

Massachusetts Department of Revenue Division of Local Services

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Lawrence Public Schools Review

Executive Order 393

*Education Management Accountability Board
Report
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TABLE OF CONTENTS

I. INTRODUCTION	1
II. EXECUTIVE SUMMARY.....	2
III. GENERAL CONDITIONS AND FINDINGS	9
1. <i>LAWRENCE OVERVIEW</i>	<i>9</i>
2. <i>SCHOOL FINANCES</i>	<i>14</i>
3. <i>SCHOOL BUDGET TREND.....</i>	<i>15</i>
4. <i>TOTAL SCHOOL COMMITTEE DISTRICT EXPENDITURES</i>	<i>17</i>
5. <i>NET SCHOOL SPENDING REQUIREMENTS.....</i>	<i>19</i>
6. <i>SCHOOL COMMITTEE PROGRAM BUDGET</i>	<i>21</i>
7. <i>FOUNDATION BUDGET</i>	<i>24</i>
8. <i>STAFFING – FULL TIME EQUIVALENT (FTE) TRENDS.....</i>	<i>26</i>
9. <i>PAYROLL – SALARY LEVELS, UNION CONTRACTS</i>	<i>29</i>
10. <i>COURSES AND CLASS SIZES</i>	<i>33</i>
11. <i>TECHNOLOGY</i>	<i>34</i>
12. <i>SUPPLIES AND TEXTBOOKS</i>	<i>35</i>
13. <i>TEST SCORES</i>	<i>36</i>
14. <i>MANAGEMENT</i>	<i>42</i>
15. <i>ACCOUNTING AND REPORTING</i>	<i>44</i>
16. <i>REVIEW OF EXPENDITURES</i>	<i>44</i>
17. <i>HIGH SCHOOL ACCREDITATION.....</i>	<i>47</i>
18. <i>GRADE 3 TRANSIENCY</i>	<i>48</i>
19. <i>SPECIAL EDUCATION AND TRANSITIONAL BILINGUAL EDUCATION</i>	<i>49</i>
20. <i>DROPOUT AND TRUANCY</i>	<i>53</i>
21. <i>MAINTENANCE AND CAPITAL IMPROVEMENT.....</i>	<i>55</i>
22. <i>SCHOOL IMPROVEMENT PLANNING</i>	<i>56</i>
23. <i>STUDENT LEARNING TIME.....</i>	<i>57</i>
24. <i>PERSONNEL EVALUATIONS</i>	<i>57</i>
25. <i>PROFESSIONAL DEVELOPMENT</i>	<i>59</i>
26. <i>CURRICULUM ALIGNMENT.....</i>	<i>61</i>
27. <i>ASSESSMENT OF STUDENT PROGRESS.....</i>	<i>62</i>
IV. EMPLOYEE SURVEY.....	64
V. SUPERINTENDENT’S STATEMENT – EDUCATION REFORM.....	66
VI. APPENDIX	67

I. Introduction

The Massachusetts Education Reform Act (MERA) of 1993 has three major goals: to increase student achievement, to achieve adequate funding for all local and regional school districts over a seven-year period, and to bring equity to local taxation efforts based on a community's ability to pay. In February 1997, the Governor issued Executive Order 393 to evaluate the education reform program that was nearing the end of its fourth year. In FY97, Massachusetts General Laws (M.G.L.) Ch. 70 state aid for education reached \$2.1 billion. With an investment of this magnitude in the Commonwealth's schools, it is critical to "review, investigate and report on the expenditures of funds by school districts, including regional school districts, consistent with the goals of improving student achievement." To that end, Executive Order 393 established the Education Management Accountability Board (EMAB). Chapter 70 state aid for education reached \$2.8 billion in FY2000.

The Secretary of Administration and Finance, serving as chief of staff to the EMAB, selected a team of auditors from the Department of Revenue's (DOR) Division of Local Services (DLS) to conduct the school district reviews. DOR's Director of Accounts is the chief investigator with authority to examine municipal and school department accounts and transactions pursuant to M.G.L. Ch. 44, §§45 and 46A. The reviews are conducted in consultation with the State Auditor and the Commissioner of Education.

This was the fourth audit performed jointly with staff of the Department of Education (DOE). DOE staff used its own audit protocol to review and prepare sections 22 through 27: school improvement planning, student learning time, personnel evaluations, professional development, curriculum alignment, and assessment of student progress.

The Lawrence Public Schools (LPS) is the twentieth school district reviewed under Executive Order 393. The audit began in October 1999 and fieldwork was completed in February 2000. As part of this review, the audit team conducted a confidential survey of employees of the school district and included the results in this report. School officials cooperated fully with the audit team.

The Executive Summary includes some of the more significant observations and findings of the review of LPS' operations. When possible, the audit team has identified and presented best practices, which may be adapted by other school districts. The report includes all results, best practices and deficiencies, if any, in greater detail in the "General Conditions and Findings" section.

II. Executive Summary

SUMMARY

Lawrence made limited progress in addressing key areas of education reform prior to 1998. There appeared to be few basic management systems in place as evidenced by the following events. A lack of action by the school district to correct deficiencies at the high school culminated in the loss of accreditation of the school in 1997. A report was issued by the State Auditor's Office in 1997 that was critical of spending practices by the school district and included several recommendations to implement basic management control systems. A fact finding team appointed by the Commissioner of Education also issued a report in 1997 stating that there was a need for improvement in the management and operation of the district. The Superintendent was dismissed by the school committee that year. An out of court settlement of \$625,000 was eventually paid to the Superintendent as a result of the dismissal.

A new Superintendent was hired in 1998. She saw her mandate to address three areas: to regain accreditation for the high school, to address the issues raised by the State Auditor's report and those raised by the Department of Education. Constructive initiatives undertaken by the Superintendent were expected to yield positive results. Quarterly progress reports of activities to DOE indicate that progress was made in addressing deficiencies. However, that Superintendent was also dismissed by the school committee in February, 2000, after several months of public controversy over her use of consultants and related expenditures, alleged conflict of interest violations, and expense reimbursements. The Superintendent's lead attorney advised the school committee that a lawsuit had been filed on her behalf.

The State Auditor's report of 1997 stated that LPS should develop a corrective action plan to address all the issues related to accreditation and should develop and implement administrative policies and procedures relative to the procurement of consultant services. In order to regain accreditation of the high school fifty-one specific areas of concern raised by the NEAS&C had to be addressed.

When the Superintendent took office in 1998, she filled top administrative positions and hired a high school principal. Each administrator developed a work plan that addressed deficiencies from the fact finding report. These plans were used to develop a district improvement plan. The Superintendent hired eight consultants specifically to work on accreditation issues to form a team led by one of the consultant's who had been her contracted transition assistant. The accreditation team of eight consultants and high school department chairpersons began meeting in September of 1998 to correct the deficiencies identified by the original fifty-one concerns cited by NEAS&C. In addressing these concerns, the school committee approved a three-phase school construction plan and a talent development model at the high school that was endorsed by the faculty and would eventually result in a completely restructured high school program. A school construction account was

approved by DOE and grant resources increased from \$12.7 million in 1998 to \$13.4 million in 1999.

Prior to 1999 all elementary principal contracts were for one year, had the same ending date and received the same salary. A professional development plan was approved by DOE in March of 1999. Beginning with the 1999-00 school year, LPS began using a computerized student assessment program in grades 4-9 called Curriculum Computer Corporation (CCC). In 1998 the district established a comprehensive evaluation system for all teachers, principals and administrators based upon the Principles of Effective Teaching and the Principles of Effective Leadership. The teachers' union agreed to a peer assistance committee to develop and implement peer mentoring programs for new and veteran teachers.

LPS has a student population of 12,499, a budget of \$87.6 million and spent \$7009 per student in FY99. The all/student / all/FTE teacher ratio of 15.0:1 is higher than the state average of 14.2:1 for FY98. The district average teacher salary for FY98 was \$38,992 or 13 percent lower than the state average. Enrollment has increased from 11,131 in FY95 to 12,499 in FY99. For FY99 the district spent 96.8 percent of its foundation budget target while 95.9 percent of the school budget was funded by the state. Total SPED expenditures increased 202 percent from FY93 through FY99.

Although drop-out prevention programs have been implemented, the dropout rates calculated by the district have almost doubled from 10.4 percent in FY97 to 20 percent for the FY99 school year. Before 1999 the Metropolitan Achievement Test was administered to various grades but no district-wide item analysis was conducted. Grades 1-11 are now tested and data analyses are used through the district. Test scores have been low in Lawrence. When the MCAS 1999 scores in all three subjects (English, mathematics, and science and technology) for all three grades (fourth, eighth, and tenth) are added together, LPS ranks last of the 210 school districts that teach the 4th, 8th and 10th grade. SAT scores have consistently been significantly below the state average.

The audit team reviewed several issues raised in the media and by the school committee concerning actions either taken or supported by the Superintendent. These issues are discussed in some detail in reports written by the city's attorney and in reports submitted to the school committee by the Superintendent through her attorneys.

Specific issues raised by the school committee revolve around the Superintendent's

- excessive use of consultants
- cost sharing of an apartment with one consultant in violation of the state's conflict of interest laws
- hiring her sister as a consultant in violation of the state's conflict of interest laws
- submitting invoices for reimbursement that include the cost of meals for her husband and sister
- questionable relocation expense reimbursements

The issue of using consultants excessively can be viewed in the overall context of available and budgeted funds. The general decision to use consultants and the amount to be spent on consulting contracts was a business decision made by the Superintendent. Funds had been budgeted and approved by the committee. The mayor who also serves as chairperson of the school committee approved each contract. The specific contracts questioned by the school committee were issued for work to be done in professional development. Contracts for professional development are exempt from the state's bidding law requirements. This allowed the school district to hire any company or individual to do professional development work. The Superintendent used that exemption to obtain the services of a friend and colleague to be transition director when she took office. The Superintendent again used the professional development contract vehicle to engage the same consultant when she was not able to hire the consultant as assistant superintendent because the school committee did not approve that position in the budget. The same consultant was put in charge of the accreditation team consultants.

Progress has been made toward regaining accreditation at the high school. However, several consultants have either been terminated or have not returned to the school district over the past few months. The district now needs to maintain the momentum to regain accreditation for the high school. To the extent that that is lost, the hoped for result from investment in the consulting effort would be diminished to the detriment of the school district.

The Superintendent has requested a ruling from the State Ethics Commission regarding the contract with Drucille Stafford and the apartment cost sharing arrangement with that consultant. The school committee's issues are that the Superintendent did not give advance notice of the planned arrangement and that she derived a financial benefit from the contract through the apartment lease arrangement in violation of the state's conflict of interest laws.

