

YEAR TWO---YEAR END REPORT

HEMPSTEAD PUBLIC SCHOOLS

Distinguished Educator

John E. Bierwirth

November, 2019

NOTE:

MY SERVICE AS THE DISTINGUISHED EDUCATOR APPOINTED TO THE HEMPSTEAD PUBLIC SCHOOLS ENDED AT THE BEGINNING OF OCTOBER 2019. THIS REPORT REFLECTS EVENTS AND SITUATIONS PRIOR TO THAT TIME. IT DOES NOT REFLECT ANY EVENTS OR CHANGES SINCE. THE ASSESSMENTS ARE MINE ALONE.

JB

INTRODUCTION

I would like to express my deep appreciation to the Chancellor of the Board of Regents and the Commissioner of Education for their strong personal investment in Hempstead's turnaround over the past two years. My thanks also go to the many staff at the New York State Education Department who went out of their way to assist whenever, wherever and however they could and to do so as quickly as possible. They were enormously helpful.

My deepest appreciation--- and greatest respect---however, is for the many wonderful and dedicated people I met in Hempstead. I met some of the finest educators I have worked with anywhere during my career. If Board, staff, parents and community could work together with the support of the State, there is no reason why Hempstead cannot become one of New York's great success stories.

One Board member has referred to the two-year Distinguished Educator initiative as a "failed experiment". In one very important respect—governance--it has been for the most part, at least to date. I have had and continue to have deep concerns about the governance of the District.

In all other respects, however, it has not been a "failed experiment", at least as measured by the progress made to date in areas critical to the education of students. I believe that what Hempstead has demonstrated over the past two years is that if given half a chance significant progress can be made because significant progress has been made. To those who are inclined to be skeptical, I would say do not underestimate this progress—the paint is real, the graduates are real, and the bills being paid are

real. At the same time, the amount of work still to be done should not be underestimated. That too is real.

As stated explicitly and repeatedly in all recent reports, progress is not the same as success. While that has been stated repeatedly in prior reports, it needs to be said again because it has been misunderstood. Significant progress has been made in a wide variety of areas. The progress is real and the progress is substantial. At the same time, no---repeat no---level of performance in any area has yet to reach a point that could be considered as a complete “success”. While the District is moving in the right direction, much more needs to be done.

The graduation rate for Hempstead High School (High School) provides a good illustration of this. The exact percentage of graduates in 2017 is uncertain due to some questions about the numbers, but the figure was around 40%. Two years later, the combined June and August 2019 graduation rate was at 63% plus an additional 5-6% who received a High School Equivalency diploma (HSE). HSE recipients do not count as graduates for official purposes but a HSE diploma is a valuable credential that provides access to higher education and better employment. It is certainly better than dropping out. A 63% graduation rate, or even higher if one counts HSE recipients, is significant “progress” in comparison with the 40+/- % of two years ago but it is not “success” on an absolute basis by any means. To reach “success” requires a significantly higher graduation rate reaching or surpassing the Statewide rate of over 80%, more students graduating by June, not August, of their senior year and a higher percentage of students taking and passing more rigorous courses such as Advanced Placement (AP).

When I first met with Commissioner Elia regarding Hempstead, she made it clear that the goal was significant and permanent change for the better for Hempstead students. During my initial assessment at the end of 2017 I noted that Hempstead had not lacked for plans. In fact, there had been a great many plans over the previous decades. The real issue was not lack of plans but implementation—failure to implement at all, failure to implement fully or implementation followed relatively shortly thereafter by a major reversal of direction (what was coined by one staff member regarding the instructional area as “consistent inconsistency”). In light of this finding and the affirmative response of the District to the Commissioner in January 2018, the focus for the past 21 months has been on making real changes, changes which would benefit students---not adults---directly or indirectly, and on reporting on actual improvements. This report will maintain that focus.

In the initial assessment and recommendation report of December 2017 concerns and recommendations were grouped into ten areas. This report follows the same format as previous reports except that the section on governance is at the end.

BUDGET/FINANCE

In my initial report I noted many serious concerns regarding Hempstead’s budget, business practices, accounting and finances. As serious as these concerns were at the time of the initial report, I revised this assessment downward at the end of the first quarter and downward even further at the end of the

second quarter of the first year as I realized retrospectively that the situation was even worse than I had initially determined. Of specific concern:

- The 2017-18 budget was vague, poorly formatted and the amounts in many budget lines were not in alignment with actual projected expenditures.
- Normal encumbrance practices as per guidelines from the New York State Education Department (NYSED) were not being followed with few projected expenditures encumbered. Accordingly, the members of the Board and District staff had only a very general sense of where the District stood financially whether they realized that or not.
- The findings of a team from the Office of the State Comptroller (OSC) from five years earlier had not been addressed for the most part nor had the recommendations contained in the three previous years' reports by the District's three audit firms. There were also no plans in place to address the OSC or auditors' concerns even though many of the findings were extremely serious. One audit firm had, in fact, recommended the creation of a financial oversight board. (It should be noted that there had been no consequences for the District or the Hempstead Board of Education as a result of the failure to implement steps to address the serious issues that had been raised by the OSC and the District's auditors. This seems to raise very significant questions about the ultimate effectiveness of measures undertaken over a decade ago to deter malfeasance after the scandal in another Nassau County district. Those measures assume that there will be appropriate responses if red flags are raised but what if there are not?)
- The Board's audit committee was not functioning in accordance with OSC/NYSED regulations and the Board as a whole had not been fulfilling its audit responsibilities.
- In early 2018 the District faced a significant cash flow deficit—approximately \$10-12 million—that the business office did not acknowledge. This shortfall was being dealt with by delaying payment to Nassau BOCES to the point that Nassau BOCES might not have been able to pay funds due to all other districts in Nassau on a timely basis.
- A single individual held the accountant and treasurer functions, contrary to NYSED guidelines.
- Preparation of the 2018-19 budget was virtually non-existent as of January 2018.
- Unbudgeted positions and contracts had been added to the 2017-18 budget after July 1, 2017. What budget lines these expenses (which totaled roughly \$1.7 million) were to be coded to and how they were to be paid for were still open questions as of December 2017.
- Many bills were paid late, often very late. Late payments had prompted some vendors to suspend or stop working permanently with the District.
- Many requisitions were not processed in a timely fashion depriving students of the instructional materials they needed and staff of the materials and equipment they needed to do their jobs.
- A State community schools grant for over \$3 million for 2017-18 had not been submitted and was still unprepared as of December 2017. This was intended and could have been used for the benefit of students for the full 2017-18 school year.
- While this would not emerge fully until later, the business office had been incorrectly charging over \$2 million in general fund expenses to a state grant. These expenditures were eventually disallowed, requiring the District to re-state its 2016-17 final expenditure report. (The State allowed the District to spend the grant funds in a subsequent year so the funds were not ultimately lost.)

- The District had budgeted for the purchase of two buses in 2017-18 without a transportation plan or any approval from the community for modifying bus limits or from the State.
- The final expenditure reports submitted to the State for 2016-17 were late and incomplete.
- Turnover in leadership in the business office was a very significant issue. I was told that the District had had 19 business officials in the previous 20 years. This may have been an exaggeration as it may have been only 15-16 in the past 25 years. Either figure, however, underscores a level of discontinuity and disruption in business operations.

