

# EXHIBIT

“E”

TLS

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**From:** OPRA Custodian <opra.custodian@doe.nj.gov>  
**Sent:** Tuesday, September 25, 2018 7:44 AM  
**To:** Michael Inzelbuch  
**Subject:** NJDOE OPRA Request W136839  
**Attachments:** State Advance Lakewood\_2015 redacted.pdf; State Advance Lakewood\_2016.pdf; State Advance Lakewood\_2018.pdf; Filled and Closed 9-25-18 GeneratedReport.pdf

Mr. Inzelbuch,

Attached please find records responsive to your request. Material that is advisory, consultative, and deliberative in nature is exempt from disclosure pursuant to NJSA 47:1A-1.1 and has been redacted. A receipt indicating same, and that your request has been filled and closed, is attached.

Jennifer Simons  
Records Custodian  
Office of Legal Affairs  
Department of Education

CONFIDENTIALITY NOTICE: The information contained in this communication from the New Jersey Department of Education is privileged and confidential and is intended for the sole use of the persons or entities who are the addressees. If you are not an intended recipient of this email, the dissemination, distribution, copying or use of the information it contains is strictly prohibited. If you have received this communication in error, please immediately contact the New Jersey Department of Education at (609) 376-3500 to arrange for the return of this information.

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Entitled

" State Advice  
Lakewood - 2015  
redacted. pdf "

TLS



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

DAVID C. HESPE  
Commissioner

May 4, 2015

TO: Andrew P. Sidamon-Eristoff  
State Treasurer

FROM: David C. Hespe  
Commissioner

SUBJECT: State Aid Advance for Lakewood School District Under the *School District Fiscal Accountability Act*

Pursuant to N.J.S.A. 18A:7A-56, I am writing you to recommend the advance of \$4,000,000 in state aid from the School District Deficit Relief account (15-100-034-5120-489) to the Lakewood School District. The Department finds that this advance payment is necessary to ensure the provision of a thorough and efficient education.

Mr. Michael Azzara has served as state monitor in the Lakewood School District since April 2014, along with Mr. David Shafter and Mrs. Theresa Pollifrone-Sinatra who have been serving as assistant state monitors since September 2014 and February 2015, respectively. They continue to work with the district on the following:

- Meet with administration and Board of Education to develop an understanding of the issues and causes of the deficit situation;
- Review all expenditures of the district;
- Review grant funding and expenditures to ensure funds will be expended prior to the end of the grant period in accordance with the terms of the grant; and
- Review the corrective action plan and audit recommendations for fiscal year 2014-2015.

In addition, as part of the ongoing work as state monitor and assistant state monitors, all purchase orders are being reviewed prior to issuance and they are restricting any unnecessary purchases and reviewing and approving monthly bill lists.

Due to the amount of the advance and its impact on local taxpayers, I recommend a ten-year term for repayment. In anticipation of this loan, the district is including the first year's repayment of \$400,000 in its 2015-2016 budget. Upon approval and issuance of the advance, this repayment will be effectuated by the Department through automatic deductions in the state

Andrew P. Sidamon-Eristoff

May 4, 2015

Page 2

aid provided to the school district. At this time, there is no recommendation for the assessment of interest. We can discuss this further and may determine to impose interest on the unpaid balance in the future pursuant to N.J.S.A. 18A:7A-56(b).

Thank you for your prompt attention to this matter. If you have questions or require additional information, please contact Glenn Forney, director, Office of State Monitors at (609) 943-4115.

