



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

September 30, 2013

Mr. Ernest D. Huggard, Board President
Galloway Township Board of Education
101 South Reeds Road
Galloway, NJ 08205

Dear Mr. Huggard:

Enclosed please find one copy of a review of the Galloway Township Board of Education's enrollment data used for the Application for State School Aid and District Report of Transported Resident Students as of October 14, 2011, OFAC Case #SAAU-10-13. Please distribute copies to all board members. Based on the findings, the FY 2012-2013 state aid payments were understated as a result of the differences noted on the ASSA or DRTRS applications. Please refer to details contained in the report for specific information covering state aid formula changes totaling \$59,496. A review of the FY 2011-2012 application for Extraordinary Special Education Costs (EXAID) has resulted in a state aid reduction in the amount of \$3,582, which may be netted against the ASSA/DRTRS changes. All final state aid adjustments are pending the official response from your board of education as detailed below.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," your 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 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 to the attention of Robert Ortley, Manager of the State Aid Audit Unit. 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 board of education website.

Thank you for your cooperation.

Sincerely,


Robert J. Cicchino *CJC*

Office of Fiscal Accountability and Compliance

RJC/rwo/jp/gallowayassa

Attachment

c: David Corso Thomas Dowd
Justin Barra Dennis Smeltzer
Yut'se Thomas Annette Giaquinto
Kevin Dehmer Timothy Kelley
Robert W. Ortley Stephen Eells

www.nj.gov/education

**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 14, 2011**

**REVIEW OF EXTRAORDINARY
AID FOR SPECIAL EDUCATION COSTS-FY 2011-2012**

**GALLOWAY TOWNSHIP BOARD OF EDUCATION
ATLANTIC COUNTY
101 SOUTH REEDS AVENUE
GALLOWAY NJ 08205**

**GALLOWAY BOARD OF EDUCATION
ATLANTIC COUNTY
REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
REVIEW OF THE DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS
AS OF OCTOBER 14, 2011
REVIEW OF EXTRAORDINARY AID FOR SPECIAL EDUCATION COSTS
OFAC CASE # SAAU-10-13**

SCOPE

The review verified students on roll listed on the October 14, 2011 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, and Sent to Private Schools for Students with Disabilities. Low Income Enrollment, LEP Students, County Special Services Students, and other appropriate categories as reported on the ASSA were 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 14, 2011.

FINDINGS

On Roll Full Time

The district reported 3,494 students. The OFAC verified 3,500 students for an increase of six students. See grade level differences noted on Exhibit A.

Sent Full Time

The district reported 30 students, which the department verified.

Received Full Time

The district reported three students, which the department verified.

Sent to Private Schools for Students with Disabilities

The district reported five students, which the department verified.

Summary of Resident Enrollment

As a result of the above, the district reported a total of 3,500 resident students, while the department verified 3,506, for an increase of six resident students.

Low Income Enrollment

The district reported 1,689 students. The DOE verified 1,687 students using available low income enrollment listings developed specifically for the ASSA as supported by available meal applications. See exhibit A for a detailed schedule of changes by grade level and a total reduction of two low income eligible students.

LEP Students

The district reported 156 LEP resident students; 112 Low Income LEP students, and 44 Not Low Income LEP students. The department verified 148 LEP resident students; 101 low income LEP students and 47 Not Low Income LEP students. The total decrease of eight eligible students was due in part to seven preschool disabled students who were reported but not tested for program eligibility. One other student was not on roll as of October 14, 2011. See Exhibit A.

**GALLOWAY BOARD OF EDUCATION
ATLANTIC COUNTY
REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
REVIEW OF THE DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS
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REVIEW OF EXTRAORDINARY AID FOR SPECIAL EDUCATION COSTS
OFAC CASE # SAAU-10-13**

County Special Services School District

The district reported 29 students, which the department verified.

Speech Only Services

The district reported 62 students, which the department verified.

Transported Students-Regular and In District Special Education Students

The district reported 2,325 students, which the department verified. The OFAC conducted a test review of 65% of students reported to the New Jersey School Registers as of October 14, 2011 without any noted exceptions. A similar test review of nonpublic attendance verification maintained by the Atlantic County Special Services District identified no exceptions. The review of IEPs also disclosed no exceptions to transportation requirements.

Transported Students-Special Education

The district reported 194 students, which the department verified. The OFAC conducted a test review of 65% of students reported to the New Jersey School Registers as of October 14, 2011 without any noted exceptions. The review of IEPs also disclosed no exceptions to transportation requirements.