In a letter dated February 4, 2000 to the State Ethics Commission regarding the hiring of her sister as a consultant for work in the amount of \$950, the Superintendent states that "it was brought to my attention that I have violated Chapter 71, Section 67 of the Massachusetts General Laws." She notes that she "never received any commission, fee, compensation, or reward of any kind," adding "I am requesting an opinion on the process to remedy this situation."

With respect to reimbursements for questionable business expenses, the Superintendent did admit that three invoices that included the costs of meals for her spouse and sister were inappropriate and should not have been submitted for reimbursement by her. She offered to return \$373.78 for these reimbursements.

With respect to reimbursements received for items submitted under the relocation expense allowance clause of her contract, the Superintendent maintains that all questioned items are appropriate relocation expenses. Neither her contract nor city guidelines would clearly exclude such items from reimbursement. It is noted that the Superintendent's reimbursement requests were reviewed by the city's comptroller's

office and adjustments were made deducting certain items. Items at issue here were reviewed and approved.

Since the State Auditor's Report the district has implemented a system of administrative controls over consultant contracts. The Superintendent demonstrated a lack of sound judgment in submitting questionable expenditures and hiring certain consultants. An additional system to keep track of consultant expenditures was implemented to avoid cost overruns.

THE FOUNDATION BUDGET

- LPS has exceeded the net school spending requirements for FY94 to FY96 and for FY99. In FY99, the district's local and state percentages of actual net school spending were 4.1 percent and 95.9 percent respectively. In FY97 and in FY98, state aid paid for actual net school spending in its entirety. [See Section 5]
- FY99 SPED tuition costs accounted for \$1.855 million or 9.6 percent of non-salary expense areas of the foundation budget. [See Appendix B1]
- The foundation budget does not mandate spending in any specific category. To encourage appropriate levels of spending, M.G.L Ch. 70 §9 requires that a school district report to the Commissioner of Education when it has failed to meet foundation budget spending levels for professional development, books and equipment, expanded programs and extraordinary maintenance. The State Auditor's Report of 1997 recommended that LPS should expend funds in accordance with the amounts established by its foundation budget for these areas. Expenditures did not meet foundation budget in professional development, expanded programs, and extraordinary maintenance for fiscal years 1994 through 1999 but did meet the foundation budget in books and equipment for the same fiscal years. LPS did not file a report as required by law nor did DOE direct it to do so. [See section 7]

STUDENT ACHIEVEMENT

- LPS test scores are below the state average. The 1998 MCAS scores were below the state average in all subject areas for all grades. The 1999 MCAS scores showed that the district scored last out of 210 systems when comparing scaled scores for districts where fourth, eighth, and tenth grades were tested. SAT scores for 1998 are below the state average. MEAP, the state's educational testing program from 1988 to 1996, showed that LPS scores increased in level 2 in all four subject areas for grades 4 and 8 between 1988 and 1996. [See Section 13, Appendices C and D]
- The 1998 Iowa Tests of Educational Development (Iowa Tests) indicate that 53 percent of LPS grade 3 students were proficient or advanced readers while 1999 scores declined to 42 percent for the same categories. LPS grade 10 students scored at the 33rd percentile compared to the national sample. [See Section 13]

GOVERNANCE AND MANAGEMENT POWERS

- DOE fact finding results and loss of high school accreditation by NEAS&C led to the dismissal of the Superintendent in 1997. An interim Superintendent served until the most current Superintendent was hired in 1998.
- The most recent Superintendent hired an administrative staff and utilized a participatory management style in meetings with administrators, supervisors and principals. Each principal must engage twenty-five parents in some level of school involvement. At LHS eight of the contracted twenty-one hours mandated for professional development focus on the NEAS&C accreditation process. The district redesigned its School Improvement Plan format to include such topics as district goals and NEAS&C standards.
- The Superintendent was released in February of 2000 for alleged reasons including conflicts of interest, violation of state bidding laws and abuse of the public trust.

STUDENT/FTE TEACHER STAFFING

- Between FY93 and FY99, the total number of FTE teachers increased by 102.1 or 14.2 percent, from 720.4 to 822.5. During this same time, the all students/all FTE teacher ratio decreased from 18.1:1 to 15.2:1. The FY99 ratio of 15.2:1 is higher than the FY99 state average of 13.8:1. The FY99 all student/all non-SPED FTE teacher ratio of 17.8 is above the state average of 17.7:1. [See Section 8]

TEACHER COMPENSATION

- Between FY93 and FY98, expenditures for salaries rose 24.1 million or 90.8 percent. Total teaching salaries rose 13.9 million or 72.3 percent, reflecting additional spending for new staff as well as pay raises in teachers' contracts. Union contracted annual raises plus step increases for teachers have increased by 70.9 percent from 1993 to 1998. The district FY98 average teacher salary as reported to DOE of \$38,992 was 13 percent lower than the state average of \$44,051. [See Section 9]

PROFESSIONAL DEVELOPMENT

- LPS developed an annual professional development plan for all principals, teachers and other professional staff. A variety of sources were used to establish the goals of the professional development plan including the Report of the Fact Finding Team on the Lawrence Public Schools, the report of the New England Association of Schools and Colleges and the Murphy Report. A new director of professional development and evaluation came to the district in January of 1999. By contract the district requires professional staff to participate in twenty-one hours of professional development, which takes place in two-hour segments after-school. [See Section 25]

STUDENT LEARNING TIME

- Student learning time in LPS has a calendar of 182 days for students and 183 days for teachers. The district added twenty minutes of teacher time to each day beginning with the 1999-2000 school year and increased the amount of professional development time by three hours. [See Section 23]

TECHNOLOGY

- Full implementation of the district technology plan was projected to cost approximately \$16.6 million over a five-year period. The plan is currently in its third year and \$11 million or 66.2 percent has been expended. According to 1998/99 DOE statistics, there are 3.9 students per computer as compared to the state average of 6.3. Also, DOE notes a low level of Internet access in the classroom at 4.0 percent, as compared to the state average of 65.9 percent. [See Section 11]

DISTRICT ISSUES

- The audit team noted that the school committee has not been approving payrolls before city hall receives them. The DLS has ruled that even after the passage of education reform, the school committee remains the head of the school department for approving bills and payrolls under M.G.L. Ch. 41 §41 and 56. [See Section 15]
- In reviewing the October 1999 account statement provided to the audit team, the team noted investment of the fund in an account, which is not on the list of legal investments published by the Office of the Commission of Banks. [See Section 15]

Auditee's Response

The audit team held an exit conference with the Interim Superintendent and the administrative staff on May 1, 2000. The team invited LPS to suggest specific technical corrections and make a formal written response. Final comments from LPS are included in Appendix G.

Review Scope

In preparation for the school district reviews, the audit team held meetings with officials from DOE, the State Auditor's Office and other statewide organizations such as the Massachusetts Taxpayers Foundation, the Massachusetts Municipal Association and the Massachusetts Association of School Superintendents. The audit team also read published reports on educational and financial issues to prepare for the school district reviews.

The audit team met with the private audit firm that conducts financial audits of LPS. DOE provided data including the end-of-year reports, foundation budgets and

statewide comparative data. The DOR's Division of Local Services (DLS) Municipal Data Bank provided demographic information, community profiles and overall state aid data. While on site, the audit team interviewed officials including, but not limited to, the assistant superintendent for academic services, the executive director for business support services, the director of human resources, the administrator in charge of technology, the supervisor of grants and planning, as well as the mayor and her staff. Documents reviewed included vendor and personnel contracts, invoices, payroll data, and statistics on students and teachers as well as test results and reports submitted to DOE.

In keeping with the goals set out by the EMAB, the school district review was designed to determine whether or not basic financial goals related to education reform have been met. The audit team gathered data related to performance such as test scores, student to teacher ratios and class sizes to show results and operational trends. However, this report does not intend to present a definitive opinion regarding the quality of education in LPS, or its successes or failures in meeting particular education reform goals. Rather, it is intended to present a relevant summary of data to the EMAB for evaluation and comparison purposes.

The focus of this review was on operational issues. It did not encompass all of the tests that are normally part of a year-end financial audit such as: review of internal controls; cash reconciliation of accounts; testing compliance with purchasing and expenditure laws and regulations; and generally accepted accounting principles. The audit team tested financial transactions on a limited basis only. The audit team also excluded federal grants, state grants except for Equal Education Opportunity (EEO) and Per Pupil Education Aid, revolving accounts and student activity accounts. The audit team did not test statistical data relating to enrollment, test scores and other measures of achievement. This report is intended for the information and use of EMAB and LPS. However, this report is a matter of public record and its distribution is not limited.

III. General Conditions and Findings

1. Lawrence Overview

DOE classifies the city of Lawrence as an urbanized center. Its 1996 population was 68,807, down two percent from 1990 but up nine percent from 1980. On the basis of the 1996 population, the city has a population density of approximately 10,194 people per square mile. It is located in Essex County and is 26 miles north of Boston. The city is governed by a mayor and a nine-member city council. The city's two largest employers as of 1999, Malden Mills and Lawrence General Hospital, employ approximately 1,500 people each. The city's largest taxpayer as of FY99, New England Electric, was valued at \$46 million, or 4.1 percent of the city's total taxable value.

Like many Massachusetts school districts, Lawrence faced budgetary pressures in the early 1990's as a result of an economic recession and the associated decline in

municipal state aid for education and in financial contributions to schools. For FY91, four proposition 2½ override votes totaling \$7.2 million failed by substantial margins. One vote requesting \$2.5 million for the school budget failed by a margin of almost four to one.

Charts 1-1 and 1-2 show some key demographic and economic statistics for Lawrence.

Chart 1-1

**City of Lawrence
Demographic Data**

1996 Population	68,807
FY99 Residential Tax Rate	\$19.50
FY99 Average Single Family Tax	\$1,540
FY99 Avg. Assessed Value Per Single Family	\$78,995
FY99 Tax Levy	\$27,523,559
FY99 Levy Limit	\$28,076,136
FY99 Levy Ceiling	\$28,076,136
FY99 State Aid	\$110,468,505
FY99 State Aid as % of Revenue	68.0%
1989 Per Capita Income	\$9,686
1996 Average Unemployment Rate	9.9%

Note: Data provided by DLS

Chart 1-2
**Lawrence Public Schools
Demographic Data 1998/99**

	LPS	State Average
Enrollment: Race / Ethnicity		
White	14.2%	77.0%
Minority	85.8%	23.0%
Limited English Proficiency	28.5%	4.7%
Special Education	10.7%	16.6%
Percentage Attending Private School - 1997	12.8%	10.6%
High School Drop-Out Rate - 1997	10.4%	3.4%
Plan of Graduates - Class of '97:		
4 Year College	41.8%	53.4%
2 Year College	34.2%	18.5%
2 or 4 Year College	76.0%	71.9%
Work	16.3%	16.8%

Note: Data provided by DOE. Special Education data as of June 1998.

