

**U.S. Department of Education Monitoring Report
Education for Homeless Children and Youth Program,
American Rescue Plan – Homeless Children and Youth Program,
and Title I, Part A LEA Homeless Reservation
for the New Jersey Department of Education**

December 5, 2022

Scope of Review

On June 8 and 9, 2022, a review team from the U.S. Department of Education's (the Department's) Office of Elementary and Secondary Education (OESE), Office of School Support and Accountability (SSA) monitored the New Jersey Department of Education's (NJDOE's) administration of the Education for Homeless Children and Youth (EHCY) program authorized by Subtitle VII-B of the McKinney-Vento Homeless Assistance Act (McKinney-Vento Act), the reservation for homeless children under section 1113(c)(3) of Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA), and the Homeless Children and Youth (ARP-HCY) program authorized under Section 2001(b) of the American Rescue Plan Act of 2021.

Previous Monitoring

The Department last monitored NJDOE's EHCY program and its reservation for homeless children under ESEA section 1113(c)(3)(A) in December 2009. This is the first time that the Department has monitored NJDOE's implementation of the ARP-HCY program.

Current Review

The Department recently revised its monitoring plan and protocol (see: <https://oese.ed.gov/files/2022/09/SSA-EHCY-ARP-HCY-Monitoring-Plan-FY-23.pdf>) by adding a State educational agency (SEA) self-assessment and interview protocols for the SEA and a few selected local educational agencies (LEAs). The revised plan and protocol incorporate questions related to ARP-HCY. The revised plan is based on past experience conducting separate monitoring of the EHCY program in Federal fiscal year (FY) 2017-18.

In our review of NJDOE's implementation of its programs for students experiencing homelessness, the Department examined NJDOE's:

- Procedures and guidance for the identification, enrollment, and retention of students experiencing homelessness, including the focus in the ARP-HCY program on increasing identification of children and youth experiencing homelessness in historically underserved populations and connecting them to educational support and wrap-around services;
- Self-assessment instrument and supporting documentation;
- Technical assistance provided to LEAs with and without subgrants;
- EHCY section of the consolidated State plan;
- ARP-HCY State plan;
- LEA and regional applications for ARP-HCY subgrants; and
- Local evaluations of projects in the Essex Regional Educational Services Commission, Monmouth Ocean Educational Services Commission, Northern Region Educational Services Commission, and Camden City School District.

The Department interviewed the local liaisons for these three regional service commissions and one LEA, as well as the EHCY State Coordinator and other SEA staff with duties assigned to the EHCY or ARP-HCY programs.

Based on the review, the Department determined a result for each of the seven areas of the review. For any area with a commendation, with a recommendation for improvement, or where further action is needed, the report provides a synopsis of what was observed and a description of the finding. The report rates implementation of each area based on four levels:

- “Met Requirements with Commendation” represents high quality implementation where the SEA is exceeding expectations;
- “Met Requirements” indicates that work is of an acceptable quality, and no instances of noncompliance were identified;
- “Met Requirements with Recommendations” indicates there are quality implementation concerns and some improvements could be made to ensure the SEA continues to meet expectations; and
- “Action Required” indicates there are significant compliance or quality concerns that require attention by the SEA and will be revisited until the State has remedied the issue. For items listed as “Action Required,” the report outlines the current practice, the nature of noncompliance, and the required action.

Table 1. Summary of Monitoring Results for the EHCY and ARP-HCY Programs and Title I, Part A LEA Homeless Reservation Requirement

Topic Number	Description	Status
1	SEA monitoring and evaluation	• Action Required
2	SEA and LEA performance evaluation	• Met Requirements with Recommendation and a Commendation
3	SEA policy and coordination	• Met Requirements with Recommendation
4	SEA professional development and technical assistance	• Met Requirements
5	SEA fiscal oversight of LEA subgrants for EHCY and ARP-HCY	• Met Requirements with Recommendation
6	SEA set-aside oversight for EHCY and ARP-HCY	• Met Requirements
7	SEA fiscal oversight of the Title I, Part A LEA homeless set-aside	• Action Required

Based on the review, Department staff made the following observations, commendations, recommendations, and/or noted actions that are required. Before identifying recommendations or findings, the Department identified one area where NJDOE and some LEAs deserve commendation for their work based on our review of the documentation submitted by the State.

Met Requirements with Commendation

The Department provides a commendation when we observe operational activities or initiatives that contribute to successful outcomes or enhance agency performance capabilities, and which possess the potential for replication by other agencies. Typically, commendations have not been evaluated as rigorously as “promising,” “effective,” “evidence-based,” or “best” practices, but still offer ideas that work in specific situations.