DCH/TM/GF/tch

c: William Haldeman

Timothy Matheney

Kevin Dehmer

Yut'se Thomas

Glenn Forney

David Joye

Cindy Lee

Charlene Holzbaur

TLS

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**State of New Jersey**  
OFFICE OF THE STATE TREASURER  
PO Box 002  
TRENTON NJ 08625-0002

CHRIS CHRISTIE  
*Governor*

KIM GUADAGNO  
*Lt. Governor*

ANDREW P. SIDAMON - ERISTOFF  
*State Treasurer*

May 13, 2015

The Honorable David C. Hespe  
Acting Commissioner  
Department of Education  
100 River View Plaza  
P.O. Box 500  
Trenton, New Jersey 08625

Dear Acting Commissioner Hespe:

Pursuant to the provisions of N.J.S.A.18A:7A-56 which allows the State to provide a loan to a school district faced with a fiscal crisis, you are hereby directed to advance the sum of \$4,000,000 from funds available in the School District Deficit Relief account (15-100-034-5120-489) to address Lakewood School District's deficit for the 2014-2015 school year. Please note that Lakewood is considered eligible for funding pursuant to the provisions of N.J.S.A.18A:7A-55 and as such may be approved for an advance in State aid to be repaid with a term of repayment not to exceed 10 years.

This payment shall be considered a loan according to the provisions of the law as specified above. Your request for a 10-year term of repayment has been approved, with repayment to be made through automatic deductions to the State aid provided to the school district, beginning in the 2015-2016 school year.

Sincerely,

Andrew P. Sidamon-Eristoff  
State Treasurer

c: Thomas Neff  
Patricia Morgan



State of New Jersey

DEPARTMENT OF EDUCATION  
PO Box 500  
TRENTON, NJ 08625-0500

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

DAVID C. HESPE  
Commissioner

June 10, 2015

TO: Andrew P. Sidamon-Eristoff  
State Treasurer

FROM: David C. Hespe  
Commissioner

SUBJECT: State Aid Advance for Lakewood School District Under the *School District Fiscal Accountability Act*

Pursuant to N.J.S.A. 18A:7A-56, I am writing you to recommend the advance of \$4,500,000 in state aid from the School District Deficit Relief account (15-100-034-5120-489) to the Lakewood School District. The Department finds that this advance payment is necessary to ensure the provision of a thorough and efficient education.

Mr. Michael Azzara has served as state monitor in the Lakewood School District since April 2014, along with Mr. David Shafter and Mrs. Theresa Pollifrone-Sinatra who have been serving as assistant state monitors since September 2014 and February 2015, respectively. They continue to work with the district on the following:

- Meet with administration and Board of Education to develop an understanding of the issues and causes of the deficit situation;
- Review all expenditures of the district;
- Review grant funding and expenditures to ensure funds will be expended prior to the end of the grant period in accordance with the terms of the grant; and
- Review the corrective action plan and audit recommendations for fiscal year 2014-2015.

In addition, as part of the ongoing work as state monitor and assistant state monitors, all purchase orders are being reviewed prior to issuance and they are restricting any unnecessary purchases and reviewing and approving monthly bill lists.

Due to the amount of the advance and its impact on local taxpayers, I recommend a ten-year term for repayment. In anticipation of this loan, the district is including the first year's repayment of \$450,000 in its 2015-2016 budget. Upon approval and issuance of the advance, this repayment will be effectuated by the Department through automatic deductions in the state

Andrew P. Sidamon-Eristoff  
June 10, 2015  
Page 2

aid provided to the school district. At this time, there is no recommendation for the assessment of interest. We can discuss this further and may determine to impose interest on the unpaid balance in the future pursuant to N.J.S.A. 18A:7A-56(b).

Thank you for your prompt attention to this matter. If you have questions or require additional information, please contact Glenn Forney, director, Office of State Monitors at (609) 943-4115.

DCH/TM/GF/tch  
c: William Haldeman  
Timothy Matheney  
Kevin Dehmer  
Yut'se Thomas  
Glenn Forney  
David Joye  
Cindy Lee  
Charlene Holzbaaur

TLS





State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE

Governor

KIM GUADAGNO

Lt. Governor

DAVID C. HESPE

Commissioner

June 16, 2015

TO: Andrew P. Sidamon-Eristoff  
State Treasurer

FROM: David C. Hespe  
Commissioner

SUBJECT: State Aid Advance for Lakewood School District Under the *School District Fiscal Accountability Act*

Pursuant to N.J.S.A. 18A:7A-56, I am writing you to recommend the advance of \$4,500,000 in state aid in state aid from the School District Deficit Relief account (15-100-034-5120-489) to the Lakewood School District. The Department finds that this advance payment is necessary to ensure the provision of a thorough and efficient education.