The district consists of one high school (grades 9-12) and 17 elementary schools as follows:

<u># of Schools</u>	<u>Grades</u>
5	k - 8
3	k - 2
3	k - 5
2	3 - 8
1	pre k - 1
1	k - 6
1	3 - 6
1	4 - 8.

The city belongs to the Greater Lawrence Regional Vocational Technical high school district for grades 9 – 12.

As our audit date, the Superintendent was in this position for one and one-half years.

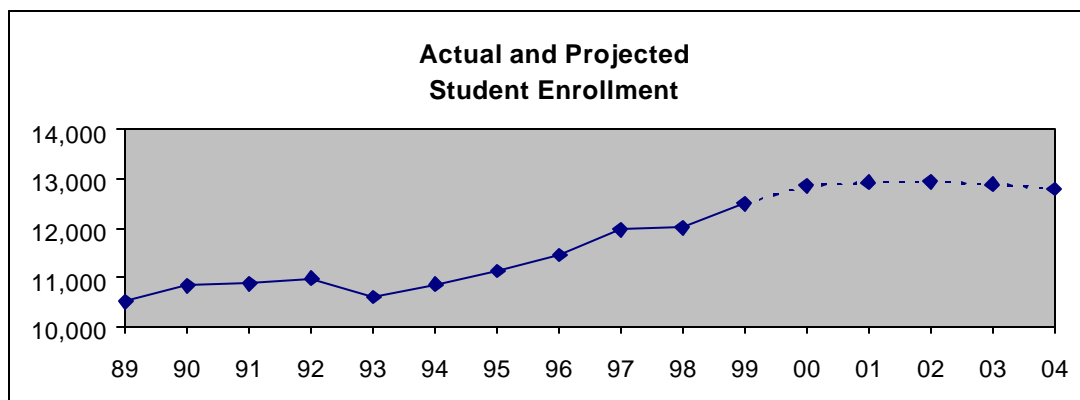
The Superintendent was initially selected by a joint search committee composed of members appointed by the Lawrence school committee and by the Commissioner of Education (COE). The search committee forwarded recommendations to the entire school committee, the COE and to the Board of Education (BOE) to agree upon a candidate. The COE and BOE agreed to evaluate the district's progress annually until substantial improvements in governance and management and reasonable progress in providing adequate education to all students was achieved. The agreement resulted from negative findings in a DOE fact finding report, the loss of accreditation for Lawrence High School and the state auditor's report on certain activities of LPS all during 1997. Otherwise, action to declare the district chronically under-performing and to place it into receivership pursuant to M.G.L. Ch. 69 §1K would be taken. Annual evaluations are based in part upon quarterly reports completed by the Superintendent.

United States Census Bureau information indicates that the city of Lawrence 1990 median family income of \$26,398 was 59 percent of the Massachusetts median (\$44,367) and 75 percent of the national median (\$35,225). The 1990 city of Lawrence per capita income of \$9,686 was 56 percent of the Massachusetts per capita (\$17,224) and 67 percent of the national per capita (\$14,420). The FY2000 LPS budget indicates that 79% of students are eligible for free or reduced priced meals.

The district provides contracted transportation service to approximately 1500 public, private and parochial school students plus an additional 170 special education students attending summer programs.

LPS has protocols and Crisis Response Teams, developed in conjunction with local and state agencies, in place in all school sites as well as at the district level. The teams handle emergencies ranging from an individual student psychiatric crisis to a most recent meningitis incident involving four students in three different schools. In all twenty schools, parents of potential contacts were called over a ten day period to advise them of the matter and treatment needs. All LPS staff received training on the system's crisis response procedures and school sites are required to plan and implement mock drills to assess their team's response and make necessary adjustments.

Chart 1-3 illustrates LPS enrollment trend from October 1988, the 1988/89 school year, to October 1998, the 1998/99 school year. Enrollment projections were done as part of a consultant's long range enrollment study and are shown from October 1999 to October 2003. All enrollments are individual school populations as of October 1 of each year, plus tuitioned-out SPED students, less tuitioned-in students.

*Chart 1-3***Lawrence Public Schools
Actual and Projected Student Enrollment
School Years 1988/89 to 2003/04**

Note: Enrollment as of October 1st. Data obtained from LPS.

A solid line represents actual enrollment; a dotted line represents projected enrollment

Enrollment increased from 10,497 in October of the 1988/89 school year to 12,015 in October of the 1997/98 school year. Total LPS enrollment increased by 14.5 percent during this period, a lower rate of increase than the state average of 15.1 percent. The chart shows a total enrollment increase in 12 of the 15 years shown, especially Pre-K through grade 8. Enrollment projections show a large increase at the high school level and a total enrollment decrease in FY2003 and FY2004. In this case, ungraded students currently represent non-English speaking students with no formal education in their native country. These numbers have decreased as substantially separate special education (SPED) students, once part of the total ungraded, were mainstreamed. Enrollment projections were part of a 1999 new school construction plan.

Chart 1-3a

Lawrence Public Schools
Actual and Projected Student Enrollment

School Year	Elementary School		High School	Ungraded	Total Enrollment
	Pre K	K - 8	9 - 12		
88-89	68	8,094	2,082	253	10,497
89-90	74	8,348	2,063	340	10,825
90-91	78	8,489	2,128	177	10,872
91-92	97	8,515	2,185	177	10,974
92-93	116	8,306	2,027	157	10,606
93-94	203	8,516	1,970	176	10,865
94-95	249	8,886	1,814	182	11,131
95-96	311	8,935	2,038	170	11,454
96-97	419	9,253	2,128	177	11,977
97-98	461	9,583	1,951	20	12,015
98-99	477	9,989	2,013	20	12,499
99-00	500	10,086	2,279	0	12,865
00-01	500	10,010	2,419	0	12,929
01-02	500	9,970	2,470	0	12,940
02-03	500	9,805	2,587	0	12,892
03-04	500	9,546	2,753	0	12,799
LPS 89-98					
% Change	577.9%	18.4%	-6.3%	-	14.5%
State 89-98					
% Change	20.7%	22.1%	2.8%	-	15.1%
LPS 99-04					
% Change	4.8%	-4.4%	36.8%	-	2.4%

Note: Data obtained from LPS

Chart 1-4 illustrates the elementary, middle and high school enrollments as a percentage of the total enrollment.

Chart 1-4

Lawrence Public Schools
Distribution of Enrollment by Type of School

School Year	Elementary School		High School	Ungraded	Total Enrollment
	Pre K	K - 8	9 - 12		
88-89	0.6%	77.1%	19.8%	2.4%	100.0%
89-90	0.7%	77.1%	19.1%	3.1%	100.0%
90-91	0.7%	78.1%	19.6%	1.6%	100.0%
91-92	0.9%	77.6%	19.9%	1.6%	100.0%
92-93	1.1%	78.3%	19.1%	1.5%	100.0%
93-94	1.9%	78.4%	18.1%	1.6%	100.0%
94-95	2.2%	79.8%	16.3%	1.6%	100.0%
95-96	2.7%	78.0%	17.8%	1.5%	100.0%
96-97	3.5%	77.3%	17.8%	1.5%	100.0%
97-98	3.8%	79.8%	16.2%	0.2%	100.0%
98-99	3.8%	79.9%	16.1%	0.2%	100.0%
99-00	3.9%	78.4%	17.7%	0.0%	100.0%
00-01	3.9%	77.4%	18.7%	0.0%	100.0%
01-02	3.9%	77.0%	19.1%	0.0%	100.0%
02-03	3.9%	76.1%	20.1%	0.0%	100.0%
03-04	3.9%	74.6%	21.5%	0.0%	100.0%
Percentage Point					
Chg. '89-98	3.2	2.7	-3.6	-2.2	0.0
Percentage Point					
Chg. '99-'04	0.1	-5.3	5.4	-0.2	0.0

Note: Data obtained from LPS. Percentages may not calculate due to rounding.

2. School Finances

School district funding and financial reporting requirements are generally complex and become especially complicated in the context of education reform. A district annually determines how much money it will spend on education. DOE considers only certain expenditures and funding when determining whether or not a district meets education reform requirements.

This audit examines school funding primarily from three perspectives: the school committee budget, net school spending, and the foundation budget.

The audit team examined the school committee budget in some detail as a matter of practice because it reflects basic financial and educational decisions, provides an

overview of financial operations and indicates how the community expects to meet the goals and objectives of education reform.

Net school spending, the sum of the required minimum contribution from local revenues plus state chapter 70 education aid, is a figure issued annually by DOE that must be met by school districts under education reform.

The foundation budget is a school spending target under education reform, which the school district should meet. Calculated on the basis of pupil characteristics and community demographics, it is designed to ensure that a minimum level of educational resources is available per student in each school district. Under education reform, all school districts are expected to meet their foundation budget targets by the year 2000.

3. School Committee Budget Trend

In FY89, the Lawrence city budget faced a large shortfall and city officials requested assistance from DOR, which projected the shortfall at \$7.8 million and designed a plan with city officials to address it. Additional budgetary complications and a proposition 2½ override loss resulted in special legislation that:

- deferred a \$3.1 million FY90 city budget shortfall into the future,
- capitalized certain FY89 and FY90 extraordinary costs over five years beginning in FY91 and
- created a seven-member fiscal oversight board consisting of four state and three city officials to approve all city budgets, appropriations, loan orders and transfers. Overspending was penalized by automatic personnel reductions and possible department head dismissal.

In FY92, a reduction in local aid led to layoffs, furloughs and additional deferrals. School budget reductions were not implemented due to maintenance of effort requirements in the EEO program which provided the city with \$4.3 million in funding. As a result, the city budget was out of balance by \$2.0 million and additional special legislation was passed authorizing the city to set an unbalanced tax rate so that tax bills could be mailed and tax revenues received.

For FY92 and FY93 only, general legislation authorized a budgetary deferral of teachers' summer pay at local option. The city of Lawrence adopted the deferral option for both fiscal years which totaled \$3.3 million. The legislation allows an amortization of the deferral over 15 years beginning in FY97. The city bonded this deferral in FY94 to be retired over 10 years.