CONCLUSION

The differences in On Roll, Low Income Resident enrollment and LEP Low Income and Not Low Income resulted in a potential increase adjustment to categorical state aid payments totaling \$59,496. The following schedule illustrates the potential formula adjustments by category:

Equalization Aid	\$59,859
Security Aid	(363)
Net Impact	\$59,496

No adjustments will be made to state aid payments until the final review of the audit response which will be submitted by the district. The decision will be based on a review of the district's fund balances contained in the June 30, 2013 CAFR to be submitted to the department.

EXTRAORDINARY AID APPLICATIONS FY 2011-2012

The district filed a FY 2011-2012 Application for Special Education Extraordinary Aid based upon costs in the amount of \$1,054,738 for 16 students. The itemized student costs exceeding \$40,000, or \$55,000 as applicable for the students were reported as \$384,738, which was the basis for the Extraordinary Aid calculation totaling \$253,018. The OFAC examined substantiating cost documentation for all reported students and determined that reported costs were overstated. The OFAC determined verified costs totaling \$1,028,601, with costs exceeding \$40,000 for Category 1 and 2 students or \$55,000 for Category 3 students for 13 students in the amount of \$378,653, which

**GALLOWAY BOARD OF EDUCATION
ATLANTIC COUNTY
REVIEW OF THE APPLICATION FOR STATE SCHOOL AID
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OFAC CASE # SAAU-10-13**

is the basis for revised EXAID totaling \$249,436. The review identified cost decreases for four students including three students who were not eligible to be reported on the EXAID application. There were increases to three student records. Nine students were reported with no cost changes noted. As a result there was a net decrease in costs exceeding \$40,000, or \$55,000 in the amount of \$6,085. The review has identified a total net decrease to state aid based on these findings to be \$3,582.

**CHAPTER 192/193 AUXILIARY SERVICES TO
NON PUBLIC STUDENTS FY 2011-2012**

The OFAC verified Chapter 193-193 services reported on a Project Completion Report for FY 2011-2012. The findings are to be issued as a separate report of review by the OFAC, identified as OCAC Case# SAAU-10A-13.

ORGANIZATION OF ASSA SUPPORTING DOCUMENTATION

It was noted by the OFAC that except for LEP students, the categories on the ASSA were reported by the district administration with minimal errors. The district had a well organized system of records to support the ASSA DRTRS and in district EXAID students.

RECOMMENDATIONS

The OFAC recommends that:

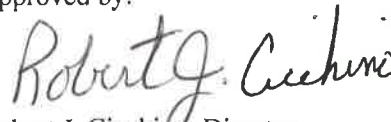
1. the district ensures that New Jersey School Registers attendance registers are compared to data submission on the ASSA as of October 15, 2013;
2. the district ensures that all ESL/LEP students supported by appropriate test scores and Multiple Measures are reported on the ASSA as of October 15, 2013; and
3. specific attention is given during and after the preparation and completion of the Application for Extraordinary Aid and supporting work papers to ensure the correct Private Schools for the Disabled costs are submitted in accordance with directions published by the Division of Administration and Finance.

Submitted by:



Robert W. Ortley, Manager
State Aid Audit Unit

Approved by:



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

Galloway Township Board of Education
Application for State School Aid
As of October 14, 2011

EXHIBIT A
Pg. 1 of 6

Grades	On Roll Full Time			On Roll Shared Time		
	Reported	Verified	Difference	Reported	Verified	Difference
Full Day Preschool 4yr	26.0	26.0	-	-	-	-
Full Kindergarten	315.0	316.0	1.0	-	-	-
One	344.0	342.0	(2.0)	-	-	-
Two	309.0	312.0	3.0	-	-	-
Three	301.0	299.0	(2.0)	-	-	-
Four	341.0	340.0	(1.0)	-	-	-
Five	312.0	314.0	2.0	-	-	-
Six	327.0	327.0	-	-	-	-
Seven	327.0	329.0	2.0	-	-	-
Eight	369.0	369.0	-	-	-	-
Nine			-	-	-	-
Ten			-	-	-	-
Eleven			-	-	-	-
Twelve			-	-	-	-
Subtotal	2,971.0	2,974.0	3.0	-	-	-
Spec Educ Elementary	293.0	292.0	(1.0)	-	-	-
Spec Educ Middle	228.0	232.0	4.0	-	-	-
Spec Educ High	2.0	2.0	-	-	-	-
Subtotal	523.0	526.0	3.0	-	-	-
Totals	3,494.0	3,500.0	6.0	-	-	-

Galloway Township Board of Education
Application for State School Aid
As of October 14, 2011

