

April 16, 2018

MaryEllen Elia
Commissioner of Education
New York State Education Department
89 Washington Avenue
Albany, New York 12234

Re: Second Quarter Report - Hempstead Public Schools

Dear Commissioner Elia:

In my first quarterly report I covered the period from the first week in October through January 19, 2018. The second quarterly report covers the three months ending Friday April 13. As with the initial assessment and recommendations and the first quarterly report, this report is divided into 10 sections covering ten different areas of District operations.

In my initial report I noted that many of the people with whom I had spoken “reflected genuine optimism that what should be done could be done”. I shared that optimism then. I still do. While progress has been made in many areas, the work has just begun. Very substantial challenges remain, however.

The most significant of those challenges lies with the governance of the school district. As I indicated in my initial report, concerns regarding the Board of Education’s practices were at or near the top of issues identified by most parents, community members and HUFSD staff. I will discuss this further in the governance section of this report but I believe that it is an open question as to whether the members of the Board have the capacity---or even the willingness---to work together on issues of substance for the benefit of students. I can say that the Board has undertaken quite a number of positive actions over the past three months. These should not be minimized. They are significant and much needed. However, the threshold question remains an open one.

1. GOVERNANCE

In my initial report I identified governance as the single most significant barrier to the district focusing its efforts and resources on the education of its students (Page 4). Furthermore, to underscore the point I quoted a similar comment from Commissioner’s Decision No. 17,263:

“I again admonish the district and the board, as I have in previous appeals, to take all steps necessary to ensure that such controversy does not continue and that the district’s leadership and resources are focused on the paramount goal of providing successful outcomes for students.” (Pg. 4)

In my recommendations (Page 7), I identified four specific steps – Open Meetings Law training; training on Board functions; training for the superintendent by an organization such as NYSCOSS and election monitoring. All four have been accomplished or, in the case of election monitoring, are in process. In addition, the Board has taken a number of specific steps in support of the overall plan of action:

- immediately passed a resolution indicating that they supported the Distinguished Educator's recommendations and that they would approve a plan of action by the Commissioner's deadline of February 2
- approved the Acting Superintendent's proposed plan of action for submission to the Commissioner
- approved subsequent additions to that plan
- hired a new Treasurer
- hired a new firm to provide accounting services to the District
- hired a retired assistant superintendent for business, Ed. Cullen, to assist with improving business operations
- supported the hiring of two new business office positions as recommended by Joseph Dragone
- unanimously approved the "Rhodes" bond issue to be submitted to the community for approval in May
- contracted with the New York State School Facilities Managers Association to do a comprehensive assessment of the District's facilities and operations
- hired a top security expert identified with the assistance of NYSED
- continued support for Special Education, ELL, technology and instructional initiatives

Furthermore, I have every reason to believe that they will adopt a 2018-19 budget shortly after this report is completed.

All of these are in line with my initial report and recommendations. All of this is to be commended.

What has not been answered is whether the Board has the capacity –or willingness- to bridge differences and work together to address some very significant challenges facing the District. The most significant of these challenges are:

1. The May 15 Board election – Can differences be aired respectfully or will the election exacerbate current divisions?
2. Budget and bond votes – Can the Board unite behind and help pass both or will Board elections take precedence?
3. Investigations – Can the Board bring multiple investigations to closure, including the Plante Moran forensic audit, and ensure proper follow-up with those whose conduct has been inappropriate indicted or disciplined and those whose behavior was not, cleared?
4. Status of Dr. Waronker – Once the investigation has been completed, can the Board bring this to an appropriate resolution?
5. Contract: Contracts with each of the District's five bargaining units have expired:

1. Hempstead School Administrators' Association – June 30, 2012
2. Hempstead Classroom Teachers' Association – June 30, 2013
3. Hempstead Teaching Assistants' Association – June 30 2014
4. Hempstead Schools Civil Service Association – June 30, 2016
5. United Public Service Employees – June 30, 2017

Can the Board figure out how to appropriately engage all of the bargaining units in negotiations for succession agreements which are fiscally and instructionally responsible and not simply leave employees in the air?