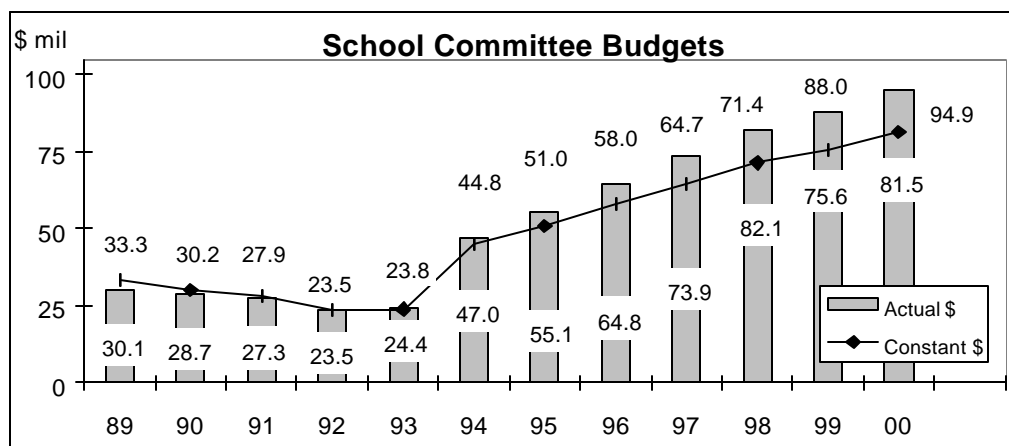
Additional state aid, especially education related, further special legislation authorizing the city to bond \$13 million in past deficits and deferrals for 10 years, the fiscal oversight board and a sewer rate increase contributed to balanced city budgets since FY93. After the fiscal oversight board disbanded in FY98, the Massachusetts Commissioner of Revenue retained authority to require reports and other actions of

the city until the accumulated deficits were fully amortized. In April 1999, Moody's raised the city's non-state qualified general obligation bonds rating from a Ba2 to a Baa3 citing a strengthening financial operation, a stabilizing tax base, an improving economy and a manageable debt position.

Chart 3-1 illustrates the school committee budget trend from FY89 to FY2000. For this purpose, the executive director for business support services supplied budget data to the audit team. Capital items are included. Amounts do not include EEO grants or 1993 Per Pupil Aid.

Chart 3-1

**Lawrence Public Schools
School Committee Budgets in Actual and Constant Dollars
FY1989 - FY2000**



Note: Data obtained from LPS. Years are in fiscal years. Numbers in the bars represent actual \$ and above the bars constant \$.

The LPS FY2000 budget details spending by “responsibility centers” or units responsible for managing the budget resources. Each school in the district is a responsibility center. Other centers include various services provided by the district. Staffing is proposed by way of a model to monitor reasonableness and/or uniformity per given number of students throughout the system.

The FY2000 LPS budget includes a 27-officer department of school safety to provide, among other things, incident prevention and school safety. Nearly every school has at least one officer. An LPS report indicates 58 serious incidents at several district schools reported during the 1999/00 school year. Incidents include weapons violations, gang activity and drug possession. This department reports to the executive director for business support services.

The FY2000 budget proposed \$150 per student per school for discretionary spending such as educational materials, field trips, duty coverage, custodial supplies and telephone costs and included \$4.4 million for the school construction plan (see section 24). The 1997 NEAS&C Commission report indicated a lack of faculty

involvement in the budgetary process, particularly regarding the allocation of funds. The audit team's employee survey shows that a majority of respondents believe that the allocation and use of funds do not match the publicly stated purposes.

For the third fiscal year, the FY2000 budget includes an amount to be transferred into a school construction fund pursuant to Massachusetts General Laws. This fund is an integral part of the school's capital improvement plan in that the fund will be used to pay debt service on bonds to be issued for the construction of four elementary schools and a high school. (See sections 15 and 21).

The Lawrence city council approved \$551,207 in unpaid school department bills for FY99. Most of these bills related to special education. According to LPS, accounts payable were not forwarded timely to city hall prior to closing the FY99 books. As a result, these submissions were deemed unpaid bills of the prior fiscal year and approved by the city council with the understanding that the school department would pay these bills from its FY2000 appropriation. The Lawrence school committee funded these bills using FY2000 unbudgeted cherry sheet revenue. The city comptroller's office and LPS executive director for business support services agree that the purchase order system currently in place will reduce the likelihood of recurrent bills of this sort.

4. Total School District Expenditures

Total school district expenditures include expenditures by the school committee and by the city for school purposes as reported in the DOE end-of-year report. For the purpose of *Chart 4-1*, EEO and Per Pupil Aid has been included.

Total school district expenditures increased from FY89 to FY93 by \$4.1 million or 8.5 percent. Expenditures increased between FY93 and FY99 by \$46.8 million or 89.7 percent.

Expenditures paid for by the city for school purposes were \$11.3 million in FY89 and decreased to \$10.1 million in FY93. After a further decrease in FY94, these expenditures increased to a high of \$16.6 million in FY99. In FY99, the major expenditure components were \$5.9 million for debt service, \$4.7 million for regional school assessment and \$3.9 million for tuition to charter school.

LPS and school related city spending for FY89, FY93, FY98 and FY99 by function, EEO and Per Pupil Aid is shown in total only. According to the Appendix, school committee instructional service expenditures for teaching increased most in dollar terms, \$38.5 million, and educational media increased most in percentage terms, 1343.5 percent. For school committee other services, employee benefits increased most in dollar terms, \$4.1 million, followed by transportation at \$1.1 million. In percentage terms, student body activities increased by 1994.4 percent followed by attendance at 918.2 percent. For school related city expenditures, the regional school assessment increased most in dollar terms, \$1.1 million and administrative support in percentage terms, 269.7 percent. [See Appendix A1]

Chart 4-1

Lawrence Public Schools
Total School District Expenditures
(in millions of dollars)

	<u>FY89</u>	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>
School Committee	\$31.7	\$25.8	\$47.2	\$56.0	\$64.7	\$70.2	\$76.5	\$82.4
City	<u>\$11.3</u>	<u>\$10.1</u>	<u>\$9.8</u>	<u>\$12.6</u>	<u>\$14.2</u>	<u>\$14.6</u>	<u>\$15.6</u>	<u>\$16.6</u>
Subtotal:	\$42.9	\$36.0	\$57.0	\$68.6	\$78.8	\$84.8	\$92.0	\$99.0
EEO Grant	\$5.2	\$15.1	N/A	N/A	N/A	N/A	N/A	N/A
Per Pupil Aid	<u>N/A</u>	<u>\$1.1</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Subtotal:	\$5.2	\$16.2	N/A	N/A	N/A	N/A	N/A	N/A
Grand Total:	\$48.1	\$52.2	\$57.0	\$68.6	\$78.8	\$84.8	\$92.0	\$99.0

Note: Data obtained from LPS. Numbers may not add due to rounding.

Actual net school spending per student has increased from \$4,224 in FY94 to \$7,301 in FY99, or 72.8 percent. The inflation adjusted figures increased from \$4,031 in FY94 to \$6,272 in FY99, or 55.6 percent in 1992 dollars.

Chart 4-2

Lawrence Public Schools
Net School Spending Per Student
Actual and Constant (1992=100) Dollars

	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY94-FY99</u> <u>Change</u>
Expenditures / Student in Actual \$	\$4,224	\$4,924	\$5,648	\$5,936	\$6,495	\$7,301	72.8%
Expenditures / Student in 1992 \$	\$4,031	\$4,551	\$5,056	\$5,194	\$5,648	\$6,272	55.6%

Note: Data obtained from LPS

5. Net School Spending Requirements

Pursuant to the education reform law, DOE develops annual spending requirements and budget targets for each school district. The requirements are based on a formula

which is used to set specific minimum spending requirements and in combination with other factors is also used to set foundation budget targets as well as determining the amount of state aid for each district.

Each school district must meet a net school spending requirement. Expenditures which count towards a district's net school spending, generally include all education related expenditures paid for with state aid under Chapter 70 and municipal appropriations used for that purpose. Excluded from the net school spending definition are expenditures for school transportation, school lunch, school construction and certain capital expenditures. Expenditures from federal funds and from school revolving accounts are also excluded.

The recommended foundation budget target, that is the ultimate spending goal for the district, increased from \$62.6 million in FY94 to 90.5 million in FY99, a 44.6 percent increase. During this same time period, required net school spending increased by 91.3 percent, from \$45.8 million in FY94 to \$87.6 million in FY99. Both the required and actual net school spending amounts have been below the recommended foundation budget targets, but have consistently increased in percentage. Actual net school spending for FY97 and FY98 was below the required amount by \$2.2 million and \$3.9 million respectively. At the end of FY98, the entire cumulative carryover was closed into the school construction fund established by chapter 319 §44 of the Acts of 1998 (see section 24).

Chart 5-1

**Lawrence Public Schools
Foundation Budget and Net School Spending (NSS)
(in millions of dollars)**

	FY94	FY95	FY96	FY97	FY98	FY99
Foundation Budget Target	\$62.6	\$71.3	\$76.5	\$83.4	\$85.4	\$90.5
Required NSS as % of Foundation	73.1%	75.3%	82.0%	87.9%	95.9%	96.8%
Required Net School Spending	\$45.8	\$53.7	\$62.7	\$73.3	\$81.9	\$87.6
Actual Net School Spending	\$45.9	\$54.8	\$64.7	\$71.1	\$78.0	\$91.3
Variance \$	\$0.1	\$1.1	\$2.0	(\$2.2)	(\$3.9)	\$3.6
Variance %	0.2%	2.1%	3.1%	-3.0%	-4.7%	4.1%
Actual NSS as % of Foundation	73.3%	76.9%	84.6%	85.2%	91.4%	100.8%

Note: Data obtained from DOE and LPS. Percentages may not calculate due to rounding. FY99 actual net school spending reported by DOE as budgeted.

State aid, as a percent of actual net school spending, increased from 99.8 percent in FY94 to 102.0 percent in FY98, while the local share decreased from 0.2 percent in

FY94 to zero in FY98. In FY97 and in FY98, state aid paid for actual net school spending in its entirety. The actual local contribution exceeded the required local contribution by extremely high percentages. According to DOE, the FY99 local contribution is artificially high because it is budgeted and does not take into account the district's contribution to the school construction fund. DOE indicated to the audit team that the FY99 actual local contribution is far less. The LPS business office calculation of FY99 local contribution is \$80,697.

