

New Jersey Department of Education
Comprehensive Accountability Office for State Supervised School Districts

Transition Plan for the Return of Local Control to Newark Public Schools

1st Annual Accountability Scorecard Report—January 30, 2019

MARCH 2019

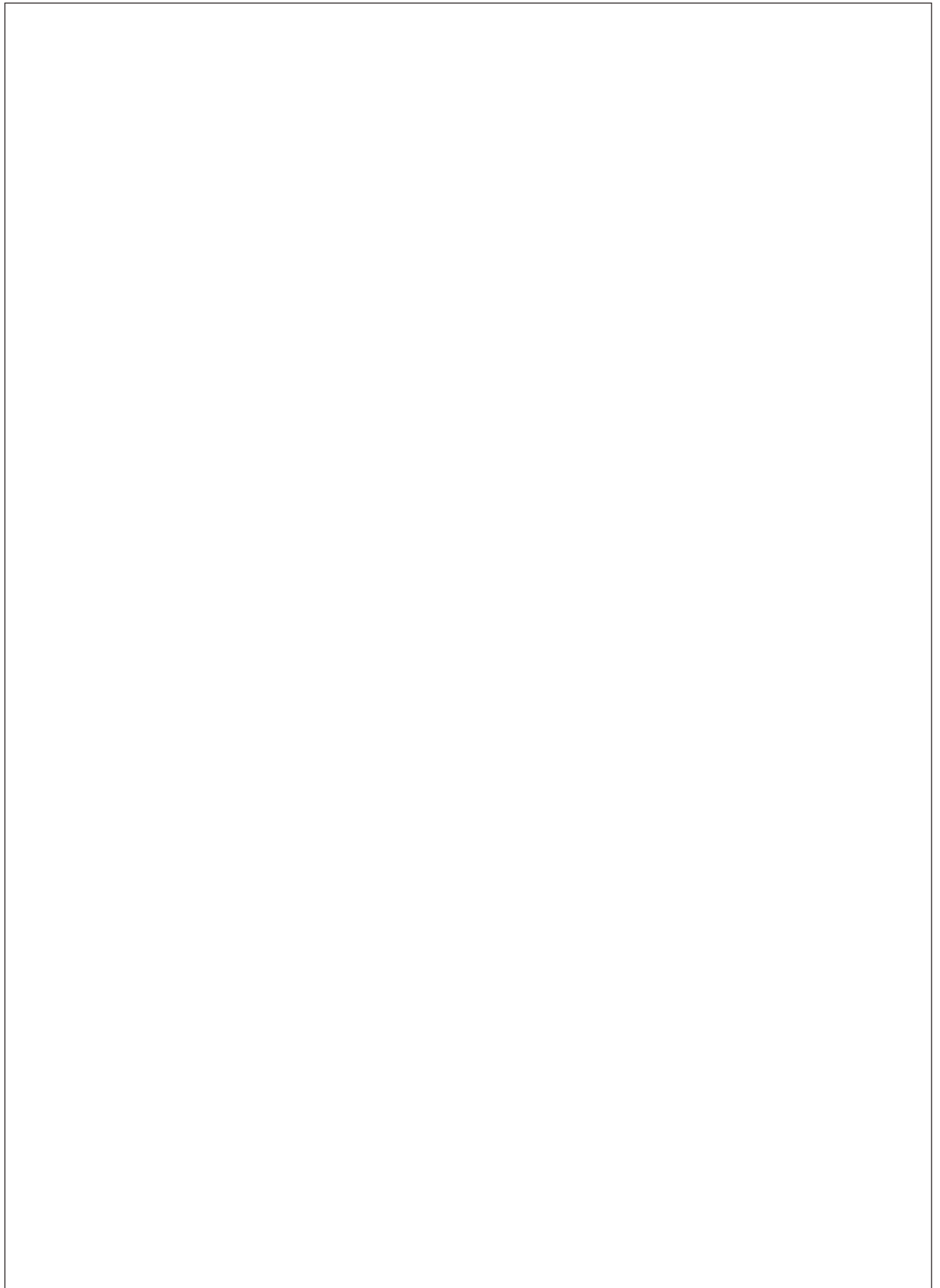
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STATE OF NEW JERSEY
DEPARTMENT OF EDUCATION



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SUMMARY

This report is the first of two Annual Reports of the Comprehensive Accountability Office (CAO) concerning the final phase of the transition of the Newark Public Schools from being a state supervised school district to full local control. It reports on the district's progress in meeting metrics described in an "Accountability Scorecard that is part of the Transition Plan to local control. The CAO finds that the NPS is achieving "substantially implemented" to "fully implemented" scores on the required metrics.

BACKGROUND

After more than two decades under full supervision by the State Department of Education, Newark Public Schools (NPS) continued its migration to full local control in February of 2018. The return of full local control, however, is predicated upon the district successfully meeting requirements of a Transition Plan (Plan) approved by the State Board of Education.

The Plan documents the process, actions, and commitments required by the District (its Administration and the now elected Board of Education, together) and the New Jersey Department of Education that allowed the State to withdraw from partial intervention in the areas of Governance and Instruction & Program. Successful and sustainable implementation will return authority and oversight over the District in its entirety to the local Board of Education. The State previously withdrew from areas of Operations, Fiscal Management, and Personnel.

The Plan notes that it "is predicated on optimism that progress will continue in the future." However, it also acknowledges that care and attention are required to prevent the District from regressing on efforts to improve and a return to the circumstances that led to State intervention. The Plan, therefore, provides "assistance, transparency, and accountability during the transition period and is designed to support sustainable improvements that will continue to benefit the children of Newark for many years to come." The plan thus created an "Accountability Scorecard" to measure the district's success in implementing these improvements.

