



State of New Jersey

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

JON S. CORZINE
Governor

LUCILLE E. DAVY
Commissioner

August 17, 2007

The enclosed audit is the result of an evaluation of the Department of Education conducted by KPMG from May to June of this year, pursuant to Joint Resolution 3.

As stated in the Resolution, "the overall purpose of the audit was to identify organizational and staffing deficiencies that may hinder the Department's ability to provide effective oversight of school districts, and to develop recommendations for the reorganization of the Department that will improve our oversight of district operations and our ability to effectively respond to operational and educational issues as they arise."

The audit focused on several key initiatives undertaken by the Department during the past year that will have a significant impact on our role in overseeing and assisting districts. These include:

NJQSAC, which implements a new statewide system for evaluating and monitoring school districts;

CORE, which provides for increased Departmental responsibility for administrative efficiencies in districts;

NJ SMART, the new statewide student database.

As noted in the audit report, the Department has recently undergone a reorganization, which was just beginning at the time of the KPMG evaluation. The goal of the reorganization was to revamp and realign the Divisions to effectively address NJQSAC, CORE and NJ SMART, as well as other major projects currently underway, such as the development of a new school funding formula, the Department's role in increasing fiscal accountability by districts, the new statewide assessment system and the many challenges involved with preparing all students for the 21st century workforce.

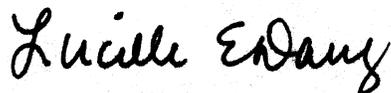
It is important to recognize that unlike most of my predecessors' departmental reorganizations, this change was not undertaken until more than one year into my tenure as Commissioner. Prior to implementing the reorganization, I worked with the assistance of senior staff to conduct an assessment of the needs of the Department and a careful evaluation of the most efficient use of staff in order to carry out our major initiatives.

The resulting reorganization demonstrates the Department's commitment to Governor Corzine's goal of streamlining government while reallocating staff resources to best meet the needs of the Divisions. The new structure will also improve communication among Divisions and between staff so that the priorities of the Department, the Divisions and the individual Offices are consistent and aligned. In addition, the Department will continue to evaluate the professional development needs of the workforce to ensure that the level of training coincides with the job responsibilities of the staff.

The audit has helped the Department recognize areas we need to improve as we continue our daily work of serving more than 1.4 million children in New Jersey's public schools. We have studied the results, and I intend to use many of the recommendations of the audit as the Department moves forward.

The Department welcomes and encourages any additional input regarding the audit. Comments on the report may be e-mailed to Commissioner@doe.state.nj.us, or mailed to Anthony D'Elia, Office of the Commissioner, New Jersey Department of Education, 100 Riverview Plaza, PO Box 500, Trenton, New Jersey 08625. Comments must be received by September 14, 2007, so that we may respond in a timely manner.

Sincerely,

A handwritten signature in black ink that reads "Lucille E. Davy". The signature is written in a cursive, flowing style.

Lucille E. Davy
Commissioner of Education