Chart 5-2

**Lawrence Public Schools
Net School Spending
(in millions of dollars)**

	FY94	FY95	FY96	FY97	FY98	FY99
Required Local Contribution	\$0.0	\$0.2	\$0.1	\$0.1	\$2.3	\$0.1
Actual Local Contribution	\$0.1	\$1.3	\$2.0	\$0.0	\$0.0	\$3.7
Variance \$	\$0.1	\$1.1	\$2.0	(\$0.1)	(\$2.3)	\$3.6
Variance %	N/A	579.3%	2574.7%	-100.0%	-100.0%	4495.5%
Required Net School Spending	\$45.8	\$53.7	\$62.7	\$73.3	\$81.9	\$87.6
Actual Net School Spending	\$45.9	\$54.8	\$64.7	\$71.1	\$78.0	\$91.3
Local Share \$	\$0.1	\$1.3	\$2.0	\$0.0	\$0.0	\$3.7
State Aid \$	\$45.8	\$53.5	\$62.7	\$73.2	\$79.6	\$87.5
Local Share %	0.2%	2.4%	3.1%	0.0%	0.0%	4.1%
State Aid %	99.8%	97.6%	96.9%	103.0%	102.0%	95.9%

Note: Data obtained from DOE and LPS. Percentages may not calculate due to rounding. FY99 actual net school spending reported by DOE as budgeted.

6. School Committee Program Budget

LPS does not produce a program budget. For purposes of this section, a summary of actual LPS and school related city expenditures by program and a summary of FTE teachers by discipline will be shown. Spending for school transportation, debt service and the regional school assessment has been excluded from expenditure data in this section to approximate net school spending. Appendix A-2 shows expenditure data by program in detail. Expenditures for instructional services increased by over \$45 million or 386.4 percent between FY93 and FY99. School-related city expenditures also increased by over 400 percent, but only by \$4.9 million.

Chart 6-1

**Lawrence Public Schools
School Committee and City Expenditures By Program
(in thousands of dollars)**

	FY89	FY93	FY96	FY98	FY99	FY93 - FY99 \$ Diff	FY99 % Diff	FY99 % of Tot
School Committee:								
Instructional Services	\$21,243	\$11,720	\$42,007	\$52,074	\$57,008	\$45,288	386.4%	66.7%
Other Services	\$8,499	\$12,282	\$20,279	\$21,932	\$22,446	\$10,164	82.8%	26.3%
Subtotal All School Committee Expenditures By Program:	\$29,742	\$24,002	\$62,285	\$74,006	\$79,454	\$55,452	231.0%	93.0%
Subtotal City Expenditures By Program:	\$2,469	\$1,097	\$3,084	\$4,831	\$5,971	\$4,874	444.1%	7.0%
EEO and Per Pupil Aid	\$5,223	\$16,162	\$0	\$0	\$0	(\$16,162)	-100.0%	0.0%
Total School And City Expenditures By Program:	\$37,434	\$41,262	\$65,370	\$78,837	\$85,425	\$44,164	107.0%	100.0%

Note: Data obtained from LPS and DOE

Chart 6-1a shows the same program expenditures data on a percentage distribution basis to illustrate how particular expenditure items have changed since FY89 in certain areas.

Chart 6-1a

**Lawrence Public Schools
School Committee and City Expenditures By Program
Percentage Distribution**

	FY89	FY93	FY96	FY98	FY99	% Point Diff. FY89 - FY99
School Committee:						
Instructional Services	56.7%	28.4%	64.3%	66.1%	66.7%	10.0
Other Services	22.7%	29.8%	31.0%	27.8%	26.3%	3.6
Subtotal All School Committee Expenditures By Program:	79.5%	58.2%	95.3%	93.9%	93.0%	13.6
Subtotal City Expenditures By Program:	6.6%	2.7%	4.7%	6.1%	7.0%	0.4
EEO and Per Pupil Aid	14.0%	39.2%	0.0%	0.0%	0.0%	-14.0
Total School And City Expenditures By Program:	100.0%	100.0%	100.0%	100.0%	100.0%	

Note: Data obtained from LPS and DOE. Percentages may not add due to rounding.

Chart 6-2 provides a more detailed look at teacher full time equivalents (FTEs) by selected disciplines. Elementary school and certain core subject teacher FTEs

increased most in number between FY93 and FY99. Early childhood teacher FTEs increased most in percentage terms. During this same time period, Reading teacher FTEs decreased most in number. For purposes of this chart, teacher FTEs replace a dollar amount of salary.

Chart 6-2

**Lawrence Public Schools
FTE Teachers By Selected Disciplines**

Discipline	FY89	FY93	FY97	FY99	FY93 - FY99		
					Diff.	% Diff	% of Total
Certain Core Subjects	46.4	40.0	52.0	80.0	40.0	100.0%	10.3%
Art and Music	17.0	17.0	20.0	39.0	22.0	129.4%	5.0%
Early Childhood	28.0	8.0	38.0	30.5	22.5	281.3%	3.9%
Health / Phys. Ed.	27.6	29.0	31.0	36.0	7.0	24.1%	4.7%
SPED	115.0	120.0	87.0	122.0	2.0	1.7%	15.8%
Elementary	281.0	237.0	289.0	249.5	12.5	5.3%	32.3%
Reading	20.0	93.4	88.0	59.5	(33.9)	-36.3%	7.7%
Bilingual/ESL	192.0	139.0	175.0	145.0	6.0	4.3%	18.7%
History	4.2	5.0	0.0	12.0	7.0	140.0%	1.6%
Total Selected	731.2	688.4	780.0	773.5	85.1	12.4%	100.0%

Note: Data obtained from LPS. Core subjects included here are English, math, science and social studies.

The FTE information from the October 1 reports for FY97 could not be confirmed by LPS staff. The audit team questioned the accuracy of these numbers. During this time there were three human resource directors who are no longer employed by the school district.

Chart 6-2a shows the same teacher FTE data on a percentage distribution basis to illustrate how teacher FTEs in selected disciplines have changed since FY89.

Chart 6-2a

Lawrence Public Schools
Distribution of FTE Teachers By Selected Disciplines

Discipline	FY89	FY93	FY97	FY99	% Point Change FY93 - FY99
Certain Core Subjects	6.3%	5.8%	6.7%	10.3%	4.5
Art and Music	2.3%	2.5%	2.6%	5.0%	2.6
Early Childhood	3.8%	1.2%	4.9%	3.9%	2.8
Health / Phys. Ed.	3.8%	4.2%	4.0%	4.7%	0.4
SPED	15.7%	17.4%	11.2%	15.8%	-1.7
Elementary	38.4%	34.4%	37.1%	32.3%	-2.2
Reading	2.7%	13.6%	11.3%	7.7%	-5.9
Bilingual/ESL	26.3%	20.2%	22.4%	18.7%	-1.4
History	0.6%	0.7%	0.0%	1.6%	0.8
Total Selected	100%	100%	100%	100%	0.0

Note: Data obtained from LPS. Core subjects included here are English, math, science and social studies. Percentages and percentage point changes may not add due to rounding.

Teacher FTEs detailed by selected disciplines are shown in Appendix A-3.

7. Foundation Budget

The foundation budget is a target level of spending developed to ensure that a minimum level of education resources is available per student in each school district. The foundation budget is determined by a number of factors including enrollment, staffing and salary levels. The key items in the foundation budget include: payroll, non-salary expenses, professional development, expanded programs, extraordinary maintenance, and books and instructional equipment. DOE calculates each of these budget items using the previous year's end-of-year pupil enrollment with adjustments for special education, bilingual and low-income students. Certain salary levels and full time equivalent (FTE) standards are used to calculate salary budgets which also include annual adjustments for inflation. [See Appendix B]

The foundation budget establishes spending targets by grade (pre-school, kindergarten, elementary, junior/middle and high school) and program (regular day, special education, bilingual, vocational and expanded or after-school activities). Grade and program spending targets are intended to serve as guidelines only and are not binding on local school districts. To encourage appropriate levels of spending, M.G.L. Ch.70, §9 requires that a school district report to the Commissioner of Education when it has failed to meet foundation budget spending levels for professional development, books and instructional equipment, extended/expanded programs and extraordinary maintenance.

The State Auditor's Report of 1997 recommended that LPS should expend funds in accordance with the amounts established by its foundation budget for books and equipment, professional development, expanded programs, and extraordinary maintenance. Expenditures did not meet foundation budget in professional development, expanded programs, and extraordinary maintenance for fiscal years 1998 and 1999 but did meet foundation budget in books and equipment for the same fiscal years. LPS did not file a report with the Commissioner's office as required by Ch.70 §9 for these fiscal years stating its reasons for not meeting these levels nor did DOE direct LPS to submit such report. The audit team was provided with data showing additional grant fund expenditures for professional development from FY96 to the present. These amounts ranged from \$701,549 in FY99 to \$32,812 in FY2000. Grant funding, however, cannot supplement other spending to meet the foundation budget for professional development.

Chart 7-1

Lawrence Public Schools
Net School Spending According to Foundation Budget
 (in thousands of dollars)

	FY94		FY96		FY98		FY99	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Professional Development	\$112	\$1,034	\$384	\$1,273	\$808	\$1,412	\$1,070	\$1,491
Books and Equipment	\$3,481	\$2,708	\$6,063	\$3,117	\$7,427	\$3,549	\$4,173	\$3,845
Expanded Program	\$0	\$1,874	\$0	\$2,505	\$2,547	\$2,868	\$959	\$2,958
Extraordinary Maintenance	\$1,290	\$1,995	\$779	\$2,456	\$832	\$2,724	\$1,519	\$2,878

Expenditures As Percentage of Foundation Budget

	FY94	FY96	FY98	FY99
	NSS/FND	NSS/FND	NSS/FND	NSS/FND
Professional Development	10.8%	30.1%	57.2%	71.8%
Books and Equipment	128.5%	194.5%	209.3%	108.5%
Expanded Program	0.0%	0.0%	88.8%	32.4%
Extraordinary Maintenance	64.6%	31.7%	30.6%	52.8%

Note: Data obtained from DOE and LPS. Percentages calculated using whole dollars.

LPS foundation budgets for FY94, FY96 and FY99. For each year, the chart shows expenditures and variances from the foundation budgets as well as how expenditures compare with the foundation budgets. In FY99, the data indicates that spending was greater than the foundation budget target for miscellaneous by \$5.8 million, books and equipment by \$328,000 and assistants' salaries by \$2.8 million. Spending was less than the foundation budget target for teaching salaries by \$921,000, support salaries by \$7.9 million and extraordinary maintenance by \$1.4 million. [See Appendix B]

8. Staffing – Full Time Equivalent (FTE) Trends

Salaries comprise approximately 58 percent of the FY99 total school district expenditures. LPS had a total of 1,497.6 FTEs including 774.6 teachers in FY89. By FY93, total FTE numbers had decreased to 1,026.5 while teachers decreased to 586. In this context, teachers exclude instructional assistants. Paraprofessionals, guidance counselors, psychologists, cafeteria, custodians and maintenance personnel are included as all others in the chart.