The Plan notes that over the last few years the District has seen significant success in achieving its goals and demonstrating that progress is sustainable. As the end of the long process, the Plan requires the Department to continue its monitoring to ensure the plan is successfully implemented and is sustainable. The Plan is scheduled to expire on January 31, 2020, but the State Board of Education must find that NPS has satisfied all components of the Plan before the transition to local control is complete.

To support the transition effort, the state has appointed a "Highly Skilled Professional" (HSP) to assist in the implementation of the plan. In addition, the State has placed Auditors in the district to support budgetary and accounting integrity.

The final element of support is the creation of the "Comprehensive Accountability Office." Taken together, these elements, working in concert with the District and its combination of newly elected and remaining former advisory members¹ of the Board of Education and the board-appointed Superintendent are expected to lead the way to continued success for the students of Newark.

¹ The Board no longer acts as an Advisory Board. As of February 1, 2019, the Board was constituted as a full operating board. The remaining members who were initially appointed as advisory members will be subject to election as their terms expire.

THE COMPREHENSIVE ACCOUNTABILITY OFFICE

The Plan called for the State to partner with “an independent entity to form a Comprehensive Accountability Office (CAO) with the capacity to collect, analyze, and publish data regarding the ongoing operations and performance of school districts and boards recently exited from State intervention and returned to local control.” The NPS is the first district the CAO is tasked to support.

After a series of meetings with Department staff and consultants (which extended over the change in state administrations from 2017 into 2018), the Commissioner of Education, who oversees the work of the CAO, engaged the Bloustein Local Government Research Center, a unit of the Rutgers University Bloustein School of Planning and Public Policy to serve as the CAO under a contract with the Department. Bloustein Local is composed of individuals with deep experience in New Jersey state and local government activities, along with an understanding of public school administration that enables them to perform this task. The Commissioner has expressed full confidence in the capacity of Bloustein Local to fulfill the unique position of the CAO.²

The CAO is charged with gathering and analyzing data from the District and State (supported by the HSP) to monitor progress and compliance with the metrics established in the Plan’s Accountability Scorecard “to determine if the expectations for sustained progress and continual improvement continue to be met.”

Specifically, the CAO is responsible to:

1. Compile relevant data and information to establish the annual status of the District compared to the Scorecard metrics and providing information necessary to assess annual progress on the Plan.
2. Publish and present the data to the Department and to the public in a credible, digestible, and actionable way, such as through the development of an easy to understand dashboard of District performance that will be publicly available.

The CAO is to present observations and findings based on evidence, but not to express value interpretations concerning Scorecard compliance. Under the Plan, the CAO report findings (along with other inputs), if warranted, allows the Department to establish interventions to address concerns or deficiencies.

This report is the first of two required annual reports required under the Plan. As the initial effort, the website to present data is will not be available until several months after the publication of this report, but, is intended to be available by June 30th at the latest. That date coincides with a required semi-annual update by the CAO. However, this report contains web links to the evidence relied upon by the CAO for its observations. The material at those links will be copied to the website when it is completed.

² A biography of the CAO’s Principal Investigator, Marc Pfeiffer is included as an Appendix to the report.

THE SCORECARD AND ITS EVALUATION

The Accountability Scorecard is the core of the CAO's role. This table represents the expectations contained in the Transition Report on which the CAO conducts its efforts. Specifically, it is "to track and measure the District's progress toward implementing this transition plan, and a timetable for activities relating to and leading to the withdrawal of State intervention, which identifies and sequences the benchmarks laid out throughout this Plan in the appropriate sections."

The Scorecard tracks the Plan through five sections:

- Part 1 – Fundamental Considerations
- Part 2 – Governance
- Part 3 – Instruction and Program
- Part 4 – Fiscal Management
- Part 5 - Personnel

The Scorecard covers most, but not all the requirements in the Plan.³ It includes specific metrics and mechanisms for measurement that are aligned with the Plan. The work of the CAO is built on top of it. The Plan requires the CAO to assess compliance with the metrics through its measurement standards. The CAO's assessment is to be accompanied by documentation that supports its observations.

The Plan notes that it is not only the Scorecard, but that the Plan itself should be "seen as a complimentary process to the QSAC."⁴ The District is still expected to complete the annual Statement of Assurance required by the QSAC and prepare for QSAC monitoring as required. The District filed for "equivalency" of Instruction and Program Indicators during the 2016-2017 school year and approval was given by the Department for a three-year period. That approval will expire in 2020 and the District will need to determine by November 15, 2019 whether it wants the Department to evaluate it under the Instruction and Program Indicators that became effective on July 1, 2018 or whether it wants to submit a new equivalency request.

The Plan calls for each metric to be evaluated on the following scale:

1. **Not Implemented:** There is no significant evidence that the standard is implemented.
2. **Partially Implemented:** A partially implemented standard is being met in only a limited way.
3. **Substantially Meeting:** Most elements of the metric are being met and are sustainable.
4. **Fully Implemented:** All elements of the standard are substantially implemented, are sustainable, and have a process for ongoing evaluation.

Given the timing of this report and the expected phase-in of various plan elements, the CAO has added to the list a **Not Applicable (NA)** category, indicating that the metric cannot be measured at this time, but is expected to be measurable for subsequent reports.

The Scorecard with the evaluation results as of this time is provided as Table 1. During the review the CAO observed that the Mechanism for Measurement for Metrics 8 and 9 is "Report by State" was inconsistent with the Metric. Compliance with both metrics requires the submission of documents to the Department (State). These metrics do not require a report by the state; they require action by the district. Upon consultation with

³ The full scorecard, along with the current score, can be found on pages 19-20.