Mr. Michael Azzara has served as state monitor in the Lakewood School District since April 2014, along with Mr. David Shafter and Mrs. Theresa Pollifrone-Sinatra who have been serving as assistant state monitors since September 2014 and February 2015, respectively. They continue to work with the district on the following:

- Meet with administration and Board of Education to develop an understanding of the issues and causes of the deficit situation;
- Review all expenditures of the district;
- Review grant funding and expenditures to ensure funds will be expended prior to the end of the grant period in accordance with the terms of the grant; and
- Review the corrective action plan and audit recommendations for fiscal year 2014-15.

In addition, as part of the ongoing work as state monitor and assistant state monitors, all purchase orders are being reviewed prior to issuance and they are restricting any unnecessary purchases and reviewing and approving monthly bill lists.

Due to amount of the advance and its impact on local taxpayers, I recommend a ten-year term for repayment. In anticipation of this loan, the district is including the first year's repayment of \$450,000 in its 2015-2016 budget. Upon approval and issuance of the advance, this

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Andrew P. Sidamon-Eristoff

June 16, 2012

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repayment will be effectuated by the Department through automatic deductions in the state aid provided to the school district. At this time, there is no recommendation for the assessment of interest. We can discuss this further and may determine to impose interest on the unpaid balance in the future pursuant to N.J.S.A. 18A:7A-56(b).

Please note that this letter supercedes the previous Lakewood Loan request and is not in addition to.

Thank you for your prompt attention to this matter. If you have questions or require additional information, please contact Glenn Forney, director, Office of State Monitors at (609) 943-4115.

DCH/TM/GF/tch

c: William Haldeman

Timothy Matheney

Kevin Dehmer

Yut'se Thomas

Glenn Forney

David Joye

Cindy Lee

Charlene Holzbaur

TLS



*State of New Jersey*  
OFFICE OF THE STATE TREASURER  
PO Box 002  
TRENTON NJ 08625-0002

CHRIS CHRISTIE  
*Governor*

KIM GUADAGNO  
*Lt. Governor*

ANDREW P. SIDAMON-ERISTOFF  
*State Treasurer*

June 16, 2015

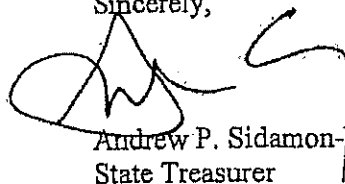
The Honorable David C. Hespe  
Commissioner  
Department of Education  
100 River View Plaza  
P.O. Box 500  
Trenton, New Jersey 08625

Dear Commissioner Hespe:

Pursuant to the provisions of N.J.S.A.18A:7A-56 which allows the State to provide a loan to a school district faced with a fiscal crisis, you are hereby directed to advance the sum of \$4,500,000 from funds available in the School District Deficit Relief account (15-100-034-5120-489) to address Lakewood School District's deficit for the 2014-2015 school year. Please note that this amount is a revision to and supersedes the \$4,000,000 approved in my letter dated May 13, 2015. Lakewood is considered eligible for funding pursuant to the provisions of N.J.S.A.18A:7A-55 and as such may be approved for an advance in State aid to be repaid with a term of repayment not to exceed 10 years.

This payment shall be considered a loan according to the provisions of the law as specified above. Your request for a 10-year term of repayment has been approved, with repayment to be made through automatic deductions to the State aid provided to the school district, beginning in the 2015-2016 school year.

Sincerely,



Andrew P. Sidamon-Eristoff  
State Treasurer

c: Thomas Neff  
Patricia Morgan

Entitled

"State Advance  
Lakewood - 2016 pdf"

TLS



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

DAVID C. HESPE  
Commissioner

June 23, 2016

TO: Ford M. Scudder  
Acting State Treasurer

FROM: David C. Hespe  
Commissioner

SUBJECT: State Aid Advance for Lakewood School District Under the *School District Fiscal Accountability Act*

Pursuant to N.J.S.A. 18A:7A-56, I am writing you to recommend the advance of \$5,640,183 in state aid from the School District Deficit Relief account (16-100-034-5120-489) to the Lakewood School District. The Department finds that this advance payment is necessary to ensure the provision of a thorough and efficient education.