The situation today is quite different:

- The District has a solid, appropriately formatted budget for 2019-20 and is already working on the 2020-21 general fund budget.
- Projected expenses are being appropriately encumbered in accordance with best practices and NYSSED guidelines. Encumbrances for the 2019-20 fiscal year were done shortly after July 1, 2019, as they should be.
- The community approved the last two budgets on the first vote.
- The general fund tax levy increase was held to 0% two years in a row.
- The District's financial rating was upgraded.
- A new, experienced Assistant Superintendent for Business has just been appointed (but eighteen months after the prior incumbent left).
- Most bills are being paid on time and a much higher percentage of purchase orders processed in a timely fashion.
- The recommendations of the OSC and the three audit firms have been implemented or are in the process of being implemented.
- During 2018-19 the Board constituted itself as an audit committee of the whole. It met with each of the audit firms twice and reviewed their recommendations in depth. The Board also asked for, received and discussed the status of each of the recommendations made by the OSC and the three audit firms in prior years.
- Cash flows have been normalized and the District has successfully floated TANs and RANs. Rates have been much closer to those received by other Nassau districts than in the recent past. This bodes well for the bonds Hempstead will have to float to pay for the construction of the new Rhodes Elementary School.
- The residences of students enrolled in charter schools are being verified to assure that only charter school students residing within the boundaries of the District are charged to Hempstead. Dozens of students who should have been charged to other school districts have been identified. Bills are reviewed monthly.
- The business office has worked closely with the Acting/Interim Superintendent, the head of facilities and the architectural/engineering firm for the District to work out appropriate financing for the Rhodes project, the Energy Performance Contract and various capital projects.

While Hempstead's business operations and finances are approaching a more normal level, they are not yet fully normal nor have policies and practices become fully institutionalized. That is not intended as a criticism but an acknowledgement of reality. Policies and practices need to be refined and made routine practice year after year. This is going to require stability, focus and discipline, things that for decades have been inconsistent at best.

Most importantly, the Board needs to follow a more normal budget development and adoption process. To the Board's credit it did confront the challenge of significant increases in charter school tuition at the time it adopted the budget to be presented to the community in May 2019. However, some of the most significant discussions in 2019 for 2019-20 were held after the Board adopted a budget to be placed before the community in May and after the community had voted to approve the budget. Deep cuts were clearly necessary. The Board needed to come to full closure, not what later turned out to be only tentative closure, before the budget was placed before the community as the community needs the assurance that what was approved is what, barring unanticipated changes in circumstances or emergencies, will be implemented.

To build on the progress to date, a number of steps are strongly recommended:

- The Acting/Interim Superintendent should meet on a regular basis, probably every two weeks throughout the year, with key business office staff to ensure that progress is continuing and that any problems are identified early and resolved quickly.
- As part of this, the Acting/Interim Superintendent needs to fully monitor the timeliness of the requisition/purchasing and payment processes. While there has been progress, neither area is at a level that would be considered completely normal. Hempstead students deserve instructional materials, voted on by the community, on a consistently timely basis. Vendors should be paid promptly all of the time.
- The Board should take time at every Board meeting to receive and discuss regular updates on the District's finances and business operations. In light of the magnitude of the impact of increasing charter school tuition and transportation reimbursement, deep and continuous Board involvement in the District's finances is more important than ever.
- The budget development process with the Board and the public needs to begin earlier and go into much greater depth than in 2018 for the 2018-19 budget or 2019 for the 2019-20 budget. As will be discussed below, the District faces significant financial challenges over at least the next two fiscal years and hard decisions may have to be made. The Board and the community need to be able to weigh options and make informed decisions in a timely fashion.
- The Board should ensure that all five Board members are fully involved in audit responsibilities as required by regulation even if an audit committee is re-instituted.

Although the District's finances are solid currently and business operations have improved significantly the District faces very major financial challenges. The primary challenge is paying for the cost of tuition and, where required, transportation for Hempstead students attending charter schools. It is worth noting that this is not an issue of financial mismanagement or poor budgeting on the part of the District

but with the manner in which charter schools are funded. However, it is the responsibility of the District to deal with this challenge and manage it appropriately.

The cost of tuition and transportation for charter schools paid by the Hempstead District rose from \$25 million in 2017-18 to \$43 million in 2019-20. Based on expansion plans for two charter schools already approved by the Board of Regents and SUNY the figure is estimated to rise to \$55 million by 2021-22. It is reasonable to project that half of this increase will come in 2020-21 and half in 2021-22. Final figures are dependent upon how many students come from Hempstead and how many from other communities as well as whether enrollments at the charter schools increase in line with the approved plans but based on previous years' experience enrollment will increase in line with approved numbers and the vast majority will come from the Hempstead community.

The District dealt with the projected increase for 2019-20 in a responsible, although very painful fashion, balancing the budget by cutting 100 positions. It also dealt with the shortfall due to the unexpectedly rapid increase in charter school enrollment in the prior fiscal year, 2018-19, by dipping into reserves. Without additional assistance, the District will have to make similarly deep cuts over the next two fiscal years.

Furthermore, without some advance notice of significant financial assistance well before the approval of the State budget in spring 2020, the District will be forced to prepare multiple budgets for 2020-21 starting at or prior to the time of this report. Such a situation would have an adverse impact on any district's ability to plan for 2020-21 but it will have an even greater impact on Hempstead given the fact that Hempstead is in the midst of turning itself around. Thoughtful input on the part of the Board, community and staff will be difficult, if not impossible, without some early clarity on potential aid.

Strong charter schools and strong regular public schools competing with each other to provide better instructional programs, rather than competing over an inadequate pot of funds, would best serve the Hempstead community and its school age children. Even with potential reductions due to lower enrollment, Hempstead on its own cannot meet the needs of both regular public and charter schools year after year in a manner that provides a competitive education for all students regardless of the school they attend. Charter school transition aid provides some relief but it is only short-term and partial. It is not a solution. A conservative estimate of the yearly assistance needed is \$10-13 million. This cannot be overemphasized.

As will be discussed later more fully, it is my strong hope that cases of potential malpractice referred by the District to law enforcement—a step for which the District should be applauded not condemned---result in indictments if warranted. This would help underscore the importance of having and following appropriate policies and practices in any function dealing with money and the potentially serious consequences if they are not.

As this report was being written, one case referred by Hempstead to law enforcement resulted in an indictment and guilty plea. It is my hope that other cases that were referred to law enforcement will be resolved soon. Criminal behavior and corruption should be eliminated from the District and punished. At

the same time those not guilty of such behavior deserve to be cleared of charges and the cloud hanging over the heads of Hempstead staff who have done nothing wrong removed.

SAFETY/SECURITY

There were two primary concerns in the fall of 2017. The first and most immediate was the daily fights at the High School that began shortly after the start of the 2017-18 school year. The High School staff and the security staff assigned to the High School seemed incapable of addressing this situation. To the credit of the then Superintendent he began spending most of his time at the High School as of the end of October/beginning of November 2017. (The head of security was directed by the Superintendent to relocate to the High School for at least a portion of the day. He did not.) Unfortunately, the fights did not stop and the situation did not calm down significantly until early 2018 when the previous High School Principal was reinstated and the new Acting Superintendent, now Interim Superintendent, was appointed. It has remained calm since.

In January 2018, simultaneously with the reinstatement of the previous High School Principal, the Commissioner of Education, the Acting Superintendent, the NY State Police and the local Hempstead Police were able to step up police presence. Additionally, funding was secured for two school resource officers to support security department staff.

The second area of concern was training of security staff. Thanks to assistance from staff at NYSED the District was able to identify and employ an experienced school security expert who provided an analysis of staffing deployment and security staff training. As noted in early quarterly reports, it was difficult to get a comprehensive plan of implementation in response to the consultant's recommendations from the security department for many months despite the fact that most of the recommendations were straightforward and could be quickly implemented.