⁴ QSAC, the "Quality Single Accountability Continuum" is the N.J. Department of Education's monitoring and district self-evaluation system for public school districts. www.state.nj.us/education/genfo/qsac/

the Department and the district, it was concluded the only valid meaning of the measurement is the filing of documents with the Department. Based on the foregoing, the CAO's observations are based on this adjustment and the report reflects the change **from by to to for Metrics 8 and 9.**

CAO REVIEW AND OBSERVATIONS

The Plan requires the CAO report to “score” the District’s efforts toward maintaining “substantial and sustained” progress toward meeting the expectations of the Plan. In its agreement with the Department, the work of the CAO does not include any interpretation or analysis of the data (i.e., could something have been done differently, or evaluating the quality of a presentation). It further reflects that the CAO “must remain neutral and not engage in interpretation, other than its role to ensure, to the extent reasonably possible, the reliability of the data.”

While the Plan’s expectation of the CAO to not interpret data is conceptually well-intended, in practice, the obligation to evaluate the status of each metric requires some level of limited judgment. Judgment, however, is inherent when it comes to meeting the intent and requirements of the project. The CAO has taken care to remain neutral in making these assessments. Upon review of the online documentation, interested parties may have different interpretations, as reasonable people may view content, data and observations from different perspectives.

In conducting its task, the CAO relied heavily on the HSP to gather and provide documentation for evaluation, as well as observations on district activities. Some judgment was exercised to request supplemental data as determined necessary to make observations. Further, while the Plan anticipated that district officials would provide certain reports, it was found that the routine activities of these individuals (such as the Superintendent or School Business Administrator) did not result in the specific reports anticipated by the Plan. In these cases, the CAO relied on documentation provided by their offices to reflect their actions or requested supplemental information.

Outside of two meetings with the HSP, the CAO’s only meeting with District staff was with members of the School Business Administrator’s office. This was for a review of the budget process and related fiscal matters. All other communications were through telephone or email inquiries and responses. Thus, the CAO’s evaluation is based on the several meetings, the CAO’s review of NPS documentation provided by the HSP and supplemental information requested by the CAO, all intended to reflect the “Mechanism for Measurement” for each metric.

EVALUATING AND SCORING EACH METRIC

The specific observations of the CAO are reflected on the following tables. There is a separate table for each metric. Each metric is shown by category and Plan element, along with the associated Mechanism for Measurement. A documentation list is provided for each item; these are the documents the CAO used to reach its observations. While all the listed documents will be posted on the forthcoming website, the documents are currently linked to a webserver maintained by the CAO. Where an external news website is included it was as a reference from the HSP. In some cases, the table combines two related metrics in the same section (but separately scored) as they are closely linked.

Each metric includes an “Evaluation Comment” and “Finding” on the metric; this is the CAO’s observation on the information and the conclusion reached. This is reflected in the 1-4 numeric score (referred to earlier) assigned to the metric.

ACKNOWLEDGEMENTS

The CAO expresses its appreciation and thanks to the Highly Specialized Professional, Ms. Anzella Nelms, for her support, preparation, diligence, and thorough efforts to advise the CAO and provide organized and timely information as requested. Appreciation is also extended to Newark School Business Administrator Ms. Valerie Wilson, SBA, QPA, for her and the efforts of her team to provide information and documents as requested, and other staff members who provided requested information.

NPS Transition Metric Analysis

| | | |
|---|---|----------|
| Part 1: Fundamental Considerations | | 3 |
| <i>Section 7: Consequences for Not Meeting the Expectations of the Full Transition Plan</i> | | Score |
| Metric # 1 | The Board does not exhibit a pattern of violations (egregious or otherwise) of the School Ethics Act. | |
| Mechanism for Measurement | Observation by HSP, School Ethics Commission decisions | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ Excerpt of slide deck highlighting consequences for not meeting transition plan expectations ▪ TAPintoNewark article – 11/6/18: describes board structure election vote results and TAPintoNewark article – 8/29/18 describing language for referendum question ▪ HSP Report on Board and Ethics Activities – 1/31/19 ▪ NPS HSP Notebook/Part 1-Fundamentals/Vote Info Flyer | | |

Evaluation Comment: Board members were advised of expectations; voter referendum on board structure highlighted need for ethics and integrity. As of this report, no School Ethics Board complaints are known to have been filed against Board members.

Finding: Full compliance with this metric will only be known through the passage of time. At this time the School Ethics Commission has not released any decisions involving members of the Board nor are any complaints known to have been filed.

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| Part 1: Fundamental Considerations | | 4 |
| <i>Section 7: Consequences for Not Meeting the Expectations of the Full Transition Plan</i> | | Score |
| Metric # 2 | The Board adheres to the Conflict of Interest laws and nepotism policy in making personnel decisions and its role in personnel decisions is in line with the division of responsibilities detailed in the plan in Section 7. | |
| Mechanism for Measurement | Observation by HSP, NPS Chief Talent Officer report | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ Board members have been trained on conflict of interest policies (Ethics Presentation of 12-17/18) ▪ Chief Talent Officer certification of 1/23 affirming compliance and ongoing reinforcement of requirements | | |

Evaluation Comment: Board members have received focused training and periodic reinforcement of their responsibilities.

Finding: At this time the Board is in full compliance with the Metric and it appears compliance is sustainable.