The Lakewood School District will have an estimated deficit of \$12,031,986 for the fiscal year ending June 30, 2016. The total deficit includes \$2,952,396 budgetary deficit for the year ending June 30, 2015 and an estimated deficit for the current school year of \$9,079,590. The cause of the current year deficit is an estimated over expenditure of \$7,263,934 in regular transportation and aid in lieu accounts, \$1,402,237 in special education transportation accounts and a \$1,503,412 over expenditure in tuition accounts. This is offset by a \$1,000,000 grant from Lakewood Township for non-mandated transportation not included in the original budget and \$89,993 in excess of budgets in other local revenue lines and extraordinary aid.

The district's total deficit of \$12,031,986 includes an over expenditure of funds for courtesy busing for the current year. The amount requested for the advance of state aid of \$5,640,183 does not include the over expenditure for courtesy busing and will not be used to offset such costs.

Mr. Michael Azzara has served as state monitor in the Lakewood School District since April 2014, along with Mr. David Shafter and Mrs. Theresa Pollifrone-Sinatra who have been serving as assistant state monitors since September 2014 and February 2015, respectively. They continue to work with the district on the following:

- Meet with administration and Board of Education to develop an understanding of the issues and causes of the deficit situation;
- Review all expenditures of the district;

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Ford M. Scudder  
June 23, 2016  
Page 2

- Review grant funding and expenditures to ensure funds will be expended prior to the end of the grant period in accordance with the terms of the grant; and
- Review the corrective action plan and audit recommendations for fiscal year 2014-2015.

In addition, as part of the ongoing work as state monitor and assistant state monitors, all purchase orders are being reviewed prior to issuance and they are restricting any unnecessary purchases and reviewing and approving monthly bill lists.

Due to the amount of the advance and its impact on local taxpayers, I recommend a ten-year term for repayment. The first repayment installment of \$564,018 will be due in the 2016-2017 school year. Upon approval and issuance of the advance, this repayment will be effectuated by the Department through automatic deductions in the state aid provided to the school district. At this time, there is no recommendation for the assessment of interest. We can discuss this further and may determine to impose interest on the unpaid balance in the future pursuant to N.J.S.A. 18A:7A-56(b).

Thank you for your prompt attention to this matter. If you have questions or require additional information, please contact Glenn Forney, executive director, Office of State Monitors at (609) 943-4115.

DCH/KD/GF/tch  
c: Patricia Morgan  
William Haldeman  
Kevin Dehmer  
Yut'se Thomas  
Glenn Forney  
David Joye  
Cindy Lee  
David Ridolfino

TLS



State of New Jersey

OFFICE OF THE STATE TREASURER

PO Box 002

TRENTON, NJ 08625-0002

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

FORD M. SCUDDER  
Acting State Treasurer


TO: David C. Hespe, Commissioner  
Department of Education

FROM: Ford M. Scudder  
Acting State Treasurer

*FMS*

DATE: June 27, 2016

SUBJECT: State Aid Advance for Lakewood School District under the *School District Fiscal Accountability Act*

Pursuant to the provisions of N.J.S.A.18A:7A-56 which allows the State to provide a loan to a school district faced with a fiscal crisis, you are hereby directed to advance the sum of \$5,640,183 from funds available in the School District Deficit Relief account (16-100-034-5120-489) to address Lakewood School District's deficit for the 2015-2016 school year. Please note that Lakewood is considered eligible for funding pursuant to the provisions of N.J.S.A.18A:7A-55 and as such may be approved for an advance in State aid to be repaid with a term of repayment not to exceed 10 years. 