Information for given charts in this section was taken from the October 1 School System Summary Reports. An audit trail was not performed for FY89 and FY93, nor could the district provide the audit team with sufficient materials to create one. However, an audit trail was performed using FY99 material.

FTEs decreased between FY89 and FY93 and increased between FY93 and FY99 by 531.6 including 102.1 teaching positions. In those same years total student enrollment increased by 17.8 percent.

For the FY89 to FY99 period, schools in the district experienced an increase in total FTEs of 13 percent, teachers increased by 6.2 percent, while enrollment increased 19.1 percent during the same time period.

All schools with the applicable grades are entering the middle school concept. Resources have been allocated to support planning and new material. Scheduling costs are also included. Teacher training costs to implement the model are included in the professional development budget. The increase in funding to support the middle school model is \$198,520. Middle school breakdown is not reflected in the charts.

Chart 8-1

**Lawrence Public Schools
Staffing Trends
Full Time Equivalent (FTE)**

	Total FTEs	Teachers	Teachers as % of FTEs	Instruct. Assists.	Administrators	All Others
FY89	1497.6	774.6	51.7%	453.1	41.0	228.9
FY93	1160.9	720.4	62.1%	220.0	52.5	168.0
FY99	1692.5	822.5	48.6%	523.0	21.5	325.5
FY89-93	-336.7	-54.2		-233.1	11.5	-60.9
Incr./ Decr.	-22.5%	-7.0%		-51.4%	28.0%	-26.6%
FY93-99	531.6	102.1		303.0	-31.0	157.5
Incr. / Decr.	45.8%	14.2%		137.7%	-59.0%	93.8%
FY89-99	194.9	47.9		69.9	-19.5	96.6
Incr. / Decr.	13.0%	6.2%		15.4%	-47.6%	42.2%

Note: Data obtained from LPS

In FY93, 138 of the 720.4 FTEs were listed as federal and special grant funds on the end-of-year report.

The largest increase in teachers occurred at the elementary level between FY93 and FY99 when 51 FTEs were added. This was a 20.5 percent increase. There were 46.1 FTE teacher positions added at the high school.

Chart 8-2

**Lawrence Public Schools
FTE Teachers By Program
(excluding teaching aides)**

	FY93 - FY99				
	FY89	FY93	FY99	Increase	% Incr / Decr
Elementary	309.0	249.0	300.0	51.0	20.5%
High	158.6	212.4	258.5	46.1	21.7%
Subtotal	467.6	461.4	558.5	97.1	21.0%
Bilingual	128.0	93.5	101.0	7.5	8.0%
ESL	64.0	45.5	44.0	-1.5	-3.3%
Special Education	115.0	120.0	119.0	-1.0	-0.8%
Subtotal	307.0	259.0	264.0	5.0	1.9%
Total	774.6	720.4	822.5	102.1	14.2%

Note: Data obtained from LPS

Student/teacher ratios increased between FY89 and FY93 and decreased between FY93 and FY99. The overall ratio for students to teachers was 13.4:1 in FY89, 18.1:1 in FY93 and 15.2:1 by FY99. When adjusted for the number of SPED teachers, using the same total student population for illustration purposes, the resulting all student ratios are somewhat higher.

Chart 8-3

**Lawrence Public Schools
Students Per FTE Teacher**

	FY89	FY93	FY99
All Students / All FTE Teachers	13.4	18.1	15.2
All Students / All FTE Teachers - State Average	13.8	15.1	13.8
All Students / All Non-SPED FTE Teachers	15.7	22.8	17.8
All Students / All Non-SPED FTE Teachers - State Avg.	17.2	19.2	17.7

Note: Data obtained from LPS and DOE.

Teaching FTEs increased in English, mathematics and in social studies and decreased in science. FY99 FTE levels, excluding science, are higher than they were in FY89 in all core subjects as shown.

Chart 8-4

**Lawrence Public Schools
Teachers - Core Subjects
High School FTEs**

	FY93 - FY99				
	FY89	FY93	FY99	Increase	% Incr / Decr
English	13.0	10.0	35.0	25.0	250.0%
Mathematics	20.9	16.0	23.0	7.0	43.8%
Science	15.1	17.0	11.0	-6.0	-35.3%
Social Studies	11.0	11.0	28.0	17.0	154.5%
Total	60.0	54.0	97.0	43.0	79.6%

Note: Data obtained from LPS

9. Payroll – Salary Levels, Union Contracts

Expenditures for salaries are reviewed to determine how the school district has increased expenditures for teachers and how teaching salaries have increased as a result of union contract agreements.

All charts in this section reflect EEO grant monies in FY89 and in FY93. In FY93, approximately \$15 million of teachers' salaries were attributable to EEO.

Chart 9-1 indicates how school salaries have increased in comparison to total school district expenditures. LPS increased its expenditures for salaries by \$30.6 million between FY93 and FY99, an increase of 115.2 percent. This is 25.4 percentage points more than the increase in total district expenditures during the same time period. Total salaries made up 50.9 percent of these expenditures in FY93 and increased to 57.7 percent in FY99. Total school district expenditures include fringe benefits.

Of the \$46.8 million total school district expenditure increase from FY93 to FY99, \$30.6 million is attributable to salaries. Of this \$30.6 million salary increase, \$19.7 million, or 64.3 percent, applied to teaching salaries and \$10.9 million, or 35.7 percent, applied to non-teaching salaries such as those for administrators, para-professionals, clerical and custodial staff.

*Chart 9-1***Lawrence Public Schools****Salary Expenditures Compared to Total School District Expenditures**
(in millions of dollars)

	FY89	FY93	FY95	FY97	FY99	FY93 - FY99	
						\$ Incr. / Decr.	% Incr. / Decr.
Total School District Expenditures	\$48.2	\$52.1	\$68.6	\$84.8	\$99.0	\$46.8	89.8%
Total Salaries	\$26.1	\$26.5	\$35.7	\$35.7	\$57.1	\$30.6	115.2%
as % of Total Expenditures	54.1%	50.9%	52.0%	42.0%	57.7%	65.3%	
Teaching Salaries	\$19.2	\$19.2	\$24.1	\$31.6	\$38.8	\$19.7	102.5%
as % of Total Salaries	73.6%	72.3%	67.7%	88.7%	68.0%	64.3%	
Non-Teaching Salaries	\$6.9	\$7.4	\$11.5	\$4.0	\$18.3	\$10.9	148.2%
as % of Total Salaries	26.4%	27.7%	32.3%	11.3%	32.0%	35.7%	

Note: Data obtained from LPS. Numbers may not add due to rounding.

The average teacher's salary increased from \$32,740 to \$39,502 between FY93 and FY99. The FY98 average teacher's salary of \$38,992 is below the state average of \$44,051 reported by DOE. The FY99 average teacher's salary of \$39,502 is not compared to the statewide average because DOE data is not complete. For FY99, according to LPS officials, approximately 74 percent of teachers are at the top step.

*Chart 9-2***Lawrence Public Schools****Teaching Salaries and Teachers (FTE)**
Average Salary Comparison

	FY89	FY93	FY94	FY95	FY96	FY97	FY98	FY99
Teaching Salaries (\$ in mil)	\$19.2	\$19.2	\$22.3	\$24.1	\$28.7	\$31.6	\$33.1	\$38.8
FTE - Teachers	709.0	586.0	593.5	618.5	702.0	790.4	848.0	983.5
FTE Incr. / Decr. from Previous Year	N/A	5.5	7.5	25	83.5	88.4	57.6	135.5
Average Salary per FTE	\$27,033	\$32,740	\$37,566	\$39,008	\$40,816	\$40,018	\$38,992	\$39,502
DOE Reported State Average	N/A	\$38,681	\$39,012	\$40,718	\$41,760	\$42,874	\$44,051	N/A

Note: FTE excludes adult education teachers. Average salary per FTE consists of all salaries (i.e. asst principals, advisors, coaches etc.), step increases, longevity and differentials. Data obtained from LPS and DOE end-of-year reports.

Of the additional \$19.7 million spent for teaching salaries between FY93 and FY99, \$11.5 million or 58 percent represents the cost of new positions and \$3.7 million or 19 percent represents salary increases for existing teaching staff.

*Chart 9-2a***Lawrence Public Schools****Salary Expenditures****Estimated Cost of New Positions and Salary Increases****(in millions of dollars)**

	FY93	FY99	% of Cum. Incr.
Total Teaching Salary Exp.	\$19.2	\$38.8	
Cumulative Increase from FY93		\$19.7	100%
Est. Cost of 3% Inflationary Increase		\$3.7	19%
Est. FY93-FY99 Cost of New Positions		\$11.5	58%
Subtotal		\$15.2	77%
Est. Amount above 3% Annual Increase		\$4.4	23%

Note: Analysis based on data obtained from LPS

Chart 9-2b indicates that increases due to annual contracts and steps ranged between 8.6 percent and 16.1 percent from the 1993 through 1999 time period. LPS teachers worked without a contract in FY92. In 1993, LPS moved from a six-lane salary scale to an eight-lane salary scale. In October 1995 each member of the bargaining unit received a salary payment of \$1,000. In November 1995 each member of the bargaining unit received an additional salary increase of three percent.

*Chart 9-2b***Lawrence Public Schools****Teachers Salaries - Step and Contract Percent Increases**

Period	1993	1994	1995	1996	1997	1998	1999	Total
Annual Contract Increase	3.0%	11.6%	10.1%	7.4%	3.5%	3.5%	5.1%	44.2%
Step Increase	6.7%	4.5%	5.3%	5.1%	5.1%	5.1%	7.0%	38.8%
Total	9.7%	16.1%	15.4%	12.5%	8.6%	8.6%	12.1%	83.0%

Note: Data obtained from LPS

A review of salary changes over the FY93 and FY99 period indicates that the top step salary level increased by 37.8 percent without including step increases or lane changes. This represents the minimum increase a full time teacher would receive exclusive of raises due to step changes or obtaining an advanced academic degree.

In contrast, the state and local implicit price deflator indicates about a 16.1 percent inflationary trend for the FY93 to FY99 time period.

Chart 9-3 shows how LPS salary schedules might apply to a particular teacher for the period of FY93 to FY99 depending on the step and academic degree. Various examples outline different situations. The chart illustrates so-called lane changes due to degree earned such as BA to BA+30 and an MA to MA+30.

For example, as of FY93, teacher A was on the maximum step 9 and had a BA. By FY99, this teacher on step 9 received salary increases totaling to 37.8 percent. If this teacher earned 30 credits and changed salary lane to BA+30/MA during this period, the increase would have amounted to 46.5 percent.