NPS Transition Metric Analysis

| Part II: Governance | | |
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| <i>Section 2: Ethics Training for BOE and Senior Officials</i> | | |
| Metric # 3a | All trainings are completed on time by a quorum of the board members. | 4 |
| Metric # 3b | All trainings are completed by each member of the full BOE within 1 month of the deadline. | 4 |
| Mechanism for Measurement | Sign-in sheets, observation by HSP | Score |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ Agenda for Board Meeting of 6/20/18 – Board of Education Retreat ▪ Board Roll Call (1 late, 2 absent and staff (19) sign-in sheet) ▪ Copy of NJ School Board Association Slide Presentation: “Ethics for School Officials” attended by HSP ▪ Sign in-sheet from supplemental training 8-16-18 ▪ HSP Observations | | |

Evaluation Comment: The Plan required Ethics training to be completed by 2/1/18. This was not done until 6/20/18. All but two board members attended the 6/20 meeting; one missed 90 minutes. The HSP advises that those who missed the sessions made them up.

Finding: District is in full compliance.

| Part II: Governance | | |
|--|----------------|------------|
| <i>Section 2: Unmarked Training Plan Element: Governance Best Practices (this element is not listed as a metric but is included in the Transition Training Plan. It is included here for the record.)</i> | | N/A |
| Mechanism for Measurement | Not applicable | Score |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ Slide deck of NJSBA Personnel Training presentation on 12/9 and sign-in sheet ▪ Governance III - Student Achievement ▪ NJSBA Transcripts of Board member course attendance | | |

Evaluation Comment: State law requires all Board members to take three courses (Governance I, II, and III) provided by the NJ School Boards Association. Board members are required to take at least one of the courses annually over the three years of their first term (there is a fourth course for re-elected members). As of this report, all Board members have taken NJSBA Governance I course that includes Ethics, and those appointed two or three years ago have taken their required courses. It is fully expected that members will take complete their required courses (based on when they joined the Board) in the Fall of 2019 Senior staff members have also taken ethics courses.

Finding: District is in substantial compliance at this time. Sustainability is expected as the courses are required of board members.

NPS Transition Metric Analysis

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| Part II: Governance | | 4 |
| <i>Section 7: Search for Successor Superintendent</i> | | |
| Metric # 4 | The superintendent search meets all five requirements in conducting the search, as described in the Plan. | Score |
| Mechanism for Measurement | Observation by HSP, observation and report by state representative on search committee, report by selected search firm | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ Award of contract for search firm ▪ Request for Proposal for search firm documentation (RFP 8862) ▪ Search firm's proposal (HYA) ▪ Search timeline/advertisement ▪ Search firm Focus group list ▪ Email on search outreach status ▪ Community letters on outreach process ▪ Search firm status report; community meeting outcomes ▪ Community meeting with candidate's documentation, 5/18-19/2018 ▪ HSP June 30, 2018 report ▪ Minutes of Board Search Committee prepared by the State Representative - 3/19 and 4/10/18 ▪ Superintendent Appointment Resolution | | |
| <p>Evaluation Comment: The plan established five requirements concerning the search: 1) National in scope; 2) Conducted by a reputable search for obtained by a formal RPF process; 3) Include community input to the candidate profile; 4) Generate a selection committee to make final recommendation; 5) Make a final recommendation by 5/31/18. The documentation shows that the five requirements were integral to the District's process.</p> | | |
| <p>Finding: It is clear that all requirements were included, and deadlines met. The completed process fully implemented this Metric.</p> | | |

NPS Transition Metric Analysis

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| Part II: Governance | | 4 |
| <i>Section 7: Search for Successor Superintendent</i> | | |
| Metric # 5 | The Board and search committee substantially meet timelines and deadlines laid out in the Plan. | Score |
| Mechanism for Measurement | Report by state representative on search committee, report by selected search firm | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ Award of contract for search firm ▪ Request for Proposal for search firm documentation (RFP 8862) ▪ Search firm's proposal (HYA) ▪ Search timeline/advertisement ▪ Search firm Focus group list ▪ Email on search outreach status ▪ Community letters on outreach process ▪ Search firm status report; community meeting outcomes ▪ Community meeting with candidate's documentation, 5/18-19/2018 ▪ HSP June 30, 2018 report ▪ Minutes of Board Search Committee prepared by the State Representative - 3/19/18 and 4/10/18 | | |

Evaluation Comment: Timelines and deadlines were met. The effort led by the Board, consultant, and Selection Committee met the established criteria. The search firm did not recommend a final candidate but recommended several finalists for Board consideration.

Finding: The metric has been fully implemented.

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| Part II: Governance | | N/A |
| <i>Section 9: Evaluation of the Superintendent</i> | | |
| Metric # 6 | The Board adheres to all three requirements of evaluating the successor superintendent, as described in the Plan, upon the conclusion of the successor superintendent's first school year and annually thereafter. | Score |
| Mechanism for Measurement | Observation by HSP, report by successor superintendent | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ HSP June 30, 2018 report and October 16, 2018 Staff Meeting presentation ▪ Board members received training as part of their retreat on 6/20/18. Material is also covered in NJSBA Governance I course. | | |

Evaluation Comment: Since the first school year of the successor superintendent began on 7/1/18, the first annual review will not be completed until after June 30, 2019. At that time, the evaluation is expected to include the three requirements: 1) Set annual goals aligned with the District's strategic plan for which the Superintendent will be evaluated including, at a minimum, outcomes for student academic growth and achievement; 2) Follow all appropriate ethics guidelines around confidentiality of personnel matters, of which the Superintendent's evaluation is one; and 3) reflect the statutorily required training provided by the New Jersey School Boards Association to new board members.

Finding: Not Applicable at this time.