EXHIBIT A
Pg. 2 of 6

Grades	Sent Full Time			Sent Shared Time		
	Reported	Verified	Difference	Reported	Verified	Difference
Full Day Preschool 4yr	-	-	-	-	-	-
Full Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	1.0	1.0	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Subtotal	1.0	1.0	-	-	-	-
Spec Educ Elementary	19.0	19.0	-	-	-	-
Spec Educ Middle	10.0	10.0	-	-	-	-
Spec Educ High	-	-	-	-	-	-
Subtotal	29.0	29.0	-	-	-	-
Totals	30.0	30.0	-	-	-	-

Galloway Township Board of Education
Application for State School Aid
As of October 14, 2011

EXHIBIT A
Pg. 3 of 6

Grades	Received Full Time			Received Shared Time		
	Reported	Verified	Difference	Reported	Verified	Difference
Full Day Preschool 4yr	-	-	-	-	-	-
Full Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	1.0	1.0	-	-	-	-
Seven	1.0	1.0	-	-	-	-
Eight	1.0	1.0	-	-	-	-
Subtotal	3.0	3.0	-	-	-	-
Spec Educ Elementary	-	-	-	-	-	-
Spec Educ Middle	-	-	-	-	-	-
Spec Educ High	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	3.0	3.0	-	-	-	-

Galloway Township Board of Education
Application for State School Aid
As of October 14, 2011

EXHIBIT A
Pg. 4 of 6

Grades	Sent to Regional Day Schools			Private Schools for Disabled		
	Reported	Verified	Difference	Reported	Verified	Difference
Full Day Preschool 3yr	-	-	-	-	-	-
Full Day Preschool 4yr	-	-	-	-	-	-
1/2 Day Kindergarten	-	-	-	-	-	-
Full Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Spec Educ Elementary	-	-	-	5.0	5.0	-
Spec Educ Middle	-	-	-	-	-	-
Spec Educ High	-	-	-	-	-	-
Subtotal	-	-	-	5.0	5.0	-
Totals	-	-	-	5.0	5.0	-

Galloway Township Board of Education
Application for State School Aid
As of October 14, 2011

EXHIBIT A
Pg. 5 of 6

Grades	Resident Students			Resident Low Income		
	Reported	Verified	Difference	Reported	Verified	Difference
Full Kindergarten	315.0	316.0	1.0	154.0	152.0	(2.0)
One	344.0	342.0	(2.0)	172.0	165.0	(7.0)
Two	309.0	312.0	3.0	148.0	142.0	(6.0)
Three	301.0	299.0	(2.0)	145.0	134.0	(11.0)
Four	341.0	340.0	(1.0)	174.0	165.0	(9.0)
Five	312.0	314.0	2.0	126.0	115.0	(11.0)
Six	327.0	327.0	-	152.0	148.0	(4.0)
Seven	326.0	328.0	2.0	148.0	137.0	(11.0)
Eight	368.0	368.0	-	146.0	136.0	(10.0)
Subtotal	2,943.0	2,946.0	3.0	1,365.0	1,294.0	(71.0)
Spec Educ Elementary	317.0	316.0	(1.0)	190.0	223.0	33.0
Spec Educ Middle	238.0	242.0	4.0	132.0	168.0	36.0
Spec Educ High	2.0	2.0	-	2.0	2.0	-
Subtotal	557.0	560.0	3.0	324.0	393.0	69.0
Co Voc						-
State Facilities						-
Totals	3,500.0	3,506.0	6.0	1,689.0	1,687.0	(2.0)

Galloway Township Board of Education
Application for State School Aid
As of October 14, 2011

EXHIBIT A
Pg. 6 of 6

Grades	Resident LEP Low Income			Resident LEP NOT Low Income		
	Reported	Verified	Difference	Reported	Verified	Difference
Full Kindergarten	22.0	15.0	(7.0)	13.0	22.0	9.0
One	25.0	25.0	-	8.0	9.0	1.0
Two	14.0	13.0	(1.0)	8.0	8.0	-
Three	13.0	13.0	-	2.0	2.0	-
Four	8.0	10.0	2.0	4.0	3.0	(1.0)
Five	6.0	5.0	(1.0)		1.0	1.0
Six	6.0	6.0	-			-
Seven	4.0	4.0	-			-
Eight	4.0	4.0	-	1.0	1.0	-
Subtotal	102.0	95.0	(7.0)	36.0	46.0	10.0
Spec Educ Elementary	9.0	6.0	(3.0)	8.0	1.0	(7.0)
Spec Educ Middle	1.0	-	(1.0)			-
Spec Educ High	-	-	-			-
Subtotal	10.0	6.0	(4.0)	8.0	1.0	(7.0)
Co Voc						
Res Mental Health			-			
Totals	112.0	101.0	(11.0)	44.0	47.0	3.0