6. Instructional Initiatives such as the International Baccalaureate – Can the Board unite and support these initiatives in a clear, loud and unequivocal manner so that all parents, staff and community members understand that this is the direction of the District for the next decade.

2. BUDGET AND FISCAL OPERATIONS

This area was of great concern to me at the time of my initial assessment. In January I noted:

“The current financial situation in the District is a result of chronic mismanagement. According to staff in the District Business Office, there have been 20 different assistant superintendents for business in the past 21 years. Even if every appointee was a competent steward of school funds, this rate of turnover would be demoralizing and destabilizing. More importantly, there is little evidence that the concerns raised by auditors or the Office of the State Comptroller were given appropriate attention by any previous Boards of Education of Superintendents. There was little follow through on corrective action plans, resulting in a continual degradation of Business Office operations.

The Comptroller's 2014 report noted concerns regarding overspending on employee compensation and on special education services. Supervisors were not providing oversight as to the accuracy and completeness of timesheets, and each department implemented its own timesheet format. As a result, there was an increased risk that employees were being paid for time not worked. In addition, OSC found that special education services, including diagnostic and health support services, were costing HUFSD more than necessary because the District did not apply for Medicaid reimbursement for eligible services, did not apply for all available aid, and did not ensure that professional services were obtained in the most efficient and economical manner.”

Since January there have been many forward steps, especially since the end of February; however, these steps thus far are insufficient and some quite significant new problems have emerged.

First, the steps that have been taken to move forward:

- Joseph Dragone, a highly experienced school business administrator (through the good offices of Nassau, BOCES) did an assessment of the District's business operations and prepared a set of

recommendations. The Board, in response to Mr. Dragone's preliminary findings, created two new positions in the Business Office.

- The Board hired a retired assistant superintendent for business (recommended by Mr. Dragone), Ed Cullen, to assist on a part-time basis beginning in late February.
- In recognition of the fact that the District has for years failed to apply for the Medicaid reimbursement to which it was entitled (estimated by one of the District's auditors to be over \$1 million per year), the District employed a service to begin applying for the aid.
- While the preparation of the 2018-19 proposed budget was way behind schedule (to be discussed later in this section), the Business Office and administration with the assistance of Ed Cullen prepared an accurate and appropriately formatted draft budget between the end of February and April 11. The 2017-18 budget was re-formatted and adjusted to make it reasonably comparable.
- With the assistance of Mr. Cullen standard operating procedures for all major business functions are being created.
- Again, with the assistance of Mr. Cullen, the requisition log-jam (to be discussed later) and the log-jam in overdue bills (to be discussed later) have been greatly reduced.
- The Acting Superintendent is developing plans which will place District operations on a more normal footing as of July 1 – specifically **a)** the creation of a formal Table of Organization to be recommended to the Board for formal adoption in early July, **b)** formal procedures for any changes in the Table of Organization after July 1, 2018 only by Board resolution, **c)** a meeting in May to formalize all grants and all grant positions for 2018-19 and **d)** mass encumbrances in early July as recommended by OSC and NYSED.
- Since mid-January discussions have taken place with all three audit firms regarding past recommendations and steps to implement them by June 30, 2018.
- Under the guidance of General Counsel for the District, the assistant business administrator and the consultant, Ed Cullen, in late February began to review the issues raised in the preliminary Plante Moran report, a process which should have begun earlier but had not (to be discussed later).
- The Acting Superintendent in conjunction with the auditors, the assistant business administrator and Ed Cullen have arranged for payroll testing this spring, something which has not been done in years.
- It was determined that the District has been providing transportation to kindergarten students and students from the former Rhodes attendance area without proper authority. General Counsel for the District and the Acting Superintendent recommended steps to address this through the 2018-19 budget and Board resolution to the Board of Education. The Board approved.
- The new accounting firm has completed accounting for February which was not done previously (to be discussed later) and corrected several problems.
- Community Schools Set-aside funds (part of State Aid) were accounted for in the proposed 2018-19 budget. They had not been in 2016-17 or 2017-18.