NPS Transition Metric Analysis

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| Part II: Governance | | 4 |
| <i>Section 1.3: Expectations Regarding Additional Initiatives</i> | | |
| Metric # 7 | The Board and District adhere to all requirements and expectations around student enrollment described in the Plan. | Score |
| Mechanism for Measurement | Observation by HSP, review by CAO of publicly available enrollment materials | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ Newark Enrolls Document/Image Collection: includes Marketing and Communication Plan, social media links, phone messaging plan, public flyers and photos of promotional items ▪ Family Support Center public information presentation ▪ Family Support Center Senior Manager Job Description ▪ Observation by HSP | | |

Evaluation Comment: The metric highlights that the process in place at the time of plan adoption would be followed. Review of the “Newark Enrolls” materials provided by the District showed the process to be thorough and in-depth concerning how the Newark Enrolls enrollment plan was disseminated to the public. The Observations of the HSP highlight engagement with the Charter schools and overall positive evaluation of the enrollment process in context of the Transition Plan. Local media articles reviewed in context of this metric, however, highlight a mix of community views about the current process. They may serve as input for Superintendent and Board decisions to be made concerning potential modifications to the system, but do not affect this evaluation.

Finding: The District met the requirements of the Plan. It is clear however, that enrollment practices will continue to an important component of the districts policies and practices going forward.

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| Part III: Instruction and Program | | 4 |
| <i>Section 2: Student Performance Data</i> | | |
| Metric # 8 | The District calculates and submits data analysis for the Instruction and Program Equivalency on time (Fall 2018, when PARCC SGP and graduation data become available). | Score |
| Mechanism for Measurement | Report to State | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ 2018 Equivalency Application Data sheet submitted in June, 2018 ▪ Superintendent's Report on P&I and PARCC Data ▪ HSP Report on Metric 8 | | |

Evaluation Comment: The district used the data available from SY 2016/2017 to prepare the report submitted to the Department in June 2018. While not required by the metric, the report was reviewed by various professional staff and the Board at meetings in August of 2018.

Finding: The District fulfilled the requirement of the metric.

NPS Transition Metric Analysis

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| Part III: Instruction and Program | | N/A |
| <i>Section 2: Student Performance Data</i> | | |
| Metric # 9 | The District decides and communicates to the State about whether to apply for an extension of its equivalency or its intention to be evaluated going forward by recently revised QSAC I&P metrics. | Score |
| Mechanism for Measurement | Report to State | |

Evaluation Comment: NPS is scheduled for QSAC monitoring in 2019-2020. This means their District Performance Review (i.e., their self-assessment under the indicators in the 5 QSAC areas) must be submitted to the Department by November 15, 2019. If they do not want to be evaluated under the new QSAC I&P indicators, their equivalency request will also be due, so the district must act later this year to submit their I&P scores or an equivalency by November 15, 2019.

Finding: Not Applicable at this time.

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| Part III: Instruction and Program | | |
| <i>Section 4: Professional Development for the BOE and Senior Staff regarding Instruction and Program Best Practices</i> | | |
| Metric # 10a | All trainings are completed on time by a quorum of the board members. | 4 |
| Metric # 10b | All trainings are completed by each member of the full BOE within 1 month of the deadline. | 4 |
| Mechanism for Measurement | Sign-in sheets, Observation and report by HSP | Score |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ I&P District Training Presentation ▪ Presentation: Using the NJSLs, PARCC, and Quality Instruction to Improve Student Achievement, 4/28/18 Board Retreat and roll call sheet. The material documents that one Board member was absent from that session but made it up at a subsequent session. | | |
| The HSP reports that in addition to the two presentations, PARCC data was presented at a Principal/Administrator Orientation at Montclair State University on 8/18/18; a Board/Senior Staff Retreat on 8/26/18; and the Teacher/Staff Convocation on 8/28/18. | | |

Evaluation Comment: The Board completed this metric by the Plan date of May 1, 2018. Supplemental material was subsequently provided to the board during August trainings. Additional training to all teachers was provide in August, prior to start the school year.

Finding: This metric has been fully implemented.

NPS Transition Metric Analysis

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| Part IV: Fiscal Management | | 4 |
| <i>Section 2: Basic Fiscal Obligations: Budget Requirements and Best Practices</i> | | |
| Metric # 11a | The District prepares a balanced annual budget based on expense analysis, discussions with individual departments, and incorporation of anticipated new needs and cost increases. | Score |
| Mechanism for Measurement | Board meeting and Finance Committee minutes, observation and report by HSP, report by Superintendent, report by School Business Administrator and Chief Financial Officer. | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ HSP June 30, 2018 report ▪ 11/7/18 Fiscal Management and Operations Meeting Outline ▪ Budget Planning Retreat Presentation 12-15-18 ▪ Superintendent's Bulletin #24 – Budget Calendar for FY 2019-2020 ▪ School Business Administrator Budget Memo to Principals_1-24-19 ▪ 2019 Budget Preparation Instructions to Assistant Superintendents – 1/23/19 ▪ Budget Process Presentation to Staff – 1/9/19 ▪ Individual School Budget Meeting Review Calendar ▪ Samples of Individual High School and Elementary School Budget Planning Documents – part of MyBudgetFile budget development software application | | |

Evaluation Comment: (This Comment also applies to Metrics 11b and 11c). The budget development material is based on the School Year 2019-2020 budget, which was under development when this report was drafted.

The District uses third party software, My Budget File, that has been customized to meet the district's budgetary needs. The budget process provides for the development of budget models using several approaches, driven by unit costs and staffing standards and subject to request-based modifications by School Principals and Department Directors. The school budget process uses a Foundation base model, Weighted Student Funding revenue model, a "Bottoms Up" model based on standards for schools and student population needs, and a staffing "floor plan." This process is supported with standard costs, and support to each school/department from the Budget Office. A sample budget form is part of the online documentation.