This payment shall be considered a loan according to the provisions of the law as specified above. Your request for a 10-year term of repayment has been approved, with repayment to be made through automatic deductions to the State aid provided to the school district, beginning in the 2016-2017 school year.

C. David Ridolfino  
Mary Byrne  
Hannah Good  
Glenn Forney

Entitled

"State Advance Lakshmi  
- 2018 pdf."

TLS





State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

KIMBERLEY HARRINGTON  
Commissioner

November 9, 2017

TO: Ford M. Scudder  
State Treasurer

FROM: Kimberley Harrington  
Commissioner

*Kimberley Harrington*

SUBJECT: State Aid Advance for Lakewood School District under the School District Fiscal Accountability Act

Pursuant to N.J.S.A. 18A:7A-56, I am writing you to recommend the advance of \$8,522,678 in state aid from the School District Deficit Relief account (18-100-034-5120-489) to the Lakewood School District. The Department finds that this advance payment is necessary to ensure the provision of a thorough and efficient education.

The Lakewood School District will have an estimated deficit of \$12,031,986 for the fiscal year ending June 30, 2018. The amount requested for the advance of state aid of \$8,522,678 is needed to allow the district to meet the needs of its students and provide a thorough and efficient education.

Mr. David Shafter has served as assistant state monitor in the Lakewood School District since September 2016 and as state monitor since September 2017, along with Mr. Michael Azzara. The state monitors continue to work with the district in helping the administration and Board of Education develop an understanding of the issues and causes of the deficit situation. They also review all expenditures of the district and review grant funding and expenditures to ensure funds will be expended prior to the end of the grant period in accordance with the terms of the grant in addition to reviewing the corrective action plan and audit recommendations for the prior fiscal year.

As part of the ongoing work as state monitors, all purchase orders are being reviewed prior to issuance and they are restricting any unnecessary purchases and reviewing and approving monthly bill lists.

Due to the amount of the advance and its impact on local taxpayers, I recommend a ten-year term for repayment. The first repayment installment of \$852,267.80 will be due in the 2018-2019 school year. Upon approval and issuance of the advance, this repayment will be

Ford M. Scudder  
Page 2  
November 9, 2017

effectuated by the Department through automatic deductions in the state aid provided to the school district. At this time, there is no recommendation for the assessment of interest. We can discuss this further and may determine to impose interest on the unpaid balance in the future pursuant to N.J.S.A. 18A:7A-56(b).

Thank you for your prompt attention to this matter. If you have questions or require additional information, please contact Glenn Forney, executive director, Office of State Monitors at (609) 376-3954.

KH/KD/Gil/teh  
cc: Chris Huber  
Kevin Dehmer  
Yut'se Thomas  
Glenn Forney  
Amanda Schultz  
Cindy Lee  
David Ridolfino

TLS



State of New Jersey

OFFICE OF THE STATE TREASURER

PO Box 002

TRENTON, NJ 08625-0002

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

FORD M. SCUDDER  
State Treasurer

TO: Kimberley Harrington, Commissioner  
Department of Education

FROM: Ford M. Scudder *FMS*  
State Treasurer

DATE: November 22, 2017

SUBJECT: State Aid Advance for Lakewood School District under the *School District Fiscal Accountability Act*

Pursuant to the provisions of N.J.S.A.18A:7A-56 which allows the State to provide a loan to a school district faced with a fiscal crisis, you are hereby directed to advance the sum of \$8,522,678 from funds available in the School District Deficit Relief account (18-100-034-5120-489) to address Lakewood School District's deficit for the 2017-2018 school year. Please note that Lakewood is considered eligible for funding pursuant to the provisions of N.J.S.A.18A:7A-55 and as such may be approved for an advance in State aid to be repaid with a term of repayment not to exceed 10 years.

This payment shall be considered a loan according to the provisions of the law as specified above. Your request for a 10-year term of repayment has been approved, with repayment to be made through automatic deductions to the State aid provided to the school district, beginning in the 2018-2019 school year.

c: David Ridolfino  
Brian Francz  
Lynn Azarchi  
Hannah Good  
Alexander Sitts  
Glenn Forney

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