In my initial report, I requested a plan of action to bring District business operations up to date by the end of January and implementation by the end of March. Neither target date was met. Particular concerns were:

- The back log in requisitions and no plan to catch up
- The back log in is overdue bills and no plan to catch up
- Preparation of the 2018-19 budget which had fallen months behind the timeline and process adopted by the Board in early fall 2017. The draft document left on February 11 by the Assistant Superintendent for Business was incomplete and inadequate
- No follow-up on the Plante Moran preliminary report.

In addition to these issues emerged in the past couple of months that I had been previously unaware of:

- The District had a significant cash flow problem from late December to late February which was addressed on a de facto basis by not paying BOCES bills - a practice which the District had apparently done previously although to a lesser degree and a practice which might have forced BOCES to borrow in order to pay refunds to other Nassau County districts this year.
- Inadequate back-up in the Treasurer function which became exposed as a result of an incident with the Treasurer and one of the members of the Board. This incident almost resulted in a missed payroll (The Board member as a single Board member had no authority to “terminate” or even discipline any employee but made statements to that effect.)
- Inadequate separation of duties between Treasurer and accountant functions
- A final expenditure report for a significant grant for 2016-17 in which the amounts recorded for find expenditures did not match the initial proposal/budget or any amended proposal/budget. The amounts involved are significant –potentially over \$1 million- and the report has raised significant questions which are to date unresolved.
- The Treasurer/Accountant did not do the accounting for the District for February although she was paid through February 28 for that function. This delayed the Treasurer’s Report
- The Board of Education adopted a timeline and process for the creation, review and adoption of the 2018-19 budget in the early fall. The actual process fell way behind schedule from the start. An incomplete and inadequate budget was turned over on February 11 by the then Assistant Superintendent for Business.
- Contrary to OSC and NYSED guidance no mass encumbering was done in the summer or in the following months.
- In spring 2016 the State added Community School Set-aside funds as part of State Aid. The Set-aside funds were to remain within the General Fund but be specifically identified. This was not done for 2016-17 nor was it done for 2017-18 when the budget for 2017-18 was prepared by the administration at the time and then approved by the Board and the voters. The Set-aside was also not identified in the supplement to the ST-3 filed by the District in fall 2017.

Normal business operations should quietly and efficiently support the primary function of the school district –educating students. While the steps which are being implemented now promise a much more normal function as July 1, business operations in Hempstead have not been normal to date. They have often impeded rather than supported school functions.

3. SCHOOL SAFETY AND SECURITY

With the assistance of NYSED, the District identified and hired an expert school security consultant. His final report is due shortly, but a number of his findings have already been addressed or are being addressed. In light of the need for confidentiality, these will not be specified. The security consultant has assisted the technology department, the Hempstead Director of Security (whose office was not, contrary to my initial report, relocated to the Hempstead High School) and building principals with the placement of the new security cameras.

Once the final report has been submitted the Acting Superintendent will call a meeting of the Director of Security, the security consultant, the Director of Facilities, and building principals to discuss who will be responsible for addressing each issue, how and by when. This should be done by May 1 and then submitted to the Board of Education.

The turmoil and violence from September to mid-January, particularly at the Hempstead High School, quieted significantly and has stayed quiet this spring thus far.

Two school resource officer (SRO's) have been approved and should begin shortly.

The Board of Education continues to approve the appointment of a significant number of additional security personnel and the upgrading of positions from part-time to full time. The net increase has been less due to turnover.