Teacher B had a BA, step 3, in FY93. By FY99, this teacher reached step 9 and received a salary increase of 120.6 percent. Had this teacher earned 30 additional credits and changed salary lanes during this period, the increase would have amounted to 134.6 percent.

Teacher C entered LPS with a BA at step 1 in FY93. By FY99, this teacher reached step 7 and received a 115.9 percent increase in pay. By earning the next contract lane of a BA+30/MA, the percent increase in salary would have reached 129.4 percent.

Chart 9-3

Lawrence Public Schools Teaching Staff Step/Degree Summary - Selected Years

	FY93 Base Pay		FY99 Base Pay			FY93-99 % Change	
	Step	Base Pay	Step	Base Pay			
		BA		BA	MA	BA	MA
Teacher A	9	\$33,092	9	\$45,598	\$48,477	37.8%	46.5%
Teacher B	3	\$20,668	9	\$45,598	\$48,477	120.6%	134.6%
Teacher C	1	\$18,646	7	\$40,249	\$42,782	115.9%	129.4%
		MA		MA	MA + 30	MA	MA + 30
Teacher A	9	\$35,237	9	\$48,477	\$50,147	37.6%	42.3%
Teacher B	3	\$22,075	9	\$48,477	\$50,147	119.6%	127.2%
Teacher C	1	\$20,031	7	\$42,782	\$44,250	113.6%	120.9%

Note: BA - Bachelor of Arts degree, MA - Master of Arts degree. Data obtained from LPS.

LPS teachers' salary schedules have 8 lanes. Comparisons of BA to MA represent two lane changes. The comparison of MA to MA+30 represents two additional lane changes.

In 1993 the initial step was eliminated and a top step was added by negotiation. In September 1994, another initial step was eliminated and another top step was added.

*Chart 9-4***Lawrence Public Schools
Teaching Salary Schedules****Comparison of FY93 through FY99 Salary Schedules - Steps 1 and 9**

Salary Lane	Initial Entry Level - Step 1						
	FY93	FY94	FY95	FY96	FY97	FY98	FY99
BA	\$18,646	\$20,654	\$22,925	\$25,233	\$26,116	\$27,030	\$28,922
BA + 15	\$19,702	\$21,771	\$24,112	\$26,486	\$27,413	\$28,373	\$30,359
BA + 30/MA	\$20,031	\$22,121	\$24,486	\$26,881	\$27,822	\$28,796	\$30,812
MA + 15	\$20,367	\$22,478	\$24,859	\$27,275	\$28,230	\$29,218	\$31,263
MA + 30	\$20,699	\$22,828	\$25,234	\$27,261	\$28,639	\$29,642	\$31,717
MA + 45	\$21,341	\$23,506	\$25,946	\$28,423	\$29,418	\$30,447	\$32,578
MA + 60	\$21,983	\$24,184	\$26,658	\$29,175	\$30,196	\$31,253	\$33,441
Doctorate	\$22,625	\$24,862	\$27,371	\$29,927	\$30,974	\$32,058	\$34,302

Salary Lane	Highest Level - Step 9						
	FY93	FY94	FY95	FY96	FY97	FY98	FY99
BA	\$33,092	\$34,937	\$36,706	\$39,782	\$41,174	\$42,615	\$45,598
BA + 15	\$34,542	\$36,468	\$38,314	\$41,480	\$42,932	\$44,435	\$47,545
BA + 30/MA	\$35,237	\$37,201	\$39,085	\$42,294	\$43,774	\$45,306	\$48,477
MA + 15	\$35,839	\$37,837	\$39,753	\$42,998	\$44,503	\$46,061	\$49,285
MA + 30	\$36,481	\$38,515	\$40,465	\$43,750	\$45,282	\$46,866	\$50,147
MA + 45	\$37,123	\$39,193	\$41,177	\$44,502	\$46,060	\$47,672	\$51,009
MA + 60	\$37,765	\$39,870	\$41,889	\$45,254	\$46,838	\$48,477	\$51,870
Doctorate	\$38,407	\$40,548	\$42,601	\$46,006	\$47,616	\$49,283	\$52,733

Note: LPS has 8 salary lanes and 9 steps. Data obtained from LPS.

10. Courses and Class Sizes

Chart 10-1 shows core class sections and enrollment as well as average class size as of September 1997 for the 1997/98 school year. The average enrollment in these sections was 17.9 or less students per class. English had the smallest average class size with 15.0 students, while social studies had the largest with 17.9 students. All core subjects had some sections with at least 25 students. All core subjects had some sections with 30 or more students.

Average enrollment would be somewhat higher if ESL and bilingual classes were not incorporated in the charts. Approximately twenty-three percent (186 of 803) of the core subject sections shown below are ESL and bilingual.

LPS is experiencing high class sizes at the elementary level. Two factors that contribute to high class sizes are space constraints and increasing enrollments. Grades 1-8 have approximately 54.8 percent of classrooms with 25-29 students and approximately 10.5 percent of classrooms with 30 or more students.

Chart 10-1

**Lawrence Public Schools
High School Classes
1997/98 School Year**

Subject	Number of Sections	Total Enrollment	Avg. Enroll. Per Section	Sect. w/ 25-29	Sect. w/ 30 or more	30+ %
English	284	4252	15.0	33	5	1.8%
Math	220	3471	15.8	21	2	0.9%
Science	160	2713	17.0	21	4	2.5%
Social Studies	139	2492	17.9	15	3	2.2%

Note: Data obtained from LPS

11. Technology

LPS developed a five-year plan to improve technology for the years 1997-2002. DOE approved the plan in November 1997 and the update in June 1999. The plan was developed by a technology planning team comprised of staff, parents, students and other community members. Funding sources for technology include the annual operating budget, grant opportunities and donations/partnerships.

A Technology Steering Committee, which is representatives of students, parents, teachers, administrators, college and business leaders, meets regularly to monitor progress and make recommendations as needed with regard to ongoing implementation. District-wide technology facilitators meet once a month.

The plan projected that full implementation would cost approximately \$16.6 million over five years. The plan is currently in its third year and \$11 million or 66.2 percent has been expended.

Technology was one of the 51 concerns stated in the October 1996 NEAS&C team report. It stated there was a lack of any connection between the system's technology plan, subsequent purchase of computers, and short and long-term curricula and instructional goals.

LPS is in the process of addressing these concerns by the following:

- The implementation of the use of CCC (Computer Curriculum Corporation). The CCC is a software-based instruction for all freshmen students to reinforce their skills in math and English.
- PLATO software was introduced to assist those repeat ninth grade students in the development of basic math and reading skills.

- LPS adopted (CAASS Comprehensive, Attendance, Administration and Security System) software that has added a link between scheduling goals and technology. It also allows for the tracking of student attendance.

Computer Curriculum Corporation (CCC) is a district initiative that was piloted in the 1998/99 school year for approximately 600 students in grades 4 through 9 and fully implemented in the 1999/00 school year. These students engage in the SuccessMaker software on CCC for 20 minutes daily in areas of language arts and math. Over 400 teachers have been trained on the software. A building technology facilitator is located in every school building. Each facilitator receives continuous monthly professional development training on CCC to give ongoing assistance to teachers and students.

CCC guarantees that if each student utilizes the software for the appropriate time daily, he or she will increase skills in both reading and math levels within 1.2 years. If a student does not reach his or her targeted goal and the school system has met its obligation, then a student credit (determined by formula) will be issued to LPS by CCC. This student credit can then be applied to future SuccessMaker products or training services.

According to DOE's 1998/99 statistics there are 3.9 students per computer, as compared to the state average of 6.3 students. DOE also notes a low level of Internet access in the classrooms, 4.0 percent, as compared to the state average of 65.9 percent. In school year 1999/00, Lawrence leased 1840 computers for three years from Dell Computer for \$1.44 million. At the end of this lease, it is expected that a new lease will be signed and LPS will be given all new hardware.

All of the schools are connected to the Local Area Network (LAN). A Wide Area Network (WAN) is connected to 24 sites through MediaOne. In June of 1996, LPS in conjunction with a consortium of partners was awarded a \$4.7 million five-year grant to support the purchase of the Internet, hardware and professional development. The partners include: WGBH Educational Foundation, Northern Essex Community College, The Massachusetts Corporation for Educational Telecommunications, Lightspan Partnership Inc. and Continental Cablevision.

12. Supplies and Textbooks

Chart 12-1 details total instructional service expenditures by grade level for selected years, indicates the portion of expenditures for textbooks only and shows annual per student expenditures. Instructional service expenditures include textbooks, supplies and other activities involving the teaching of students and excludes salaries.

Total expenditures increased between FY93 and FY99 by \$2.2 million or 113.0 percent. Textbook only expenditures increased from \$506,000 in FY93 to \$638,000 in FY97, but more than doubled to \$1.3 million in FY98. Other instructional expenditures increased from \$1.5 million in FY93 to \$3.2 million in FY98. A larger than normal increase occurred in FY95 due to an increase in technology expenditures. It was indicated to the audit team that expenditures increased from

FY97 to FY98 in bilingual education as well as in books and equipment in general in response to NEAS&C's January 1997 comment concerning insufficient textbooks, especially in bilingual education and inadequate instructional supplies and equipment. The 1999 response to NEAS&C indicated that every student in the bilingual program had a textbook and that all ESL classes had daily access to a dedicated ESL computer lab.

Chart 12-1

Lawrence Public Schools

Textbooks and Other Instructional Expenditures (in thousands of dollars)

	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY93 - FY99	
								\$ Incr.	% Incr.
High School	\$208	\$25	\$624	\$138	\$888	\$351	\$348	\$140	67.3%
Elementary	\$1,250	\$1,243	\$2,915	\$1,471	\$1,458	\$2,426	\$2,238	\$988	79.1%
SPED	\$508	\$1,344	\$1,439	\$621	\$513	\$726	\$783	\$275	54.1%
Bilingual	\$0	\$0	\$744	\$786	\$548	\$908	\$755	\$755	N/A
Other	\$0	\$0	\$15	\$0	\$380	\$55	\$64	\$64	N/A
Total	\$1,966	\$2,612	\$5,737	\$3,016	\$3,786	\$4,466	\$4,189	\$2,223	113.0%
Textbooks Only	\$506	\$472	\$658	\$530	\$638	\$1,310	\$1,021	\$515	101.8%
Other Expenditures	\$1,460	\$2,140	\$5,079	\$2,487	\$3,148	\$3,156	\$3,168	\$1,708	116.9%
Textbooks / Student	\$48	\$44	\$60	\$47	\$55	\$110	\$82	\$34	70.4%
Exp. / Student	\$139	\$199	\$460	\$219	\$270	\$264	\$255	\$116	83.2%

Note: Data obtained from LPS and DOE. Elementary includes kindergarten and preschool.

