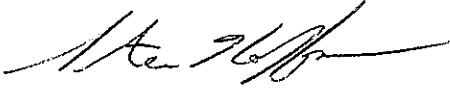
The Office of Fiscal Accountability and Compliance recommends that:

1. Received students grade level should be reviewed to conform to the reported On- Roll status of the student;
2. On-roll status of transported students be reviewed as of October 15 each year;
3. Special needs transportation of students be verified against individual IEPs; and

**TOWNSHIP OF FRANKLIN BOARD OF EDUCATION
GLOUCESTER COUNTY
REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
REVIEW OF THE DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS
AS OF OCTOBER 13, 2017
OFAC CASE # SAAU-01-19**

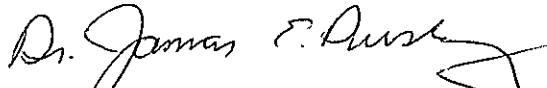
4. Extraordinary Aid expenditures be reviewed, prior to completing the final report, to verify that all costs reported are supported by expenditures.

Submitted by:



Steven Hoffmann, Director
State Aid Audit Unit

Approved by:



Dr. Jamar E. Purnsley, Director
Office of Fiscal Accountability and
Compliance

State of New Jersey
Department of Education
Office of Fiscal Accountability and Compliance

**PROCEDURES FOR LEA/AGENCY RESPONSE
CORRECTIVE ACTION PLAN AND APPEAL PROCESS**

Board of Education Response:

Pursuant to N.J.A.C. 6A:23A-5.6, the following actions shall occur:

- (a) Any school district or county vocational school district that has been subject to an audit or investigation by the New Jersey Department of Education (NJDOE), Office of Fiscal Accountability and Compliance (OFAC), shall discuss the findings of the audit or investigation at a public meeting of the district board of education no later than 30 days after receipt of the findings.
- (b) Within 30 days of the public meeting required in (a) above, the district board of education shall adopt a resolution certifying the findings were discussed in a public board meeting and approving a corrective action plan (CAP) to address the issues raised in the findings. A copy of the resolution and the approved CAP and/or appeal shall be submitted to the OFAC within 10 days of adoption by the district board of education.
- (c) The findings of the OFAC audit or investigation and the district board of education's CAP shall be posted on the school district's website, if one exists.

Corrective Action Plan:

The CAP is to be used when the LEA/Agency agrees with the findings in the Report of Investigation. To contest any of the findings, the appeal process must be used.

If the board of education disputes any of the findings of the audit or investigation, an appeal may be made by petitioning the Commissioner of Education, pursuant to N.J.A.C. 6A:3 et seq., Office of Controversies and Disputes. Information on the appeal process can be accessed on the NJDOE internet site by visiting <https://www.state.nj.us/education/cd/faq/index.shtml#q3>. The submission of an appeal of a finding(s) does not preclude adherence to the provisions of (a), (b) and (c) listed above.

The CAP must be prepared by completing the attached form. The LEA/Agency must submit the following information:

- Recommendation number
- Corrective action (approved by the board)
- Method of implementation
- Person responsible for implementation
- Completion date of implementation

If the CAP is acceptable, a letter will be sent to the LEA/Agency indicating that it has been accepted.

If the CAP is not acceptable, a letter will be sent to the LEA/Agency indicating whether further clarification is required or further action is necessary.

**NEW JERSEY DEPARTMENT OF EDUCATION
OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE
CORRECTIVE ACTION PLAN**

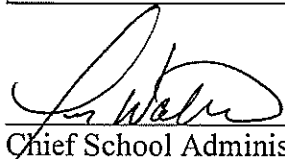
SCHOOL DISTRICT NAME: Township of Franklin

COUNTY: Gloucester

TYPE OF EXAMINATION: ASSA, DRTRS, ExAid (fiscal year 2017-2018) DATE OF BOARD MEETING: November 18, 2019

CONTACT PERSON: Lawren Birmingham, Business Administrator TELEPHONE (856) 629-9500 X1202 FAX (856) 629-1486


RECOMMENDATION NUMBER	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
#1. Received students grade level should be reviewed to conform to the reported On-Roll status of the student	District personnel will review and confirm the grade levels of received students to conform to the reported On-Roll status of the student	Review findings with pertinent District personnel; Provide additional training and resources for responsible District personnel	Business Administrator / Admin. Asst. to the Superintendent	10/22/2019
#2. On-Roll status of transported students be reviewed as of October 15 each year	District personnel will review the On-Roll status of transported students each year as of October 15	Review findings with pertinent District personnel; Provide additional training and resources for responsible District personnel	Business Administrator / Transportation Supervisor	10/22/2019
#3. Special needs transportation of students be verified against individual IEPs	District personnel will verify special needs transportation against individual IEPs	Review findings with pertinent District personnel; Provide additional training and resources for responsible District personnel	Business Administrator / Supervisor of Special Services (CST) / Transportation Supervisor	10/22/2019
#4. Extraordinary Aid expenditures be reviewed, prior to completing the final report, to verify that all costs reported are supported by expenditures.	District personnel will review, prior to completing the final report, reported Extraordinary Aid expenditures are verified and supported by expenditures	Review findings with pertinent District personnel; Provide additional training and resources for responsible District personnel	Business Administrator / Supervisor of Special Services	10/22/2019



Chief School Administrator

11/18/19

Date



Board Secretary/Business Administrator

11/18/19

Date