These pro-active steps are important and they are to be commended. I note, however, that many of my recommendations (Pages 14-16) have yet to be addressed. Specifically:

- A new Code of Conduct
- A new Comprehensive School Safety Plan. This was requested by February 1, 2018. Perhaps the security consultant's final report can become the catalyst for the completion of a plan but a plan is long overdue
- Training (some training done by the security consultant) but there is no district-wide plan for training

4. FACILITIES

The District has taken a number of significant steps forward. That progress must, however, be understood within the context of decades of inadequate maintenance and underinvestment. In 2004 a team from NYSED noted that many buildings were deteriorating for lack of maintenance and repairs; safety heating and ventilation problems existed at many locations and there was significant overcrowding. Many of these problems came back to roost starting in late November 2017 with the failure of multiple heating plants, resulting in cold buildings, school closures and burst pipes. Since mid-January, these failures have decreased with the initiation of corrective and/or preventive maintenance on many heating systems

Positive steps taken:

- The Board approved the “Rhodes’ bond project. This will be submitted to the voters on May 15, 2018. This is the first step in a series of steps which must be taken over the next 10-15 years. It includes **a)** the demolition of a school (Rhodes) which has not been used for 17 years and was condemned a decade ago **b)** the construction of a new elementary school on the same site and **c)** the removal of 24 portable classrooms on other sites. The District must now educate the community prior to the vote in May.
- The District’s engineering firm is developing an EPC (Energy Performance Contract) to be submitted to the Board and the community later this spring. As with all EPCs, all work will pay for itself through energy savings. Savings will be guaranteed by the winning contractors. The EPC would have to be approved by the Board and then NYSED. It is currently estimated that \$15-20 million in projects will be eligible including several new boilers.
- The New York State School Facilities Managers Association conducted an exhaustive review of all of the District’s facilities and grounds as well as staffing, maintenance operations, etc. with specific issues to be addressed and specific recommendations for each. This report presents an extraordinarily comprehensive roadmap for the District to move forward. What it does not do is to say who will do what and when. An implementation plan has yet to be developed. This should be developed and submitted to the Board of Education and the Acting Superintendent no later than Friday, May 11.
- The District hired an experienced Director of Facilities who started at the beginning of April. This position has been vacant throughout the 2017-18
- The 2018-19 budget proposed by the Acting Superintendent includes a one-time infusion of \$2.9 million from reserves for needed capital projects not addressed through the bond issue, the Smart Schools project or the Energy Performance Contract.
- The Community School grant-which should have been completed during the summer 2017 or early fall –was finally completed and approved. The grant includes significant facilities projects in both secondary buildings including renovated science labs and a new high school track.

5. HIGH SCHOOL INSTRUCTION

Three separate areas of activity are worth noting:

- High school disenrollment investigation – The investigation is on-going. However, steps have already been taken to ensure that going forward, all questions regarding student enrollment are investigated and resolved following NYSED prescribed steps.
In line with this almost 200 visits to homes to verify residence and make direct contact with students and families have taken place.
- The College and Career Pathways Alternative Program is off the ground. It is located at 100 Main Street.
This program is designed to provide students ages 17-21 with an opportunity to obtain a High School Equivalency Diploma and vocational training concurrently. Presently there are 62

students total enrolled in the College and Career Pathways program. Some of these are among the almost 300 students dis-enrolled earlier.

- Department by department the high school has tried to analyze success rates in the courses that ended with Regents exams in January to determine what adjustments are necessary and provide “intensive” instruction in order to increase success rates (and graduation rates) for June.

6. PRE-K – 8 INSTRUCTION

In my initial request I noted:

“There has been a history of frequent changes in curriculum and instruction due to turnover of superintendents, assistant superintendents, principals, and outside consultants. This has also led to the expectation that new plans will be superseded every 2-3 years, which is a very understandable, but counterproductive, expectation. To quote one teacher, there is “consistent inconsistency,” an assessment which is in line with the sentiments shared by parents and staff members.”