Each school principal and their Assistant Superintendent schedule a public budget meeting in each school for parents and others to learn and ask questions about the budget, which is introduced by a template-based budget presentation. Principals and department heads meet with their supervisors (e.g., Assistant Superintendent), and then with senior staff in organized budget review meetings to develop the Superintendent's budget that is proposed to the Board. Once this process is complete, the proposed budget is reviewed by the Board Budget Committee, and subject to another public hearing, before the Board finalizes the budget.

Finding: The presentation by the Administration, documentation, and demonstration of the computer-driven budget system provides an adequate basis for analysis. The District's Administration has developed a comprehensive budget development system, that when combined with its management system appears to meet the needs of a variety of different users. While no budget model is perfect and without complexity, it appears this system and the underlying management practices meets the needs of the District and this metric. Its sustainability is solely dependent on the attention of senior leadership and the Board to maintain this effort.

NPS Transition Metric Analysis

| Part IV: Fiscal Management | | |
|---|--|----------|
| <i>Section 2: Basic Fiscal Obligations: Budget Requirements and Best Practices</i> | | |
| Metric # 11b | The Board approves a balanced budget on time. | 3 |
| Metric # 11c | The Board engages appropriately with the District in the development of the Budget. | 3 |
| Mechanism for Measurement | Board meeting and Finance Committee minutes, observation and report by HSP, report by Superintendent, report by School Business Administrator and Chief Financial Officer. | Score |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ HSP June 30, 2018 report ▪ Budget Committee meeting document collection (minutes, presentations, sign-in sheets) January – March 2018 ▪ NPS Budget Hearing Presentation – 5/10/18 ▪ Final - Advertised Budget - FY-2018-2019 ▪ Approval of the 2018-2019 Budget Resolution ▪ Newark Board of Education Board Retreat - December 15, 2018 (for the 2019-20 school year) | | |

Evaluation Comment: The documentation and analysis are based on the 2018-2019 budget currently in place. The Board's process (at the time, an Advisory Board) reflected a board sub-committee and full board engagement with the budget, preceded by the budget development process that includes school-based public input. Minutes of Board Budget Committee meetings indicate a clarity of presentation by the Administration and engagement by the Committee.

Finding: As the SY 2019-2020 budget process is underway as this report is written, a full evaluation cannot be made. However, if the budget review process followed for 2018-2019 is followed (or treated as a minimum), the District will be consistent with this metric. A sustainability judgment can only be made with the passing of time.

NPS Transition Metric Analysis

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|---|---|----------|
| Part IV: Fiscal Management | | 3 |
| <i>Section 2: Basic Fiscal Obligations: Budget Requirements and Best Practices</i> | | |
| Metric # 12 | Schools are allocated funding based on school-based budgeting focused on equity and transparency in school allocations. | Score |
| Mechanism for Measurement | Review of District’s budget development files and School Business Administrator’s board and public presentations | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ HSP June 30, 2018 report ▪ 11/7/18 Fiscal Management and Operations Meeting Outline ▪ SBA Budget memo to Principals ▪ Budget Planning Retreat presentation – 12/15/18 ▪ Superintendent’s Bulletin #24 – Budget Calendar for FY 2019-2020 ▪ Budget Process Presentation to Staff – 1/9/19 ▪ School Business Administrator Budget Memo to Principals_1-24-19 ▪ 2019 Budget Preparation Instructions to Assistant Superintendents – 1/23/19 ▪ Individual School Budget Meeting Review Calendar ▪ Samples of Individual High School and Elementary School Budget Planning Documents – part of MyBudgetFile budget development software application | | |

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| <p>Evaluation Comment: This metric is effectively a subset of metric #11a. The core of the school driven elements of the budget are based on students enrolled at each school, system-wide revenue and cost standards, but subject to school-based leadership and public input to address circumstances unique to that school, and a decision-making process that can take those elements into account. This is consistent with state aid funding formulas and need assessment processes.</p> |
| <p>Finding: Funding decisions made for scores of schools and central departments rarely satisfy all constituents at a 100% level. The process used by the District is focused on transparency, compliance, equity, and consistency. In doing so, it provides for consideration of outlier circumstances and legal requirements. Maintained over time, this model can effectively meet the wide variety of needs reflected by students, parents, administrators, front-line instructors, specialists, and support employees.</p> |

NPS Transition Metric Analysis

| Part IV: Fiscal Management | | |
|---|--|----------|
| <i>Section 2: Basic Fiscal Obligations: Budget Requirements and Best Practices</i> | | |
| Metric # 13a | The monthly Board Secretary's report is completed and reconciled without exceptions as described in the Plan. | 4 |
| Metric # 13b | Three times a year the District presents a fiscal forecast for the remainder of the year to the Board, as described in the Plan. | 4 |
| Mechanism for Measurement | Three times a year the District presents a fiscal forecast for the remainder of the year to the Board, as described in the Plan. | Score |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ HSP June 30, 2018 report ▪ Sample Fiscal Reporting forms: Treasurer's Report (A-148) and Bank Reconciliations (A-149) Board Secretary Budget Report for October 2018 ▪ FY 18-19 Financial Quarterly Update (12/11/18) | | |

Evaluation Comment: Monthly Board Secretary reports are prepared on time and in proper form. The Business Office prepares quarterly updates; the last observed one was in December 2018. The practices appear to be routine and reliable.