**Galloway Township Board of Education
 District Report of Transported Resident Students
 As of October 14, 2011**

**EXHIBIT B
 Pg. 1 of 1**

TRANSPORTED REGULAR STUDENTS

	Reported	Verified	Difference
Students - Grade PK	1.0	1.0	-
Regular Public	1,747.0	1,747.0	-
Vocational School Students	0.0	0.0	-
Regular Charter	53.0	53.0	-
CSSP Charter	11.0	11.0	-
Transported Non-Public	176.0	176.0	-
Aid in Lieu of Transportation	61.0	61.0	-
Regular Special Education	267.0	267.0	-
Charter Special Education	9.0	9.0	-
Private School Disabled	0.0	0.0	-
Total Students	2,325.0	2,325.0	-
Total Mileage	9,923.6	9,923.6	-
Average Mileage	4.3	4.3	-

TRANSPORTED SPECIAL NEEDS STUDENTS

	Reported	Verified	Difference
Special Needs Public Schools	185.0	185.0	-
Special Needs Charter Schools	0.0	0.0	-
Special Needs Private Schools for the Disabled	4.0	4.0	-
Total Students Special Needs	189.0	189.0	-
Total Mileage	1,055.2	1,055.2	-
Out of District No Sp. Needs	3.0	3.0	-
Out Of District Charter No Sp. Needs	1.0	1.0	-
Out Of Dist. Private Schools No Sp. Needs	1.0	1.0	-
Total Students No Sp. Needs	5.0	5.0	-
Total Mileage	64.0	64.0	-
Total Special Education Students	194.0	194.0	-
Total All Special Ed Mileage	1,119.2	1,119.2	-
Average Mileage	5.8	5.8	-

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

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

Resolution:

Pursuant to N.J.A.C. 6A:23A-5.6, within 30 days of receipt of the report, the board of education must discuss the findings of the report at a public meeting of the board. Within 30 days of the public meeting, the board must adopt a resolution certifying that the findings were discussed in a public board meeting and approving a corrective action plan to address issues raised in the undisputed findings and/or appeal of any findings in dispute. Within 10 days of adoption of the resolution by the board, such resolution together with the approved corrective action plan and/or appeal must be submitted to the Office of Fiscal Accountability and Compliance. The findings of the Office of Fiscal Accountability and Compliance's report and the board of education's corrective action plan must be posted on the district's website.

Corrective Action Plan:

The corrective action plan is to be used when the LEA/Agency is in agreement with any of the findings. To contest a finding the appeal process must be used. After the appeal is settled a - corrective action plan must be filed for any finding upheld during the appeal process.

The corrective action plan 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 corrective-action plan is acceptable, a letter will be sent to the LEA/Agency indicating that it has been accepted.

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

Appeal Process:

The appeal process is used to contest findings.

Within 10 days of the board's adoption of the resolution approving an appeal of the findings of the report, a written request by the LEA/Agency to review the "aggrieved" findings, recommendations or questioned costs must be submitted to the director, Office of Fiscal Accountability and Compliance. The notice of appeal must indicate the findings to be appealed.

The appeal itself may be written or a hearing may be scheduled so that the LEA/Agency can present its case. In either instance, documentation must be presented supporting the appeal. The director, Office of Fiscal Accountability and Compliance will issue a written decision.

If the decision is unsatisfactory to the LEA/Agency, the LEA/Agency may, within 10 calendar days, file a notice of appeal to the Chief of Staff.

If the final determination made by the Chief of Staff, is still unsatisfactory to the LEA/Agency, the LEA/Agency may access the formal appeal process described in N.J.A.C. 6A:3-1.3.

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

NAME OF SCHOOL DISTRICT GALLOWAY TOWNSHIP BOARD OF EDUCATION
COUNTY ATLANTIC

AUDIT REVIEWS OF 10/14/11 APPLICATION FOR STATE SCHOOL AID, DISTRICT REPORT OF TRANSPORTED
RESIDENT STUDENTS AND FY 2011-2012 EXTRAORDINARY AID

DATE OF BOARD MEETING _____

CONTACT PERSON _____

TELEPHONE NUMBER _____

RECOMMENDATION NUMBER	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
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CHIEF SCHOOL ADMINISTRATOR _____ DATE _____ BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR _____ DATE _____