In conjunction with the Technology department, improved security cameras were installed throughout the District. The location and number of the new devices were determined with the assistance of the building administrators and the security consultant.

Since Fall 2018---over 12 months ago---the head of the Hempstead schools security department has been on a paid administrative leave of absence for a disciplinary matter involving the alleged purchase of vehicles without a purchase order and without bids. Although the disciplinary hearing was opened to the public, I will not discuss the case in detail here. The cost in salary, benefits and legal fees of a matter that would have been resolved in most districts in a few weeks or less has totaled hundreds of thousands of dollars with no end in sight at this point. As with other areas in the District with uncertain leadership, the uncertainty regarding the leadership of the security department has been a significant drag on the efficient and effective operation of the department and a distraction to continued efforts to move the department forward.

Although the case with the head of security has not been resolved the District recently hired a permanent, experienced Supervisor of Security.

The safety and security of children is a paramount concern of parents in Hempstead as in every other community. The situation at the High School in fall 2017 was troubling not just to parents of students at the High School but also to parents districtwide. The Board, administration and schools must continue to give safety and security top priority so parents can have full reassurance that their children are safe. Staffing levels and the placement of security staff need to be reviewed and rationalized. Up to date training of all security staff needs to be ensured. The new Supervisor of Security should present a plan of action in December if not sooner for the administration and Board to review and approve.

FACILITIES

The District lacked a consistent and effective facilities operation for decades---regular maintenance was inconsistent, capital investment was minimal and there was no plan to provide for the replacement of the dozens of portable (modular) classrooms scattered throughout the District which have been in use for decades (well past their normal life expectancy). Facilities staff were stretched and undersupplied. Some contractors who had not been paid in a timely fashion (some repeatedly) were reluctant or unwilling to continue to do work for the District. Various reports, including a lengthy report by NYSED staff in 2004, had documented many of the issues with facilities in Hempstead but those reports had had no real or long-lasting effect. No Energy Performance Contract (EPC) had been undertaken in contrast with many other districts with fewer and lesser needs that had undertaken at least one EPC and perhaps more. The Rhodes Elementary School had been shut 17 years earlier and condemned a decade earlier. While plans had been discussed about replacing it, nothing had moved forward.

When the first cold snap hit in fall 2017, there were schools that had closed due to heating systems that failed to operate. During the course of the investigation to determine what had happened and why, it emerged that the District had apparently cancelled the regular preventive maintenance program for school building heating systems. Problems with heating and/or inadequate insulation also led to frozen pipes and flooded classrooms at the Prospect School.

No real plan to address facilities existed in October 2017. I was handed a large ring binder with photographs of facilities issues around the District at the time of my arrival but this certainly was not a plan of action to resolve long-standing problems. While there were plans as required by regulation on file with NYSED, there was no real plan to put them into action.

As recommended in the initial assessment report to the Commissioner, the District hired the New York State School Facilities Managers Association to conduct a full assessment of the District's facilities and facilities operations. This was instituted on an accelerated basis by the organization that quickly sent in a team of some of the most experienced facilities heads in the State. There was a concern in advance as to whether building facilities staff and building administrators would welcome the team. In fact, the team was given extremely detailed and comprehensive information on each building by the administrators and staff located there which was compiled with recommendations from the team as well as District staff on how to address every issue in a 600-page report to the District.

Initially, the response to the report was relatively slow not through lack of intent but due to lack of experienced leadership capacity in both the facilities department and the business office. However, a number of significant steps were taken in Spring 2018:

- Maintenance contracts were re-instituted in many areas
- The Board voted to place a resolution before the community at the time of the budget vote in May 2018 to tear down the closed and condemned Rhodes School, build a new Rhodes Elementary School and remove a portion of the portable classrooms around the District. The measure was approved overwhelmingly and
- The District began the process of creating an Energy Performance Contract.

There has been very significant progress since Fall 2018. Progress prior to that had been halting and uneven due to a variety of factors:

1. Weak Leadership---leadership in the facilities and business departments was weak for a long time. The head of facilities in October 2017 was an interim appointment. He did not have sufficient experience for a position of this magnitude. Furthermore, there were other problems that surfaced over the subsequent months. The forensic auditor personally cited him in an interim report for potentially excessive overtime. This was not curtailed until the Acting/Interim Superintendent did so in Spring 2018. When issues of potential malfeasance of a different nature were uncovered, the head of facilities resigned. The matter was reported to legal authorities. This is the case in the news in September regarding an indictment and guilty plea. The next head of facilities was taken from the Civil Service list. His performance was deemed inadequate after a few months and the District moved to terminate him. Most notably, the District was almost unable to begin the 2018-19 school year on time due to the fact that one week before staff and students were due to return to school the District's buildings did not have new Certificates of Occupancy. This was due to lack of oversight by the new head of facilities. A retired, experienced interim head of facilities was hired immediately thereafter resulting in an almost immediate change in the quality of operations. Shortly before this report was written, the District hired an experienced permanent number two in the department. Shortcomings in the leadership of the facilities department were compounded by shortcomings in the leadership of the business department. The Assistant Superintendent for Business in October 2017 had never held an assistant superintendent for business position, much less one in a district as large, complex and challenging as that in Hempstead. His experience exacerbated the inexperience of the interim head of facilities in the position in fall 2017. However, as noted in prior reports the District was able to hire an experienced retired assistant superintendent for business as a consultant in February 2018. Although his position was, and still is, part-time, with his experience he was able to assist the facilities department, particularly after the employment of the interim (retired) head of facilities in fall 2018. The new permanent Assistant Superintendent for Business who just began work as this report was being written brings strong experience in the facilities area as well as strong experience in business operations.
2. Inadequate Funding---funding for both regular maintenance as well capital projects in the 2017-18 budget, as had been the case with prior general fund budgets, was inadequate to meet the facilities needs of the District. There was no capital reserve at that point. Consequently, even

when there was an intent to start addressing facilities problems, there were minimal funds. This began to change with the 2018-19 budget and it has continued into the 2019-20 budget. However, this can only be considered a start in light of the issues raised in paragraph 4 below.

3. Fire at the Prospect School---in August 2018 the Prospect School which housed Kindergarten students was struck by lightning causing a major fire. Parts of the building were over 100 years old. With the assistance of the Commissioner, key staff at NYSED and key officials at Nassau BOCES, the District was able to identify and then lease a well-maintained parochial school building in a neighboring community to house the students who would have attended Prospect during 2018-19. The lease and relocation were accomplished within a matter of weeks, smoothly and efficiently, with only a few days of school lost. However, this diverted time, energy and funds which could have been devoted to fixing the District's facilities. As of the start of the current school year, Prospect School has been completely reconstructed.
4. Long Deferred Maintenance---the consequences of long deferred maintenance have come back to repeatedly haunt the District's current efforts to upgrade facilities. Equipment that was inadequately or only sporadically maintained is more prone to failure and/or more expensive to maintain. Structures and equipment that should have been replaced years ago but were not due to inadequate funds or poor planning are also prone to failure and/or more expensive to maintain. Unfortunately, both equipment and structures have been failing faster than the District can replace them even as the tide is turning. Two examples illustrate this. Many of the District's modular classrooms ("portables") are way past normal life expectancy. They were intended to be temporary and yet they have been in use for decades. Some date to the 1970's and maybe earlier. They are extremely expensive to try to maintain. The District is moving to replace them but replacement cannot happen yet. The second example is the air conditioning system at the High School. It is over 50 years old. It will probably be replaced next year under the Energy Performance Contract the District is preparing but it is requiring extraordinary efforts to keep it functioning until then.

