

KPMG Performance Audit of Department of Education Public Comment and DOE Responses

The following is a summary of the comments received by Commissioner Lucille E. Davy from the public regarding the KPMG Performance Audit of the Department of Education. Each commenter is identified at the end of the comment by a letter which corresponds to the following list:

- A. Diana Autin, Statewide Parent Advocacy Network
- B. Lindy Wilson, Building Our Children's Future
- C. Joyce Powell, New Jersey Education Association
- D. Michael A. Vrancik, New Jersey School Boards Association
- E. Barry R. Ersek, New Jersey Association of School Administrators
- F. Rae C. Roeder, President CWA Local 1033
- G. Jack Long

1. Comment: The Department must be adequately staffed, assigned to tasks appropriately, and thoroughly prepared before new initiatives are put into place. The lack of sufficient resources and staffing will make the implementation of new initiatives difficult in the current proposed timelines. The staff needs adequate training to assure consistency and competent implementation of NJQSAC and CORE. Both the NJDOE and county staff must be capable of providing effective technical assistance to prepare districts for implementing extensive changes required by NJQSAC and CORE.

A, C, D, E, F

Response: The Department agrees that adequate staffing, appropriate assignment of tasks and proper training are essential to ensuring the success of the Department's initiatives.

The Department has and will continue to assess the skill sets of current staff to meet the needs of the reorganization and new initiatives and will work to fill vacancies in the County Offices and Division of Field Services. The resolution of these staffing issues is a high priority for the Department

In addition, the Department will create training programs and provide guidance manuals to assist County Offices with the implementation and execution of CORE. The newly-created Division of Field Services will serve as the primary vehicle of communication between the Department and County Offices to ensure a comprehensive and cohesive approach to CORE implementation.

With regard to QSAC, the Department intends to establish a QSAC team within the Division of Field Services responsible for training and providing guidance for County Offices as part of its oversight in the implementation of QSAC statewide, including training that will better enable County Office staff to perform the work of verification and program planning. As procedures for implementing QSAC are established by the QSAC

team, the Department intends to communicate the details and specifics to all necessary parties.

Comment: Issues regarding communications within the Department must be addressed to insure successful implementation of reform initiatives.

E

Response: The Department agrees that it should seek to improve an environment of open communication and sharing of information. Effective interdepartmental communication and collaboration are fundamental to ensuring that the Department's initiatives move forward successfully. In addition, making sure that all employees understand their role in carrying out the objectives of each initiative is crucial to the achievement of the Department's goals.

The Department will continue to improve communication among divisions and units across the organization. The Department has already begun to implement cross-divisional teams in the areas of literacy, QSAC implementation, and school improvement and will continue to look at other methods of improving collaboration at all levels and major initiatives within DOE. In addition, the weekly Policy Staff meeting consisting of senior staff will ensure the coordinated formation of policy. Senior staff will regularly communicate within their respective divisions to ensure that all levels of management are advancing the same priorities.

Communication between the County Offices and the Department is particularly important to the success of NQSAC and CORE and has been streamlined and centralized through the requirement that all Department divisions forward all communications to the Division of Field Services central office staff and not directly to the county offices or districts. In addition, the Department has just implemented a new process to streamline communications to the field on a weekly basis by consolidating all memos into one report. The Division of Field Services transmits the report electronically to chief school administrators through the county offices.

Finally, the new reorganization will allow the Office of Human Resources working through the Chief of Staff's office to coordinate communication with employees and serve as a resource for employees seeking clarification and assistance on any issue.

3. Comments: There should be changes made to the state’s travel policy that impacts all school system employees. It is too restrictive.

E

Response: As stated in our management response, the current travel policy is a statewide policy in addition to existing travel regulations to ensure that State and federal funds are expended appropriately and efficiently and requires evidence of a critical need to justify the travel. The policy is intended to govern state Executive Branch employees, but by passing N.J.S.A.18A:11-12, the State Legislature has made school employees and board of education members subject to the same travel and meal regulations promulgated by the New Jersey Office of Management and Budget.

4. Comment: The recommendation to eliminate the State Board of Education’s oversight responsibility and making it an advisory body with terms concurrent with the Governor should be carefully studied before being enacted.

C, D, E

Response: Any change to the role of the State Board of Education should be carefully reviewed and would have to be effected by an act of the Legislature.

5. Comment: The KPMG “benchmarking” comparisons with other states are faulty. There are too many differences among the states to equate accurately with New Jersey.

C, F

Response: As an independent auditor, KPMG made the decision on which states were most like New Jersey in order to draw comparisons that were relevant to the scope of its audit. The Department was not involved in choosing which states were used in the comparisons.

6. Comment: The KPMG report did not address the following issues school facilities as a component of educational quality; school facilities as a part of accountability systems and reviews; Long Range Facilities Planning reviews and approvals; facilities efficiency standards; or coordination with the School Development Authority.

B

Response: Joint Resolution 3, required the Commissioner of Education to enter into a contract with an independent entity to conduct “a thorough and comprehensive evaluation of the Department of Education in order to identify those organizational and staffing deficiencies that limit the Department’s ability to provide effective oversight of school districts; and to develop recommendations for the reorganization of the Department that will improve the capacity of the Department to oversee the operation of school districts and to respond immediately and effectively to operational and educational issues that may arise.” As such, the scope of the audit was determined by KPMG, not the Department, in order to meet the charge outlined in Joint Resolution 3.

7. Comment: The design and implementation of the performance audit omits input and perspectives of various key stakeholders regarding the effectiveness of the NJ DOE's performance.

A

Response: KPMG performed the audit and as an independent entity determined the design and scope of the audit in order to meet the requirements and parameters outlined in Joint Resolution 3. As such, the KPMG made recommendations based on their findings independent of the Department of Education. In addition, the Department did not decide from whom KPMG should seek input.

8. Comment: The methodologies of the performance audit were flawed and as a result so were the findings and recommendations.

F

Response: Similar to the response to comment #7, KPMG performed the audit and as an independent entity determined the design and scope of the audit in order to meet the requirements and parameters outlined in Joint Resolution 3. As such, the KPMG made recommendations based on their findings independent of the Department of Education. In addition, the Department did not decide from whom KPMG should seek input.

Comment: The Report's listing of relationship issues and potential for competing priorities between the State Board of Education and the Department of Education could be resolved through the development of a jointly endorsed strategic plan.

Response: The State Board of Education and the Department of Education are working closely to develop jointly endorsed goals and objectives that reflect the priorities of both entities.

9. Comment: If DOE is going to fill new positions as a result of the KPMG findings, it should use of qualified staff already employed by the DOE that have no work to perform. Internal desk audits would be the best place to begin in your reorganization plan. There are so many highly educated and qualified state personnel that are under utilized.

F

Response: The current roles and responsibilities of existing staff have been and will continue to be evaluated based on the Department's reorganization effort as current and new roles are defined within new initiatives such as CORE and QSAC. We will continue to identify individuals with skill sets that match needs across the departments and reassign staff whenever appropriate.

10. Comment: The Report's \$628,000 fee appears to be an exorbitant expenditure for a financially troubled State. However, it could turn out to be a worthwhile

investment if the recommendations yield results that significantly improve NJDOE services to New Jersey's school children.

Response: The Department was legislatively mandated to perform this audit and followed the proper procedures to award the contract to KPMG at the cost specified. 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.