I observed the following regarding Prek-8 instruction:

- “A lack of consistent, long-term instructional plans with clearly defined steps to progress from current status to future goals.
- Poor prek-12 articulation and a lack opportunity for relevant building- or district-wide administrators, educators, and professional staff to fully participate in the formulation, adoption, and continuing implementation of long-term plans
- Insufficient time and resources for planning and professional development that are aligned with data and have clearly defined goals.
- Budgets are inadequately aligned with long-term instructional plans and needs. There are for example, no reading teachers in the elementary schools.
- Significant dependence on costly outside resources and professional assistance, which are also insufficiently aligned with District plans and often out of sync with school years.”

Many of these same issues were noted by leaders of the Teachers Association, building administrators, parents, Board members, and community leaders at the “vision” meeting held by the Acting Superintendent after she was appointed. The HCTA leadership identified three practices:

1. PD – Functional, practical
(Research based, hands-on, long term, active, not 1 day, over the course of a year, done by professionals-outside company)
2. Communication/Respect
Principals on the same page regarding contractual responsibilities
 - Lesson plans
 - Hold everyone fairly accountable

3. Curriculum that encompasses all components along with the complete training before implementation; update Report Cards“

All of these issues are new being addressed in a significant fashion. First, the 2018-19 budget proposal by the Acting Superintendent includes funds for:

- Teaching Assistants for grades 1 and 2 classes
- AIS/RTI Staff to support reading math and other needs
- A District-Wide RTI (Response to Intervention) Coordinator to ensure that RTI services across schools are consistent and of high quality
- Support for IB implementation (see below)

(The proposed budget also includes funds to reestablish the elementary band and orchestra program)

Second, the District’s elementary schools and the ABGS Middle School have signed up as International Baccalaureate (IB) Primary Years and Middle Years Program schools respectively. This is an extraordinary step, and one which directly addresses the issues raised by staff, parents, the HCTA and NYSED.

The IB program is well-established, recognized across the world as well as across the U.S., rigorous and comprehensive. Implementing it is a long-term gradual process with a one to two year “candidacy” (probably two years) with significant sustained professional development and support starting in summer 2018. Hempstead’s schools will move from candidacy to full IB status once they have met the IB implementation standards. They must maintain those standards in order to continue to be accredited. The IB program is supported by world-wide research and a world-wide network.

The IB program at the high school level and the IB Middle Years Program have been implemented in other public and private schools on Long Island (Rockville Center has had an IB program since the early 1990’s) but Hempstead is the first to implement the IB Primary Years Program on Long Island.

While the IB Primary Years Program does not currently include Pre-K, the Hempstead Pre-K program staff will be included in all training whenever possible.

Implementing IB brings consistency, coherence and rigor across all schools, grades and classes K-8, extensive training and support and the promise of a sustained implementation for the next 10 to 15 years.

7. SPECIAL EDUCATION

District implementation of the Corrective Action Plan as agreed to by NYSED and the District continues.

There have been three developments of note:

1. Inclusion – In line with the Corrective Action Plan, the 2018-19 budget proposed by the Acting Superintendent includes continued expansion of inclusion classes. This is significant progress but it is important to note that the District remains well behind where it should be. The District must sustain this progress year after year. Significant training and support will be required for many years.
2. RTI – The District's shortage of sufficient RTI (Response to Intervention) services has caused significant problems for the District's Special Education Program as well as general education. Appropriate RTI services are frequently unavailable or inadequate and thus students with needs end up being presented to a CSE without adequate RTI steps first.

The 2018-19 budget proposed by the Acting Superintendent includes a significant expansion of RTI services across all schools and a RTI coordinator to ensure consistency of implementation across the District and appropriate coordination with the Special Education Department.

3. Resolution of long-standing compliance issues – After review by NYSED, 20 compliance citations from 2005-06 and 2007-08 were accepted as resolved. The District must continue to work to resolve all remaining citations.