As this report was written, the District tore down the old Rhodes School and begun the construction of the new Rhodes School. The District is also finishing the preparation of an Energy Performance Contract (the District's first) that will fund the replacement of old, inadequate equipment at no net cost to the community taxpayers. Leadership in both the facilities department and business is experienced and competent. Most importantly, District facilities staff have demonstrated that they have the capacity to maintain buildings and grounds if given time, support and adequate funding. Significant progress has been made since fall 2018 and the pieces are now in place to support further progress going forward. However, and this must be strongly emphasized, decades of inadequate investment of time, energy, funds and staff cannot be reversed overnight or even in a couple of years. Progress can and should be made each year but it will take 5-10 years of sustained effort to reach the level where all grounds and facilities will be at the level they should be with all students housed in permanent structures.

I would recommend the following steps:

- The Acting/Interim Superintendent needs to meet regularly, probably every two weeks, with key facilities and business office staff to discuss progress on:
 - The Rhodes School construction
 - The preparation of the Energy Performance Contract and then its implementation
 - The maintenance of old, failing and/or inadequate equipment and structures such as the High School air conditioning system until such time as they can be replaced; and
 - Problems that have been identified and need to be addressed before they become even greater problems.
- The Board and administration, with community and staff input, need to come to agreement on a plan with a timeline and process to remove all remaining portable classrooms so all Hempstead students can be housed in permanent structures. The opening of the new Rhodes School will allow for the removal of many portables but there will still be a substantial number left at that point. The community needs to know when the remaining ones will be gone and where their children will be educated.
- The Board and administration, with community input, need to come to an agreement on a plan with a timeline and process to fund major capital projects which are not addressed in either the Rhodes bond issue or the Energy Performance Contract. Since the community must vote to approve such bond issues, the plans need to be laid out with details of specific projects 1-2 years in advance so the community is well aware of what will be done and how it will be paid for. The plan should also be tied to when existing bond issues are paid off so there is less net financial impact on the community.
- During the development of the 2020-21 budget the Board and administration should discuss and agree on the specific major facilities projects to be undertaken through the 2020-21 general fund budget so these are known to the community well in advance of the May 2020 budget vote and then work can be planned well in advance of implementation. While this would not be the case for emergency projects, it should become standard practice for the 2020-21 and future budgets for all facilities projects undertaken through the General Fund budget.
- All of these plans should be placed in a special section on the District's website with details of each major project and a timeline showing when each will be accomplished so that parents, students and community may be able to follow the District's progress.

HIGH SCHOOL INSTRUCTION

The situation in the High School filled a significant portion of the initial assessment and recommendation report. The High School had been placed in "receivership" as a "Persistently Struggling School" as the school had had poor results for a long period of time. This was exacerbated by questions regarding the veracity of data and whether practices were in strict compliance with NYSED policies and regulations.

In Fall 2017 several other issues further compounded this longstanding situation:

1. Daily Fights---efforts to address instructional concerns were difficult, if not impossible, if the school was unable to focus on academics due to the fear of violence. The fights began with the start of the 2017-18 school year and continued through the Fall as noted in the section on safety and security including during the time starting in late October when the Superintendent at the time began spending most of his time based in the High School. In late January 2018 the Interim High School Principal who had begun work just before the start of the 2017-18 school year was injured in the process of breaking up a fight. This incident prompted the Commissioner to seek the involvement of the New York State Police, the Nassau County Police and the Village of Hempstead Police. Working with the Acting/Interim Superintendent and law enforcement officials, the Commissioner was able to arrange for greater police presence. What really turned the situation around, however, was the return of the principal who had been in the position the prior year.
2. Weak Leadership—the Interim High School Principal who began at the start of the 2017-18 school had no prior experience as a high school principal in any high school much less one as large, complex and challenging as Hempstead. (Despite the tight controls exercised by NYSED over schools in receivership, one power neither NYSED nor the Distinguished Educator has is the ability to veto key personnel appointments.) The lack of experience on the part of the Interim High School Principal was a significant hindrance to efforts to deal with both the daily fights and academic reform.
3. Uncertain Plans---previous school improvement plans filed with NYSED had not been retracted but they had clearly been shelved on a de facto basis at the time of the initial assessment. This left everything up in the air including the work of several consulting groups such as Johns Hopkins that had been hired to support the reform plan. The situation was painfully obvious at a meeting of the High School and District administration with the NYSED officials responsible for working with schools in receivership. In fact, this meeting was highly embarrassing. Clear plans were not re-established until the prior principal was rehired shortly thereafter.

Data available at the time indicated that the prior year's graduation rate was at or below 40%. The exact figure is uncertain due to questions about some of the enrollment data. Whatever the exact figure it was well below (roughly half of) the State and Long Island averages. Data also indicated that the passing rate for most Regents level courses was around 50% and that relatively few students took the most rigorous courses such as Advanced Placement (AP) or Regents level Physics and Chemistry.

As noted in the introduction to this report the current data shows significant improvement over the situation two years ago. Of the 522 students in the 2015 cohort (i.e. students who entered the High School in fall 2015 or joined that cohort when they transferred in) 297 graduated in June 2019 and an additional 32 graduated in August 2019 after taking classes during the summer. That is a combined June and August graduation rate for the 2015 cohort of 63%. In addition, another 26 students in the 2015 cohort earned High School Equivalency (HSE) diplomas no later than August 2019. These HSE recipients do not count as part of Hempstead's graduation rate but students earning HSEs are certainly preferable to students dropping out of school with nothing.

Passing rates in some critical Regents courses have also improved. For example, the passing rate for Regents Algebra increased from 21% in 2018 to 48% in 2019. The passing rate for English speakers in Regents ELA was 71%. However, it was still only 27% for students learning the English language. The

passing rate for Regents Chemistry increased from 54% in 2018 to 80% in 2019. For Earth Science it increased from 21% to 23%. For Living Environment, the passing rate increased from 35% to 63%.

As noted in the Year Two Third Quarter report the numbers of AP courses and students taking them has increased. For 2018-19 the numbers were:

AP Course	Enrollment	Test Taken
AP Biology	33	27
AP Chemistry	4	4
AP Environmental	10	9
AP US History	30	29
AP World History	57	54
AP Cal AB	14	13
AP Cal BC	1	1
AP Stats	5	5
AP Computer Science	29	27
AP Art	6	0
AP Lit [English]	41	40
AP Lang [English]	33	33
AP Lang [Spanish]	29	27
AP Lang [French]	25	16
Total	317	285

Based on data from 2016-17 the US News and World Report high school rankings for 2019 ranked Hempstead High School as 904 of 1204 high schools in New York State. The data cited above should improve Hempstead’s ranking in the future.