As a result of its monitoring activities, the Department identified the following commendation in New Jersey that is highlighted to encourage other SEAs and LEAs to consider for their respective EHCY programs:

- The Camden City School District (CCSD) homeless liaison has partnered with a research scientist at Nemours Children’s Health System to collect and analyze data on students experiencing homelessness to drive program improvement. Based on this research, the CCSD homeless liaison has done extensive outreach both to the Spanish-speaking community and to other ethnic groups to increase identification and access to services. This work has resulted in data-driven program improvement and higher identification rates across all ethnic groups in CCSD compared to other LEAs in the State. This partnership may serve as a model to other LEAs and SEAs with access to researchers at universities or hospital systems who are focused on whole-child outcomes for students experiencing homelessness.

1. SEA monitoring of LEAs with and without subgrants

Process for monitoring all LEAs for McKinney-Vento and subgrant requirements

Requirement

McKinney-Vento Act section 722(f)(5) (Functions of the Office of the Coordinator) requires the SEA to “provide technical assistance to and conduct monitoring of local educational agencies in coordination with local educational agency liaisons...to ensure that local educational agencies comply with the requirements of subsection (e)(3) and paragraphs (3) through (7) of subsection (g).” Furthermore, 2 C.F.R. § 200.329 of the Uniform Guidance, pertaining to “monitoring and reporting program performance,” requires an SEA (i.e., the non-Federal entity) to be “responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor for its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity.”

Observation

NJDOE provided a monitoring report from 2018 but did not submit any evidence that monitoring of subgrantees had occurred since then or within the last fiscal year. Subsequent to the Department’s monitoring activity, NJDOE submitted a detailed plan for monitoring LEAs during FY 2023 but did not provide a timeline for when monitoring was expected to occur. Moreover, the plan did not include a method of determining which LEAs or regional grantees would be monitored, such as a risk assessment that includes both fiscal and program performance data (e.g. identification rates, adjusted cohort graduation rates, chronic absenteeism).

Action Required

Within 60 business days of receipt of this report, NJDOE must submit to the Department evidence of programmatic monitoring for LEAs with and without EHCY and ARP-HCY subgrants or a timeline for submitting this evidence, such as a written report provided to a regional LEA subgrantee with an EHCY and ARP-HCY subgrant, an LEA with an ARP Homeless II subgrant, or an LEA without either EHCY or ARP-HCY subgrants for general McKinney-Vento requirements.

Recommendation

With the increase in the number of LEAs receiving homeless education grants through ARP Homeless II formula allocations, the Department recommends that NJDOE include questions about homeless education data in interview protocols and in performance risk assessment or desk audits of LEAs. The Department also recommends that NJDOE homeless education program staff receive information on grantees' carryover and drawdowns at least annually and use it in program risk assessment and monitoring.

2. SEA and LEA performance evaluation

Use of data to inform training and technical assistance to LEAs on improving outcomes for students experiencing homelessness

Requirement

Sections 722(f)(1) and (3), 722(g)(2)(A) and (B), 723(b)(6), 723(c)(3)(E) and (I), and 724(d) and (f) of the McKinney-Vento Act detail the requirements of SEAs and LEAs to collect, report and use homeless student enrollment and performance data to improve programs and outcomes for students experiencing homelessness.

Observation

The majority of charter school LEAs have low rates of identification of students experiencing homelessness or do not identify any eligible students at all despite high rates of student poverty. Conversely, some LEAs have high rates of unaccompanied homeless youths, which may be a reflection of those LEAs mainly identifying these unaccompanied students as homeless. Furthermore, several of the LEA/regional grantees interviewed did not seem to have a clear understanding of which unaccompanied students were homeless and eligible for services, creating high rates of unaccompanied homeless youth identification. The subgrantees interviewed also acknowledged that they are not utilizing graduation rate or chronic absenteeism data to inform services or programs offered to students experiencing homelessness.

Recommendation

The Department recommends that NJDOE utilize LEA-level homeless education data to identify gaps in identification rates, particularly within charter school LEAs. The State Coordinator should also analyze both graduation and chronic absenteeism data to develop training and technical assistance for both regional grantees and LEA homeless liaisons to promote the use of this data in creating supports and programs to meet the needs of students experiencing

homelessness. The Department recommends that NJDOE's new staff member for program data reach out to data specialists with the National Center for Homeless Education (NCHE) for assistance in interpreting and analyzing New Jersey program data located on the NCHE Extranet.