Finding: As this metric requires a continuing effort (fiscal forecasts throughout the year), it cannot be deemed complete, but is implemented and sustainable.

| Part IV: Fiscal Management | | 4 |
|---|--|----------|
| <i>Section 2: Basic Fiscal Obligations: Budget Requirements and Best Practices</i> | | |
| Metric # 14 | At least monthly, the district prepares and analyzes fiscal year cash flow management for all funds, all payments are made on a prompt basis, and reimbursement requests for federal grant awards are submitted in a timely manner for the actual amount of incurred expenditures. | Score |
| Mechanism for Measurement | Observation by HSP, Report by School Business Administrator | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ HSP June 30, 2018 report ▪ Bill List and Claims – 1-14-19 ▪ Cash Flow Report – 12/31/19 ▪ ESEA and IDEA Grant Reports – 12-31-19 ▪ HSP Fiscal Management & Operations Meeting ▪ Overview/Sample of NPS (Fiscal) Procedural Manuals ▪ CAO Meeting with School Business Administrator and Fiscal Office Staff | | |

Evaluation Comment: This metric reflects expected practices of school business offices. Documents were provided by the School Business Administrator and a meeting held with Fiscal Office staff to review practices that are supported by the documentation. The presence of detailed fiscal practice Procedural Manuals provides a basis for sound fiscal management sustainability.

Finding: This evaluation is based on review of samples and discussion. While gaps in systems might occur for a range of reasons, the current practices appear to meet the metric. They are consistent with sound fiscal practice and administration; and the technical and management attention environment can ensure sustainability.

NPS Transition Metric Analysis

| | | |
|---|---|----------|
| Part IV: Fiscal Management | | 4 |
| <i>Section 2: Basic Fiscal Obligations: Budget Requirements and Best Practices</i> | | |
| Metric # 15 | The District ends the year with no deficit balances and no line item over appropriated expenditures by more than 10% in the general fund, special revenue fund, capital projects fund or debt service fund (other than permitted under state law and GAAP). | Score |
| Mechanism for Measurement | Year-end CAFR. | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ NPS Consolidated Annual Financial Report (CAFR) 2016-1017 ▪ Overview/Sample of NPS (Fiscal) Procedural Manuals | | |

Evaluation Comment: A review of the CAFR showed that this metric was met, and any inconsistencies are permitted under state law and GAAP. It is important to note that all New Jersey School Districts CAFR's will show some anomalies in financial reporting due to state laws regarding financial assistance and the related accounting practices. These factors have been considered in this evaluation. The CAFR also noted that the District has consistently received awards for Excellence in Financial Reporting from the Association of School Business Officials International. The district has received award for its budgeting practices as well. The presence of detailed fiscal practice Procedural Manuals provides a basis for sound fiscal management sustainability.

Finding: Compliance is consistent with the other metrics for Fiscal Management. It meets the metric and the current management environment leads to a conclusion that it is sustainable over time.

| | | |
|--|--|----------|
| Part IV: Fiscal Management | | |
| <i>Section 3: Professional Development for the BOE and Senior Staff regarding Fiscal Management Best Practices</i> | | |
| Metric # 16a | All trainings are completed on time by a quorum of the board members. | 3 |
| Metric # 16b | All trainings are completed by each member of the full BOE within 1 month of the deadline. | 3 |
| Mechanism for Measurement | Sign-in sheets, Observation by HSP | Score |
| Documents Reviewed | | |
| HSP observations note that the training is included in NJSBA Governance II course; and supplemented by the Foundations for Success - Finance Course, plus various training elements at Board retreats. Newer Board members will be taking the Governance II course in 10/19. | | |

Evaluation Comment: There is no hard deadline for this training as it is ongoing, but Board members receive training through the required NJSBA course and supplemented by periodic coverage in board retreats.

Finding: As this is an ongoing activity, it is found that the Metric is Substantially Implemented.

NPS Transition Metric Analysis

| Part V: Personnel | | 2 |
|--|---|----------|
| <i>Section 4: Expectations Regarding Additional Personnel Initiatives</i> | | |
| Metric # 17 | The District continues to implement AchieveNJ, using both the NPS Framework for Effective Teaching and the NPS Leadership Framework. This includes training school leaders to rigorously and fairly evaluate teachers, supporting teachers based on their evaluations, and exiting low-performing staff when appropriate. | Score |
| Mechanism for Measurement | Observation by HSP | |
| Documents Reviewed | | |
| <ul style="list-style-type: none"> ▪ Training: Presentation "The Evaluation Process" and Sign-in sheets 8-20-18 ▪ Training: Presentation "New Administrator Training for Evaluation and Coaching" and sign-in sheet 8-22-18 ▪ Training: Presentation "NPS New Teacher Orientation" and computerized sign-in sheet 8-27-18 | | |
| Evaluation Comment: The HSP attended the training sessions and they were found to be appropriate to the audience. | | |
| Finding: It is too soon to gauge the effectiveness of the training programs. A subsequent evaluation by the HSP will be required to determine the effect of the training and its sustainability. | | |

ACCOUNTABILITY SCORECARD

RESULTS AS OF JANUARY 2019 OBSERVATION

The Department of Education anticipated that the NPS was well-positioned to implement the Plan and anticipated successful scores on the metrics. The scores bear out this anticipation.