Again, as noted at the beginning of this report Hempstead High School has made significant “progress” but it is not yet at a level that could be defined as “success”. To reach success I would recommend:

- Graduation Rate---the High School needs to set a target graduation rate of at least 75% for June and August 2020 and spell out in detail what must be done to get each of the members of the 2016 cohort to that goal. As was the case in 2018-19, there needs to be an intense effort with each of the students on the cusp of making it or falling short. The target for June and August 2021 should be to meet or exceed the State average of 82-83%. Again, there will need to be a detailed plan for each member of the cohort of 2017. Based on credit accumulation to date these goals are a stretch but they are doable.
- Passing Rate—passing rates improved in some critical courses but they are still way too low. The persistence of students in taking some courses repeatedly, and the teachers working with them, is admirable but the efficiency and effectiveness of the High School would be greatly improved if an increasing percentage of students could pass courses the first time.
- English Language Learners (ELL)—Hempstead received a large influx of recent immigrants a few years ago. It continues to receive more each year. Many of these students also have significant

gaps in the formal education they received in their home countries. Hempstead should continue to try different strategies with different subgroups of students to try to match student needs with particular strategies. There are also districts elsewhere on Long Island faced with the similar challenges with whom Hempstead should consider even stronger alliances than have existed to date. Improving the passing rate for Regents ELA for English Language Learners would increase overall passing and graduation rates more than any other single factor.

- AP—the High School has made significant progress in both expanding AP courses available and increasing student enrollment in them. This needs to be continued with clear encouragement to those capable of taking and passing these courses. Top students in Hempstead have been accepted at Yale and Harvard so colleges are recognizing what Hempstead graduates can do. This pool needs to keep expanding.
- College—As Hempstead High School’s performance improves, it has an increasingly strong story to tell. Since reputations take time to catch up, Hempstead should actively reach out to college admissions departments to talk about its recent graduates to accelerate this process.

PRE K-8 INSTRUCTION

Pre-K to Grade 8 performance suffered from what staff had described as “consistent inconsistency” over a long period. During the time of my assessment in fall 2017 I heard many talk about a history of repeated changes and the fact that consistency from one building to another, one grade level to another and even one class to another had been hard to maintain. I also heard about insufficient resources, lack of instrumental music, and the lack of AIS academic support services. In addition, I noted the assessment data from the NWEA was used only minimally and that the ABGS Middle School (Middle School) had just switched to another assessment so there would no longer be continuity of data on individual students from the elementary schools into the Middle School. Part of the reason for the minimal use of data from the NWEA was that the assessment had been introduced in conjunction with teacher ratings (APPR).

The chart below summarizes scores in ELA and Math for Grades 3-8 over the past four years. For analysis purposes the percentages of students with scores from 1 to 4 were separated into a combined figure for levels 3 and 4 and a separate figure for those with level 1. While this is an overgeneralization, students achieving a score of 3 or 4 seem reasonably likely to be prepared for Regents level work when they reach high school and those who are at level 1 are probably seriously deficient in basic skills, a level of deficiency which would—if not addressed—make earning a Regents diploma difficult.

Note that from 2015-16 to 2016-17 the percentage of levels 3 and 4 on Grades 3-5 increased and the percentage of level 1s decreased but overall performance was still well below adequate.

Sch.	LEVEL 3 & 4								LEVEL 1							
	2015-2016		2016-2017		2017-2018		2018-2019		2015-2016		2016-2017		2017-2018		2018-2019	
	EL A	MAT H	EL A	MAT H	EL A	MAT H	EL A	MAT H	EL A	MAT H	EL A	MAT H	EL A	MAT H	EL A	MAT H
Barack Obama	12	20	24	36	33	40	36	45	48	47	45	40	28	35	32	34
Jackso n Main	22	39	34	43	34	47	36	42	41	37	32	34	20	25	26	30
Jackso n Annex	9	13	20	25	27	28	23	26	58	46	47	44	36	43	41	41
David Paterso n	12	15	21	27	39	25	44	39	51	56	44	40	28	48	24	29
Joseph McNeil	9	5	17	10	17	15	17	21	60	69	51	63	48	63	49	55
Front	23	37	23	25	21	32	24	20	42	30	49	45	35	35	38	46
ABGS MS	7	4	10	6	20	10	21	14	61	74	58	76	53	71	50	61

The level of performance in Grades 6-8 was particularly concerning as these are the students about to enter the High School and begin trying to earn a diploma. What added to the concern was that the Middle School scores were significantly below those in Grades 3-5.

As will be noted in the sections on Special Education and English Language Learners (ELL) I noted that Hempstead’s elementary schools were struggling to meet the dual burdens of implementing inclusion for special education students and an ever-increasing influx of students with varying levels of proficiency in the English language. The struggles with inclusion were similar to that in other districts but years later. The struggles with the influx of students with limited English were different from most school districts due to both the scale and the rapidity of the influx. The combination of the two simultaneously would have posed a very significant challenge for any district but particularly for one like Hempstead.

The District took two notable steps in February 2018 in response to the assessment and recommendations as approved by the Commissioner. The first was to increase academic support services and instrumental music in the elementary schools in the proposed 2017-18 budget. The second was to explore the adoption of the International Baccalaureate (IB) Primary and Middle Years Programs for the elementary schools and ABGS Middle School in order to bring rigor and consistency across all grade levels and all buildings. (Note—Hempstead became the first public or private school on Long Island to be accepted as an IB candidate school for the Primary Years IB.)

There has been progress at the elementary level in Hempstead. Of note:

- Scores on the State assessments continue to improve. More students are scoring at level 3 or 4. As with the High School graduation rate, “progress” is not yet “success”, particularly since there are still roughly a quarter to one half of all students in grades 3-5 at level 1.
- Three elementary schools that had been on the State’s “Focus” list were removed and deemed in “Good Standing”.
- The District is well on its way to implementing the IB Primary Years Program. The District’s elementary schools began their first year as candidate schools in 2018-19. With step by step implementation and staff training the District now expects to complete its candidacy in two more years with the goal of becoming full IB by the end of 2020-21. The training and implementation process in and of itself has been of value to the District in helping facilitate Districtwide reflection and discussion about what a rigorous and challenging elementary education should look like.
- Inclusion is becoming the norm for classes across the District.
- The elementary principals have been meeting on Saturdays on a voluntary basis to share ideas and analysis as well as provide mutual support.
- As noted earlier only minimal use had been made of the data available from the NWEA, possibly because of its tie to APPR, but increasing use has been made of data from iReady. The schools that pushed this furthest in 2018-19 seemed to show the most significant gains in State assessment results.
- Increased academic support (AIS) has allowed for better “Response to Intervention” services for students before possible classification with special education.
- Prospect School recovered from its year outside the District and enrollment rebounded.
- For 2019-20, where space was available, Grade 6 students were retained in the elementary schools rather than moved to ABGS Middle School.

To continue progress at the elementary level the following steps are recommended:

1. The elementary schools need to prepare a detailed plan of the steps necessary to cut the percentage of students in Grades 3-5 scoring at level 1 on the State assessments by a quarter by spring 2020 and in half by spring 2021.
2. In support of this, best practices in the use of iReady data need to be spread to all elementary classrooms.
3. If possible, the District needs to obtain permission from NYSED to drop the use of NWEA.
4. The Acting/Interim Superintendent needs to meet, if possible every two weeks, with the IB support staff and the elementary principals to discuss progress towards the full implementation of the IB Primary Years Program and the implementation of #1-2.
5. The Board and administration should publicly discuss achievement data and progress towards implementation of instructional improvement plans.
6. As discussed in the section on facilities the District needs to adopt a timeline and process for the elimination of all portables

The situation on the Middle School level is more concerning. As with the High School, the ABGS Middle School had been deemed by NYSED as “Persistently Struggling” and placed in “receivership”. The data from the NYS ELA and Math assessments underscore this. In 2015-16 only 7% of students in ELA and 4% of students in Math scored at level 3 or 4. 61% scored at level 1 in ELA and 74% scored at level 1 in Math.

