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VIA E-MAIL & VIA UPS OVERNIGHT MAIL

October 3, 2018

The Honorable Susan Scarola, ALJ Office of Administrative Law 9 Quakerbridge Plaza P.O. Box 049 Trenton, New Jersey 08625

Re: Alcantara, Leonor, Individually and as G/A/L for E.A. et. als.

V.

Hespie, David, Comm. of Ed., NJ State Bd. of Ed. & NJ Dept. of Ed.

OAL Dkt. No.: EDU-11069-2014 S / Agency Ref.: 156-6/14

Dear Judge Scarola:

As Your Honor is aware this office represents the interests of the Lakewood Township Board of Education ("Board" and/or "District") in connection with the above-referenced matter.

In response to the Certification of Glenn Forney, Deputy Assistant Commissioner within the New Jersey Department of Education ("NJDOE"), submitted by Deputy Attorney General, Jennifer Hoff on October 2, 2018 please be advised as follows:

The Honorable Susan Scarola, ALJ

Re: Alcantara et. als. v. Hespe et als.

OAL Dkt. No.: EDU-11069-2014 S / Ref.: 156-6/14

Page - 2 -

October 3, 2018

2015-2016

- 1. The Lakewood School District ("LSD") did receive a State aide *advance* in 2015-2016 in the sum of \$4,500,000.00 (**not** the \$5,640,183.00 listed by Mr. Forney in Paragraph 6, Page 3);
- 2. The Lakewood School District ("LSD"), however, did have a Budget Deficit of \$6,824,592.00 in the 2015-2016 school year;

2016-2017

- 3. The Lakewood School District ("LSD") did receive a State aid advance in 2016-2017 in the sum of \$5,640,183.00 (not in 2015-2016 as Mr. Forney certifies);
- 4. The Lakewood School District ("LSD") did have a Budget <u>Deficit</u> of \$ 4,353,898.00 according to the Districts Annual Audit Report dated <u>June 30, 2017</u> which was provided to the New Jersey Department of Education ("NJDOE") in accordance with law;¹

¹ In deference to Mr. Forney the Budget submitted to the State by the Lakewood School District for 2016-2017 initially did not project a Budget Deficit with a request for State aid advance. However, as the year progressed the District despite having already received millions of dollars of

State Aide Advances (Loans) ended the year with a Budget DEFICIT.

The Honorable Susan Scarola, ALJ

Re: Alcantara et. als. v. Hespe et als.

OAL Dkt. No.: EDU-11069-2014 S / Ref.: 156-6/14

Page - 3 -

October 3, 2018

2017-2018

- 5. The Lakewood School District ("LSD") did receive a State aid advance in 2017-2018 of \$8,522,678.00;
- The Lakewood School District ("LSD") is estimated to have <u>un</u>audited Budget Deficit of approximately \$4,000,000.00, information the State has been apprised of by the District and State Monitor;

Most importantly, since the <u>2015-2016</u> school year the Lakewood School District ("LSD") has been provided with State aide advances of **\$46,844,951.00** and has paid back *approximately* \$3,500,000.00 since the 2016-2017 school year including, but not limited to, this year, something the State does not deny.

2018-2019

7. The Lakewood School District ("LSD") did list, with DOE approval, in its Budget as a "receivable" a State aid advance ("Loan) of \$28,182,090.00, as this was the only way a "balanced" Budget could be presented.

Based on the above it remains our position that:

(1) Summary Judgment/Decision remains ripe, to wit, the 4

(four) areas of requested relief as delineated in the September 4th Petition; and

The Honorable Susan Scarola, ALJ

Re: Alcantara et. als. v. Hespe et als.

OAL Dkt. No.: EDU-11069-2014 S / Ref.: 156-6/14

Page - 4 -

October 3, 2018

(2) Should Summary Judgment/Decision not be granted the Lakewood School District ("LSD") should become a party herein so it can easily refute <u>in</u>correct assertions by the New Jersey Department of Education ("NJDOE") and/or provide a complete "lay of the land" in a timely fashion.

Respectfully submitted,

Michael I. Inzelbuch, Esquise MICHAEL I. INZELBUCH, ESQ.

MII/sn

cc: Arthur Lang, Esquire (for Petitioners)

Daniel Louis Grossman, Esquire (for Petitioners)

Paul Tractenberg, Esquire (Participant)

Jennifer Hoff, DAG (for Respondent)

Geoffrey N. Stark, DAG (for Respondent)

Lori Prapas, DAG (for Respondent)

Laura Winters, Superintendent of LBOE

Robert Finer, Interim BA

Board of Education Members

DICTATED ONLY