| PLAN SECTION | # | METRIC | STATUS |
|---|----|--|------------|
| Part I: Fundamental Considerations | | | |
| Section 7: Consequences for Not Meeting the Expectations of the Full Transition Plan | 1 | The Board does not exhibit a pattern of violations (egregious or otherwise) of the School Ethics Act. | 3 |
| | 2 | The Board adheres to the Conflict of Interest laws and nepotism policy in making personnel decisions and its role in personnel decisions is in line with the division of responsibilities detailed in the plan in Section 7. | 4 |
| Part II: Governance | | | |
| Section 2: Ethics Training for BOE and Senior Officials | 3 | All trainings are completed on time by a quorum of the board members. | 4 |
| | | All trainings are completed by each member of the full BOE within 1 month of the deadline. | 3 |
| Section 7: Search for Successor Superintendent | 4 | The superintendent search meets all five requirements in conducting the search, as described in the Plan. | 4 |
| | 5 | The Board and search committee substantially meet timelines and deadlines laid out in the Plan. | 4 |
| Section 9: Evaluation of the Superintendent | 6 | The Board adheres to all three requirements of evaluating the successor superintendent, as described in the Plan, upon the conclusion of the successor superintendent's first school year and annually thereafter. | N/A |
| Section 13: Expectations Regarding Additional Initiatives | 7 | The Board and District adhere to all requirements and expectations around student enrollment described in the Plan. | 4 |
| Part III: Instruction and Program | | | |
| Section 2: Student Performance Data | 8 | The District calculates and submits data analysis for the Instruction and Program Equivalency on time (Fall 2018, when PARCC SGP and graduation data become available). | N/A |
| | 9 | The District makes a decision and communicates to the State about whether to apply for an extension of its equivalency or its intention to be evaluated going forward by recently revised QSAC I&P metrics. | N/A |
| Section 4: Professional Development for the BOE and Senior Staff regarding Instruction and Program Best Practices | 10 | All trainings are completed on time by a quorum of the board members. | 4 |
| | | All trainings are completed by each member of the full BOE within 1 month of the deadline. | 4 |

| PLAN SECTION | # | METRIC | STATUS |
|---|----------|---|---------------|
| <i>Part IV: Fiscal Management</i> | | | |
| Section 2: Basic Fiscal Obligations: Budget Requirements and Best Practices | 11 | The District prepares a balanced annual budget based on expense analysis, discussions with individual departments, and incorporation of anticipated new needs and cost increases. | 4 |
| | | The Board approves a balanced budget on time. | 3 |
| | | The Board engages appropriately with the District in the development of the Budget. | 3 |
| | 12 | Schools are allocated funding based on school-based budgeting focused on equity and transparency in school allocations. | 3 |
| | 13 | The monthly Board Secretary's report is completed and reconciled without exceptions as described in the Plan. | 4 |
| | | Three times a year the District presents a fiscal forecast for the remainder of the year to the Board, as described in the Plan. | 4 |
| | 14 | At least monthly, the district prepares and analyzes fiscal year cash flow management for all funds, all payments are made on a prompt basis, and reimbursement requests for federal grant awards are submitted in a timely manner for the actual amount of incurred expenditures. | 4 |
| | 15 | The District ends the year with no deficit balances and no line item over appropriated expenditures by more than 10% in the general fund, special revenue fund, capital projects fund or debt service fund (other than permitted under state law and GAAP). | 4 |
| Section 3: Professional Development for the BOE and Senior Staff Regarding Fiscal Management Best Practices | 16 | All trainings are completed on time by a quorum of the board members. | 3 |
| | | All trainings are completed by each member of the full BOE within 1 month of the deadline. | 3 |
| <i>Part V - Personnel</i> | | | |
| Section 4: Expectations Regarding Additional Personnel Initiatives | 17 | The District continues to implement AchieveNJ, using both the NPS Framework for Effective Teaching and the NPS Leadership Framework. This includes training school leaders to rigorously and fairly evaluate teachers, supporting teachers based on their evaluations, and exiting low-performing staff when appropriate. | 2 |

NPS Transition Metric Analysis

APPENDIX

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Research Interests

Municipal Governments

Finance and Property Taxation

Public Contracting

Shared Government Services

Technology

Energy management

Marc H. Pfeiffer retired in 2012 from a 37-year career in New Jersey local government administration, having served as a municipal administrator in several municipalities, and 26 years of service in the State's local government oversight agency, the Division of Local Government Services. At DLGS he served as Deputy Director for 14 years, and periodically as Acting Director. He is now in this third public service career at the Bloustein School where he continues to assist state and local government officials and the public on a range of public policy and administrative matters.

Marc has broad experience in many areas of local government policy and administration, including specific expertise in areas such as finance and property taxation, public procurement, shared services and consolidation, technology, energy, labor relations, and general local and state government administration. He also has deep experience in the legislative process and as a regulatory officer.

In addition to participating in Bloustein Local, Marc makes his extensive government experience available as a guest lecturer, conference presenter, and other collaborative efforts. He is also assisting the Rutgers School of Public Affairs and Administration with the State's Certified Public Manager Program in curriculum development and instruction.

He also serves as the Principal Investigator for Bloustein Local in its capacity as the N.J. Department of Education's Chief Accountability Office for state supervised school districts in the process of exiting state supervision.



The Bloustein Local Government Research Center

New Jersey is served by more than 1,500 distinct local government agencies: municipalities, school districts, utilities, counties, and more. Yet, even with this wealth of opportunity, precious little substantive research has been done within the local government environment to inform some of our state's most pressing policy issues.

The **Bloustein Local Government Research Center**, or **Bloustein Local** <http://blousteinlocal.rutgers.edu/>, serves as a focal point and engages in a range of services, including:

- Encouraging and conducting applied and academic research on local government fiscal and administrative issues, emphasizing application and support to New Jersey local government.
- Developing resources that can assist others in conducting research and analysis.
- Organizing and hosting conferences and symposia on New Jersey local government fiscal and administrative issues.
- Supporting New Jersey local government fiscal and administrative policy development, implementation, and analysis through contract research and on-call advice for organizations and institutions that engage in local government policy setting and policymaking.
- Promoting and increasing public understanding of local government issues by partnering with and supporting civic and media organizations that inform and educate the public on local government matters.

A list of the Center's current projects may be found online at <http://blousteinlocal.rutgers.edu/projects/>.

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