These percentages have improved significantly since 2015-16 and the Middle School has made its Demonstrable Indicators (DIs) as set by the State and the District for the Middle School each year. Both accomplishments are real and should be recognized. It should also be recognized, however, that performance in both math and ELA is still at an extremely low level.

As with other areas, part of the problem and an ongoing concern has been changes in leadership and with those changes in leadership changes in approach. A new principal with solid experience as a secondary principal of schools as complex and challenging as ABGS Middle School took over shortly before the start of the 2017-18 school year. He resigned abruptly in fall 2018. Fortunately, the District was able to find an experienced administrator with knowledge of Hempstead who was able to step in on short notice and who has been able to continue for the 2019-20 school year. During the four years covered in the chart showing NYS assessment scores in ELA and Math there have been three different principals.

Given this history, I strongly recommend that the Acting/Interim Superintendent meet every two weeks with the key staff at the Middle School to ensure that the school remains on track. The move to the IB Middle Years Program is a positive step but a change of this magnitude is going to be hard to accomplish without greater stability and consistency.

The physical layout and condition of the building is also a significant hindrance to progress. The decision to keep some of this year’s Grade 6 students in the elementary schools was a positive step but the building remains a hodge-podge of structures with roughly one third of the classroom space being portables and another third being a reconfigured 1960’s open-space structure. There is no immediate solution to this but creating a cohesive functional structure long-term must remain a priority for the District.

SPECIAL EDUCATION

At the time of my initial assessment in Fall 2017 the District was under a severe corrective action plan signed by the District and NYSED as the District was identified under the Individuals with Disabilities Act (IDEA) for nine consecutive years due to poor academic performance of students with disabilities and longstanding noncompliance with regulatory requirements.

What I saw then and continued to see and report on quarterly since was a strong commitment on the part of the District to follow through on the corrective action plan, to eliminate all existing infractions and move to the point that it is no longer on any list of deficient districts. The District’s efforts have been closely monitored by NYSED’s Special Education Quality Assurance (SEQA) Long Island Regional Office.

The District was late in implementing integrated co-teaching classes. While progress has been and continues to be made, State data from 2017-18 indicated 34% of Hempstead students with disabilities received instruction in a regular classroom for 80% of the day versus a State target of 59.5% and 44% of students with disabilities received instruction in a regular classroom for 40% of day or less versus the State target of 19% or less. Since 2017-18 both percentages have improved with the first percentage increasing from 34% to 41% and the second being cut from 44% to 37%. As with the High School graduation percent, progress but not success.

The graduation rate (June plus August 2019 District) for special education students in the 2015 cohort was 56%. 14% received the NYS Career Development and Occupational Studies (CDOS) Commencement Credential in lieu of a diploma.

Hempstead needs to stay focused and not let up. It is my strong recommendation that NYSED and Hempstead officials meet to devise a plan with the explicit intent of getting Hempstead off any list of deficient districts in special education.

ENGLISH LANGUAGE LEARNERS (ELL)

Hempstead was also, and still is, under a corrective action plan relating to the needs of ELL students. As with special education, what I saw then and what I have continued to see and report on quarterly since is a strong commitment on the part of the District to follow through on the existing plan.

As with special education, Hempstead continues to make progress. Dual language programs are expanding and the language expectation for the IB program has reinforced the importance of language proficiency.

Hempstead instituted the New York State Seal of Bi-Literacy (NYSB) for High School graduates. The NYSB recognizes high school graduates who have attained a high level of proficiency in listening, speaking and writing in one or more languages in addition to English.

In several of the most recent quarterly reports I have stressed the need for a strong and complete administrative team at the District level and my concerns that this had not come to fruition. As part of this I noted the need for an experienced Assistant Superintendent for Instruction with a strong background in the education of ELL students to help the District in this area. Two thirds of Hempstead's students are Hispanic. Most have some level of need to strengthen their English language skills. Many are recent immigrants, some of these with interrupted education in their home countries. Hempstead has made progress but the need to strengthen ELL education is still a very significant challenge.

TECHNOLOGY

The current Assistant Superintendent for Technology began earlier the same day I began work in Hempstead. As noted in the initial assessment report in 2017 the technology area in Hempstead had suffered the consequences of multiple changes in leadership and changes in direction. The fact that no one from Hempstead had even logged onto the State website to learn about the steps necessary to

apply for the NYS Smart School bond funds allocated specifically to Hempstead (approved by NY State voters in 2014), much less applied for those funds, meant that Hempstead students and staff had long been deprived of over \$9 million in technology resources which could have been used to their benefit.

Significant progress has been made in the technology area since 2017:

- A proposal was made to the State for half of the Smart School bond funds allocated to Hempstead. The proposal is in the queue for review and approval. (Although I have written in several recent quarterly reports that a proposal for the second half of the allocated funds was about to be submitted as that was what I had been told, no proposal for the second half has been written or submitted. It is still outstanding.)
- New security equipment was purchased and installed where needed in conjunction with the security department, the security consultant and building administrators. The existing security cameras had been a mix of a variety of types and quality.
- All existing IT equipment was reviewed to determine what was functional and what was not and then where the functional equipment should be located. This was supplemented by new IT equipment purchased with available funds.
- Management of the department was revamped in order to provide support service in a more appropriate and timely fashion.
- Although this has not been without significant bumps in the road there has been an effort to rebuild relations with the Nassau BOCES technology team.
- There has also been an effort to ensure that all vendors were providing top quality service.
- The technology department was appropriately involved in the rebuilding of Prospect Elementary School after the fire in August 2018 checking to determine what was still functional and could continue to be used and what had to be replaced.
- The Hempstead technology department also reviewed District use of various types of software. Particular attention was focused on PowerSchool. A review by Hempstead staff, Nassau BOCES, officials from the company and NYSED representatives determined that there were significant problems with how the PowerSchool software was being used in Hempstead and how data was stored. A comprehensive plan was developed and then implemented over a period of months. The significance of this should not be minimized. In August 2017 and then again in August 2018 Hempstead's data for critical State reports did not load properly and at one point Hempstead was apparently holding up NY's ability to report to the US Department of Education. With the software fix and staff training on the revamped system the District was able to proceed on a path to cleaning up its student data files.
- In conjunction with the work outlined in the previous paragraph the District also employed a trained and experienced data person during the 2018-19 school year. That individual in collaboration with other technology and building staff has now led to all of Hempstead's student data being properly accounted for. (Please remember that the Superintendent in place in the fall 2017 had directed that staff improperly remove roughly 300 students from Hempstead's rolls, an act that resulted in a major compliance issue with NYSED.) The significance of cleaning up student data should not be minimized. I have no first-hand knowledge of this but principals informed me that there have been "ghost" students on their rolls for many years. That issue is now a thing of the past and will remain so as long as the District keeps its data up to date going forward.

- The Acting/Interim Superintendent has begun seeking the assistance of Nassau districts known for their sophistication in the area of technology.

To continue this progress I strongly the following steps:

1. The Acting/Interim Superintendent needs to meet regularly, preferably every two weeks, with the leadership of the technology department to ensure that all initiatives stay on track and that problems are identified quickly and resolved.
2. The Acting/Interim Superintendent needs to continue to consult informally with superintendents in other districts who are the leaders in this field. Hempstead can benefit from both their expertise and the experience they have gained with various vendors.
3. The District should complete and submit an application for the second half of the Smart Schools bond funds. There is no reason for Hempstead students and staff to be deprived of use of these funds. District funds can supplement these plans when changes are needed.
4. Now that the technology area has been stabilized and upgraded, the District needs a comprehensive plan of action for the next steps going forward with key individuals given a chance for input and an opportunity for the Acting/Interim Superintendent to sign off on steps in advance. This needs to be carefully thought out as Hempstead needs to avoid repeating the serious issues of the past when it went off on its own.