4. SEA professional development and technical assistance

Requirement

Section 722(g)(1)(J)(iv) of the McKinney-Vento Act requires that SEAs adopt policies and practices to ensure participation by liaisons in professional development and other technical assistance activities provided by the Office of the Coordinator. Sections 722(f)(4)-(7), 722(g)(1)(D), and 722(g)(2)(A) and (B), of the McKinney-Vento Act detail some LEA requirements and mutual obligations of SEAs and LEAs to ensure that students identified as unaccompanied and homeless are informed of housing and higher education support services for which they are eligible.

Observation

The State Coordinator communicates regularly with regional grantees; however, there appears to be a gap between the information provided to regional grantees and the information provided to LEA-level homeless liaisons. The SEA did not provide evidence that it ensures that adequate training is provided to LEA-level homeless liaisons; for example, it does not provide targeted technical assistance based on program data, nor does it follow up with liaisons, particularly new liaisons, to ensure that they understand the materials and implement the program.

Recommendation

The Department recommends that the State Coordinator communicate regularly with LEAs and LEA-level homeless liaisons to ensure that they fully understand and are able to effectively implement the professional development that they receive through their access to the McKinney-Vento.org website funded by NJDOE. Such communication should also include information on how to analyze and use program performance data, such as identification rates, ACGR, and chronic absenteeism rates to determine if the supports and interventions provided with EHCY and/or ARP-HCY funds are impacting the success of students experiencing homelessness.

5. SEA oversight of LEA subgrants for EHCY and ARP-HCY

Title I coordination with EHCY subgrants

Requirement

Sections 723(c)(3)(H) of the McKinney-Vento Act requires SEAs to consider “[h]ow the local educational agency will use funds to serve homeless children and youths under section 1113(c)(3) of the [ESEA]” when evaluating the quality criteria of LEA subgrant applications.

Observation

NJDOE's subgrant application templates for EHCY and ARP Homeless I subgrants are for regional grantees and do not include information regarding the member districts' Title I, Part A

set-asides or any efforts at local collaboration between the districts' Title I, Part A programs and homeless programs. Regional grantees were not aware of LEA set-aside amounts or how those funds were being used to meet the needs of students experiencing homelessness.

Recommendation

The Department recommends that NJDOE provide regional grantees with information regarding the Title I, Part A set-aside amounts for each LEA they serve through the regional grant and how those funds will be used to serve students experiencing homelessness. Then, the Department recommends that NJDOE have each regional LEA subgrant applicant include in its application how it will coordinate EHCY and ARP-HCY grant-funded services to students in LEAs overall with the services provided by the Title I, Part A set-asides in those LEAs. Information in the application should include the amount of the Title I, Part A homeless set-aside, any description of how it was determined, and/or how the LEA will use the funds in that fiscal year for each of the LEAs participating in the subgrant program.

7. SEA fiscal oversight of the Title I, Part A LEA homeless set-aside

SEA review and approval process

Requirement

Section 1113(c)(3)(A) of the ESEA requires LEAs that receive Title I, Part A grants and have students experiencing homelessness enrolled in the LEA to reserve “such funds as are necessary” under Title I, Part A “to provide services comparable to those provided to children in schools funded under this part to serve...homeless children and youths, including providing educationally related support services to children in shelters and other locations where children may live.” Furthermore, ESEA section 1111(a)(1)(B) requires an SEA to develop a plan for use of Title I, Part A funds that is coordinated with the McKinney-Vento Act.

Observation

NJDOE does not have a procedure for LEAs to use in determining the Title I, Part A set-aside, nor a process for reviewing the amounts of the LEA Title I, Part A set-asides for students experiencing homelessness. Many LEAs that identified and enrolled students experiencing homelessness had no set-aside amount and, among those that did set-aside funds, the per pupil amount varied widely across LEAs.

Subsequent to the monitoring event, NJDOE submitted additional documentation regarding a newly developed process to assist LEAs in determining an appropriate Title I, Part A set-aside amount. NJDOE recommends that LEAs set aside \$100 per pupil and noted that they will provide a “Homeless Count Workbook” to County Education Specialists who conduct Tier I reviews for NJDOE’s ESEA applications.

Action Required

Within 60 business days of the receipt of this report, NJDOE must provide a timeline for providing documentation that all LEAs with students who were identified as homeless during the 2022-23 school year (SY) have set aside an appropriate amount of Title I, Part A funds to

support their local EHCY program as described in the NJDOE’s “Process Template Homeless Reserve Title I and McKV Coordination” document. The documentation must include a list of all NJDOE LEAs with SY 2022-23 SY Title I, Part A set-aside amounts for students experiencing homelessness and a current copy of the “NJDOE Homeless Counts Workbook” that LEAs used to calculate the set-aside amounts.