8. ENGLISH LANGUAGE LEARNERS

The department continues to implement the Corrective Action Plan signed with NYSED. The 2018-19 budget proposed by the Acting Superintendent includes continued expansion of the dual language program.

It should be noted that the progress must be sustained over many years.

The 2018-19 budget proposed by the Acting Superintendent includes additional funding for the SIFE Program (Students with Interrupted Formal Education) at Hempstead High School. Many SIFE students arrive with low literacy skills, limited content knowledge, social and psychological needs and a lack of familiarity with school culture. SIFE students in Hempstead are among those most likely to drop out, often after relatively limited time in school.

9. NUTRITION PROGRAM

On March 26-27 NYSED conducted an administrative review of the Hempstead's nutrition program. The on-site portion of the review was completed, but the review of various documents which was to be conducted at the time of the on-site assessment could not be completed due to the unavailability of certain items. Consequently, the review is still open and no final determinations were made.

Significant concerns have been raised and are currently unaddressed. My understanding is that these issues were not a problem when NYSED staff visited three years ago.

On January 25, 2018, the Board placed the Director of Hempstead's Nutrition program on administrative leave with pay pending an investigation of certain matter. This investigation has not been completed.

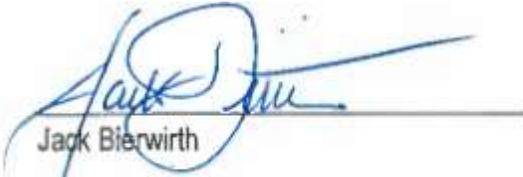
10. INFORMATION TECHNOLOGY

The concerns identified in the initial report regarding technology are being addressed as directly and as rapidly as possible. Noteworthy progress is being made in a number of areas:

- Business Operations – the IT Department led the reinstallation of an electronic requisition system. A previous electronic requisition system had been dismantled and the District returned to a paper system greatly increasing the time involved. The IT Department set up the software and provided training for schools and departments as well as the business office staff.
- PowerSchool – It has emerged that the District has for the most part taken limited advantage of the features available on PowerSchool. In addition, it emerged that, due to a variety of factors, the District staff had a number of problems with the use of PowerSchool features that have resulted in “ghost” students (students who had moved to other districts but still showed up on PowerSchool runs) and other anomalies. This has apparently been a problem for many years. With the assistance of BOCES, the IT Department, and PowerSchool, extensive training was provided to school staff. School staff with the assistance of the IT department are now carefully reviewing all student data to resolve all anomalies. It is expected that this should be completed by the end of the school year. (Please note that this is separate from the disenrollment issue at the Hempstead High School.) Once the review is completed, student data should be fully consistent and accurate.
- WIFI – The IT Department in conjunction with BOCES and various contractors continues to expand schools' WIFI capacity.
- Smart Schools Bond Act Funds – A proposal is being developed and should be ready for Board and public review as required by law and regulations within a few months. In light of the fact that Hempstead was allocated over \$9 million, tapping these funds could be of significant benefit to Hempstead students
- Security – Working together with the Hempstead Facilities Department, the Security Department, the Security Consultant; BOCES, and school staff the District's security cameras are being upgraded and significantly increased in number. This effort will ultimately require several phases, but the system should be significantly improved within a few months.
- Inventory, Access and Control – In 2014, the Comptroller's Office noted inadequate written policies and procedures. These have been reviewed and significant steps taken already. For example, an appropriate use policy has been developed and implemented.
Tagging and inventorying all new equipment was not previously taking place on a systematic basis. It is now as is the tagging and inventorying of all existing IT equipment.

I see significant progress in many areas. These are important steps and most encouraging. However, much remains to be done. There are significant concerns regarding governance and no guarantee that constructive changes will remain in place.

Sincerely,



Jack Bierwirth

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