NUTRITION

The Hempstead nutrition program is currently under review by NYSED.

GOVERNANCE

In the initial assessment report, the findings on governance took a prominent place. They did so for four reasons. First, the role of the Board is critical to the effective and efficient functioning of a district. Second, parents, staff and community members expressed deep concern about the Board. Third, what I witnessed in the period from October to December 2017 was extremely troubling. Lastly, numerous reports--- the Office of the New York Comptroller in 2014, the three prior years' reports by the District's three audit firms, the report by a 40 person team from NYSED in 2004 and decisions by the NYS Commissioner of Education---all identified similar, serious concerns.

While governance was not the only area with problems, it was clearly the most pivotal as noted in the findings section of the initial report that is copied in its entirety below:

1. GOVERNANCE

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. Stakeholders spoke about deep divisions, long and rancorous Board meetings, an inability to collaborate even on commonly shared concerns, a failure to

prioritize student needs, an inability to attract and retain administrative talent, a lack of consistency, a lack of follow-through on agreed upon plans, and a lack of transparency.

Overall, my assessment and evaluation of the District's operations and practices reveals that **governance is the single most significant barrier to the District focusing its efforts and resources on the education of its students, which should be of paramount concern.** A review of recent legal proceedings before the Commissioner clearly illustrates the inordinate amount of the District's attention and resources that have been expended on Board issues. Since 2014, several appeals and/or applications for removal have been filed with the Commissioner of Education regarding the District. These proceedings include challenges to the District's May 2014, 2015, and 2016 election results; the Board's alleged violations of the Open Meetings Law; challenges to the Board's contracting and procurement practices; and challenges to the Board's removal of one of its members. Most of these challenges have been mounted by the Board itself or by various groups of Board members.

Based on the record in these appeals, the Commissioner has been compelled to overturn the results of the May 2014 Board of Education election and order that the District cooperate fully with election monitors (Decision No. 16,660), and annul the Board's action in removing one of its members (Decision No. 17,263). Indeed, in such decisions, the Commissioner has routinely commented on the pervasive governance issues plaguing the District. For example, in her recent Decision No. 17,263, she stated:

"Finally, I am compelled to comment on the controversy surrounding respondent board in recent years which continues to plague this district, as evidenced by the record in this and several other cases involving the district (see e.g. Appeal of Watson, et al., 56 Ed Dept Rep, Decision No. 17,082; Appeal of the Bd. of Educ. of the Hempstead Union Free School Dist., 55 id., Decision No. 16,878; Appeal of Touré, et al., 54 id., Decision No. 16,660). Due to the significant academic and school governance issues the district continues to experience, effective October 6, 2017, I appointed a Distinguished Educator to the district in accordance with Education Law §211-c. In light of the above, 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. To this end, I am directing Dr. Jack Bierwirth, the appointed Distinguished Educator, to provide guidance and technical assistance to the district to ensure that this occurs (emphasis added)."

During my assessment as well as in the six months prior, many of the practices that were of express concern in the 2014 report by the Office of State Comptroller continued to be exhibited by the Hempstead Board of Education. In 2014, OSC noted that the Board exhibited a lack of transparency and a failure to adhere to Open Meetings Laws. OSC also expressed serious concerns about the Board's improper employment practices, including an admonishment for retaining two superintendents at the same time. The Board had appointed administrators, changed administrators, and entered into as well as amended agreements with no documented plan, reason, or clear benefit to the District.

In a direct example of a lack of follow-through on prior recommendations, in the spring of 2017, the Board employed a new superintendent one month before the end of the prior superintendent's contract, resulting in the District needlessly paying two superintendents simultaneously. In October 2017, the same Board majority approved the appointment of legal counsel for special investigations retroactive to August 1, an action contrary to the most basic of appropriate business practices and contrary to the expectations delineated by the Comptroller.

In late November 2017, the new majority resulting from the Commissioner's aforementioned reversal of the Board's action to remove a sitting member (Decision No. 17,263) immediately called an emergency meeting. The meeting was broadcast to the community as a discussion meeting, but resolutions dismissing the sitting counsel for special investigations and appointing a firm that had been previously employed by the District were hand carried into the meeting and approved. Neither the substance of the action to be considered nor the rationale were shared with the public in advance.

One week later, at a regularly scheduled Board of Education "work" session, additional resolutions were hand carried into the meeting and approved. These resolutions removed another law firm employed by the District effective immediately and transferred that firm's work to a different firm that had previously done work for the District.

Both successor firms that had previously worked for the District charge notably high fees. Reverting to these firms' services during the school year on short notice with pending cases demonstrates questionable priorities and judgement.

Additionally, shortly after hiring the new superintendent to begin in June 2017, the same Board majority hired four "master teachers," approved a consulting contract of just under half a million dollars, and employed a deputy superintendent. In total, these additions represent annual expenditures of roughly \$1.5 million that were not in the budget approved by the taxpayers in May 2017.

Questions have been raised about the manner of these new appointments given the apparently close connections between the new superintendent, the individuals selected as master teachers, the organization employed for consulting, and the deputy superintendent. The master teachers do not have job descriptions, their role is unclear to other school staff and parents, and they are not part of any bargaining unit. Furthermore, there has been no formal reorganization of administrative responsibilities to justify these roles. Whether the responsibility for defining these jobs rests with the Board or the superintendent is less important than the fact that they remain undefined while putting undue strain on the District's budget.

In addition to the specific issues resulting from the Board's decisions to date, their actions suggest that they lack a commitment to the level of transparency in the school budget development process mandated in State Education Law. This was illustrated by the District's planned purchase of new school buses through vaguely worded language in its 2017-18 budget. Before the purchase could occur, SED discovered that the District lacked the budget propositions and State approvals required by the property tax levy limit and State aid statutes. Due to the Board's failure to follow protocol, if the District had made the purchases, it would have risked being ineligible for State aid. In addition, the resulting payments would not have been appropriately treated as capital expenditures under the tax levy limit and therefore could have depleted the funds available for instruction. This example raises a red flag that the Board of Education lacks a basic understanding of the requirements of lawful and responsible school district budgeting.

*While members of the Board of Education made assurances during the Distinguished Educator's assessment that they would put aside differences to address critical issues such as school safety, facilities management, and high school instruction – all of which Board members indicated they agreed on – those aspirations have not been realized. In fact, little or no time has been spent on these high-priority issues other than answering concerns raised by members of the public at Board meetings. **When meeting as a group, this Board has proven completely unable to meet the critical challenges facing the District as detailed in this report.***

It is noteworthy that this behavior was consistent during the leadership of two different Board majorities. Further, it is evident that the superintendent has been drawn into the clear divisions among the current Board majority and minority. The overwhelming perception of parents and the staff is that the superintendent was allied with the majority that was in leadership from June until the Commissioner's November decision that altered the balance of power. It is doubtful whether any leader could have successfully straddled the entrenched divide within the Board, but these political issues complicate the superintendent's capacity to lead the District.

In all of the quarterly reports since as well as in the final report for Year One, I have been explicit about my continuing concerns about governance, concerns which I believed were the major threat to real and permanent improvement. When there have been positive steps that the Board had taken, I have also noted those along with my concerns. There are many positives:

- Over the past two years the District has made notable progress in many areas as described in brief in the earlier sections. Having witnessed the progress firsthand, it is discouraging to hear it questioned or minimized. It is real and it has been substantial. It has not reached "success" but

the students in Hempstead are better off today than they were a couple of years ago. It is fair to recognize that this progress happened while the Board was in office.

- The Board completed the forensic audit and directed general counsel for the District to turn over the entire report to law enforcement for further investigation and, if appropriate, action.
- The Board reported several cases of potentially criminal activity to law enforcement including one case that recently resulted in an indictment and guilty plea.
- The Board proposed to the community that the former Rhodes School be torn down, a new elementary school be built and that a number of the portables then be removed. The community approved this proposition.
- The Board became personally involved in helping find a temporary home for students and staff displaced as a result of the August 2018 fire at the Prospect School.
- The Board constituted itself as an audit committee as a whole for the 2018-19 school year. They met with each of the audit firms twice and followed the actions taken to eliminate longstanding red flags identified by the three audit firms and the Office of the State Comptroller.
- The Board sent two balanced and appropriately formatted budgets to the community. The community approved both on the first vote. The 2018-19 budget restored AIS support services for students and elementary instrumental music.
- Faced with a very significant increase in charter school tuition reimbursement for 2019-20 the Board made deep and painful cuts to other areas of the budget to ensure that the budget presented to the community was balanced.
- Recently, the Board has approved the appointment of three key administrators in the business, facilities, and security areas.
- In the last month the Board also settled the first contract in many years. The new contract, with Hempstead's administrators, covers 10 years (back seven and forward three which shows how long it has been since a contract was settled).

At the same time, despite one personal visit by the Chancellor of the Regents and the Commissioner of Education, a second visit by the Commissioner and three meetings facilitated by the Director of the New York State School Boards Association, the Board has failed to make a clean break with the past and live up to what the Commissioner clearly stated (in bold for emphasis) in the November 2017 Commissioner's decision:

"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."

This was in addition to what she had already made clear in words as well as in deed with the appointment of a Distinguished Educator a few months prior.

When I first entered Hempstead, I met with each of the Board members individually. I asked for their thoughts on each of the District's seven goals. There seemed to be a remarkably high level of consensus about the issues of substance and what needed to be done about them. However, despite the

Commissioner's urging and the fact that the Commissioner had appointed a Distinguished Educator a few months earlier due to an overwhelming concern about the District on her part, the Board spent little time discussing the areas covered in the seven goals (Student Achievement, Facilities, Transportation, Finances, Human Resources, Public Relations and Governance) from October 2017 through June 2018 with the exception of the Rhodes facilities project. The primary priority of Board members was adult issues with little discussion of the key issues affecting students---exactly the opposite of what the Commissioner had asked for. Not much has changed since.

What makes this fact particularly distressing is that these recent behaviors seem largely consistent with the behavior of boards in Hempstead over prior decades. Although the composition of the board changed numerous times over past decades and even in the period since October 2017, the behaviors have remained similar from one board and one board majority to the next.

Based on the outcomes of various sessions with NYSSBA and others, it seems clear that members of the current Board know what they need to do. They certainly have the capacity do it. They just have not done it for the most part.

Different factions---on and off the Board---were and are currently contending for power. The 2018 election race was very personal and very ugly. The May 2019 election was equally personal and equally ugly with three different factions contending for power, as had been the case the year before. The Commissioner did not ask, and I do think that she expected, individuals to stop contending with each other for Board seats but she did expect that once they were on the Board controversy would stop and that the members of the Board at that time would figure out how to work together with all efforts "focused on the paramount goal of providing successful outcomes for students".

What is needed from the Board at this point is the same as what the Commissioner asked of the Board two years ago. Hempstead has made progress but that progress needs to be sustained and accelerated. The Board needs to demonstrate to parents, community and staff that it can work together with the administration to do just that and that it has plans on all of the critical issues affecting students.

At the moment, parents continue to "vote with their feet". Charter school enrollment continues to increase and there are reported to be substantial waiting lists at the two largest charter schools. I believe that the Hempstead Board and administration have a strong case to make at this point but they need to make it. To date, they have not. They also need to make the case to the State for additional funds so that Hempstead and the charter schools are not left fighting over an inadequate pool of money. To date, they have not.

To date, I have seen more concerted effort go into fighting the legislation appointing monitors than I have seen go into making the case to families considering sending their children to charter schools rather than the regular public schools or go into, making the case to the State regarding the need for additional funds or addressing the seven critical priorities which were clearly identified as issues of substance in October 2017 which are still relevant and critical today.

Many of the critical issues noted in previous reports are still outstanding:

- The need to build a strong and experienced leadership team. The three administrative appointments a month ago were a big step in the right direction. However, the assistant superintendent for business position was open for a year and a half, the superintendent was moved from acting to interim but there seems to be no clarity as to when or how this position will be resolved permanently, the assistant superintendent for instruction position is still vacant, and there is no real resolution regarding the head of security currently on a paid leave of absence. The consequences of selecting inexperienced and/or unqualified individuals for key positions has long term as well as short term ramifications for the District. The Board should reflect on the impact its own behavior has on the capacity of the District to attract and retain top experienced educators and how it could be a positive rather than the negative factor it has been for so long.
- The Board also needs to develop its own internal protocols on how to handle cases in which employees who may be in the process of being disciplined or terminated seek out their favor. Several cases including that of the head of security are very troubling.
- Legal costs continue at a very high level. These costs draw away much-needed resources from students. Part of this is understandable given some of the issues confronting the District. The Commissioner recognized this in her last visit but she also charged the Board with figuring out how to wind this down in order to start cutting legal costs as well as start focusing more time, attention and resources on student issues. This has not happened yet. Hempstead spends significantly more on legal costs than other districts on Long Island. This is mostly a matter of how the Board conducts its business with way too much behind the scenes or with subgroups of the Board.
- The settlement of the contract with the administrators union was a major step forward but other bargaining groups have also not had new agreements in many years. The District is squeezed financially but contracts should not go unsettled forever. The Board, Acting/Interim Superintendent and Labor Counsel need to discuss and agree upon the major terms of various contracts so the District goes to the table fully prepared.
- The Board, District administration and building leaders need to very significantly strengthen the school PTAs.
- One of the District goals in 2017 was to revamp the District's website and increase public relations. There has been much talk about creating an effective PR campaign using a variety of different active and passive tools. A plan is definitely needed but it has not been implemented. In fact, it has not been created to date.
- On a related note the District has also talked about the need to make the positive case to parents deciding between charter schools and the regular public schools. To date it has not.
- The administration and the Board, I believe, are committed to getting Hempstead off all lists of deficient districts. This is highly commendable. The Board as well as the administration needs to own this. To date it has not.
- The Board has made progress in setting agendas even for executive sessions but the Board still goes into executive sessions almost every meeting and for hours each time. The Board also still entertains "hand-carries" (last minute resolutions) with some frequency. Both were practices the Board indicated that it intended to curtail but has not.

- The lease for additional administrative space at 100 Main Street is still hanging over the District as it has for many months. This is administrative space that the District does not need and has no budget for.

When the Commissioner first met with me regarding Hempstead she made it clear that the goal was significant and permanent change for the better for students. Given the limitations of the law no consequences for Hempstead were indicated if Hempstead did not take the steps it needed to but I believe that Hempstead has demonstrated that if it is given half a chance that significant progress with students can be made. Giving the District half a chance, however, requires that all adults—on and off the Board---contending for power put aside focusing on adult issues and come together to do what is necessary to improve the quality of education for students.