Textbook selection involves a committee of teachers who pilot textbooks with the assistance of building-based curriculum facilitators and district-based academic supervisors. These facilitators and supervisors meet with the administrator in charge of curriculum and instruction who forwards textbook recommendations to the assistant superintendent. This process, which is in writing, indicates that textbooks in a specific subject area should be reviewed within 5 years of adoption. The district textbook inventory for grades K through 8 does not indicate the year of all books being used.

13. Test Scores

Test scores are generally below the state average. MCAS scores show that LPS scored slightly below the state average scaled scores for all grades in all areas. SAT scores have generally been below the state average. The Massachusetts Educational Assessment Program (MEAP), the state's educational testing program from 1988 to 1996, showed that LPS increased in all four subject matters for grades 4 and 8 between 1988 and 1996. Results from the 1998 Iowa Tests of Educational Development (ITED) indicate that 53 percent of LPS 3rd graders demonstrated a high degree of proficiency in fundamental skills of reading.

Massachusetts Comprehensive Assessment System (MCAS)

MCAS scores showed mixed results for LPS students, including all students and students attending the district for three years or more. Vietnamese and Cambodian students living in the United States for less than three years do not take the MCAS test, while Spanish-speaking students in the U.S. for less than three years take the MCAS in Spanish. The DOE reports that nearly 75 percent of LPS students are taking the test in Spanish.

MCAS is the new statewide assessment program administered annually to grades 4, 8 and 10. It measures performance of students, schools and districts on learning standards contained in the Massachusetts curriculum frameworks and fulfills the requirements of education reform. This assessment program serves two purposes:

- measures performance of students and schools against established state standards; and
- improves effective classroom instruction by providing feedback about instruction and modeling assessment approaches for classroom use.

MCAS tests are reported according to performance levels that describe student performance in relation to established state standards. Students earn a separate performance level of advanced, proficient, needs improvement or failing based on their total scaled score for each test completed. There is no overall classification of student performance across content areas. School, district and state levels are reported by performance levels.

Chart 13-1 shows a comparison of LPS and the state average scaled scores. MCAS 1998 scores showed that the district scored below the state average for all students in all subject areas. When the MCAS 1999 scores on all three subjects (English, math, and science and technology) for all three grades (fourth, eighth, and tenth) are added together, LPS ranks last of the 210 systems containing all three grades. MCAS 1999 scores also showed the district below the state average in all subject areas. Appendix D shows a percentage of students at each performance level for the 1998 and 1999 MCAS tests.

Chart 13-1

Lawrence Public Schools
1998 and 1999 MCAS Test Scores
Percentage of Students at Each Performance Level

Grade	Subject	Year	Average Scaled Score	Advanced	Proficient	Needs Improvement	Failing (Tested)	Failing (Absent)
Grade 4	English Lang.	1999	222	0	3	55	42	0
	Arts	1998	222	0	2	60	38	0
	Mathematics	1999	220	2	7	36	55	0
		1998	219	2	7	34	57	0
	Science and Technology	1999	223	1	11	49	38	1
		1998	225	0	15	48	37	0
Grade 8	English Lang.	1999	226	0	18	48	32	1
	Arts	1998	225	0	21	44	33	1
	Mathematics	1999	220	0	4	17	76	3
		1998	219	1	6	17	75	2
	Science and Technology	1999	207	0	3	12	81	4
		1998	210	0	5	14	79	1
	History	1999	209	0	1	14	80	5
		1998	N/A	N/A	N/A	N/A	N/A	N/A
Grade 10	English Lang.	1999	217	0	14	28	50	8
	Arts	1998	218	1	13	32	49	6
	Mathematics	1999	207	1	4	9	74	13
		1998	208	0	4	13	78	5
	Science and Technology	1999	212	0	4	23	59	15
		1998	214	0	3	26	65	5

Note: Data provided by DOE

Scholastic Aptitude Test (SAT)

SAT scores are below the state average for all years shown. Scores from 1994 were "recentered" by the audit team to match "recentered" 1995 and future scores.

Chart 13-2

Lawrence Public Schools
Scholastic Aptitude Test (SAT) Results

SAT Content Areas	1994		1995		1996		1997		1998		1999	
	LPS	State Avg.	LPS	State Avg.	LPS	State Avg.	LPS	State Avg.	LPS	State Avg.	LPS	State Avg.
Verbal	360	426	365	430	365	507	376	508	370	502	380	504
Math	384	475	373	477	375	504	372	508	375	502	382	505
Total	744	901	738	907	740	1011	748	1016	745	1004	762	1009
LPS - % of State Avg.	82.6%		81.4%		73.2%		73.6%		74.2%		75.5%	

Note: Data obtained from LPS and DOE

Massachusetts Educational Assessment Program (MEAP)

In 1996, the district scored below the state average in all subject matters for grades 4, 8 and 10. MEAP reports scores in two ways: scaled scores, which range from 1000 to 1600, and proficiency levels that are reported as percentage of students in each proficiency. Level 1 is the lowest, level 2 is considered the "passing grade" level, while levels 3 and 4 constitute the more advanced levels of skills. [See Appendix C]

Proficiency scores for 1992 and 1996 indicate that scores for LPS 4th and 8th grade students show an increase in level 2 in all four-subject areas. Level 1 or below shows a decrease for both grades 4 and 8 in all four-subject areas for those same years.

Chart 13-3

**Lawrence Public Schools
MEAP Proficiency Scores
1992 and 1996 Fourth and Eighth Grades**

Fourth Grade	1992			1996		
	Level 1 or Below	Level 2	Levels 3 & 4	Level 1 or Below	Level 2	Levels 3 & 4
Reading	69%	24%	6%	57%	33%	10%
Mathematics	76%	20%	3%	56%	38%	6%
Science	81%	14%	5%	59%	34%	6%
Social Studies	77%	17%	6%	58%	37%	5%
Eighth Grade	1992			1996		
	Level 1 or Below	Level 2	Levels 3 & 4	Level 1 or Below	Level 2	Levels 3 & 4
Reading	64%	23%	13%	56%	31%	13%
Mathematics	74%	19%	7%	64%	30%	7%
Science	77%	14%	9%	67%	27%	5%
Social Studies	72%	15%	12%	63%	28%	9%

Note: Data provided by DOE and LPS. Percentages may not add to 100% due to rounding.

Between 1988 and 1996, MEAP scores for students in grades 4 and 8 improved in all four-subject areas. In 1996, grade 4 and 8 scores were under the state average in all four-subject areas. [See Appendix C]

Chart 13-4 shows MEAP grade 4 reading scores for selected school districts whose scores in 1988 ranged from 1090 to 1250 as compared to LPS score of 1100. The scores for grade 4 students are particularly significant because by 1996, the greatest impact of education reform should be initially seen in the performance of these students. The reading scores for LPS grade 4 students showed an increase of 70 points from 1992 to 1996.

*Chart 13-4***MEAP Reading Scores - 4th Grade- 1988 Scores from 1090 - 1250**

	1988	1990	1992	1994	1996	1992 - 1996 Change
Holbrook	1250	1260	1280	1300	1330	50
Fitchburg	1250	1220	1210	1220	1200	-10
Taunton	1250	1270	1310	1320	1310	0
Quincy	1240	1280	1320	1330	1310	-10
Malden	1240	1290	1280	1320	1310	30
Medford	1230	1280	1290	1330	1310	20
Haverhill	1230	1250	1310	1310	1280	-30
Springfield	1230	1200	1200	1230	1230	30
Brockton	1220	1220	1210	1220	1200	-10
Lynn	1210	1200	1200	1230	1230	30
Chicopee	1210	1240	1250	1270	1270	20
Ware	1210	1300	1230	1310	1260	30
Somerville	1200	1200	1260	1300	1290	30
Cambridge	1200	1220	1240	1260	1230	-10
New Bedford	1200	1220	1270	1320	1270	0
Lowell	1200	1210	1220	1210	1180	-40
Fall River	1200	1200	1260	1300	1290	30
Boston	1150	1130	1170	1180	1180	10
Chelsea	1110	1100	1170	1140	1110	-60
Lawrence	1100	1100	1140	1220	1210	70
Holyoke	1090	1100	1170	1140	1110	-60
State Average	1300	1310	1330	1300	1350	20

Note: A significant change in a score is considered to be 50 points in either direction.

Iowa Tests

The Iowa Test of Basic Skills (Iowa tests) for grade 3 was administered throughout Massachusetts in the spring of 1997, 1998 and 1999. The test defines four different levels of reading comprehension: pre-reader, basic reader, proficient reader and advanced reader.

*Chart 13-5***LPS Iowa Test of Basic Skills**

Reading Percentile Rank			Reading Comprehension Performance			
	LPS	State	Pre Reader	Basic Reader	Proficient Reader	Advanced Reader
1997	40%	65%	9%	29%	44%	8%
1998	45%	64%	10%	35%	37%	16%
1999	37%	69%	10%	45%	34%	8%

In 1997, 75 percent of the tested students attended LPS since the first grade. For both 1998 and 1999 this percentage was approximately 83.

The Iowa Tests of Educational Development, also referred to as the Massachusetts Grade 10 Achievement Test, was also administered in the spring of 1997. It tested seven different areas of skills including reading, quantitative thinking and social studies. Scores were based on a national sample of students who took the test. LPS grade 10 students scored at the 33rd percentile compared to the national sample. LPS' performance compares to scores as high as the 89th percentile and as low as the 28th percentile for other Massachusetts school districts.

Metropolitan Achievement Test (MAT)

LPS administered the Metropolitan Achievement Test in grades 3, 6, and 9 for 1994 through 1996. In the spring of 1997 and 1998 the test was administered to grades 2, 5, 6, 7, 9, and 11. No district-wide item analysis was conducted. Each school was responsible for data analysis and setting school improvement goals. The test was given to grades 1 through 11 in the spring of 1999 and will be given in April of this year. Data analysis will determine district strengths and weaknesses and set improvement goals in reading, math and science for each grade level.

Also, during each quarter of the school year, information is collected on every student in reading using a standardized assessment tool called CBM. It was used in some schools for two years before being adopted for the district in this school year.

14. Management and Personnel Practices**Management Practices**

An assessment of the district's performance by DOE, the loss of its high school accreditation and an audit report issued by the state auditor's office led to the dismissal of the district's Superintendent in August of 1997. The Lawrence school committee appointed an interim Superintendent as the school committee and DOE jointly managed the district.

A new Superintendent began in July of 1998. She instituted weekly cabinet meetings with her top administrators. Twice a month the Superintendent and cabinet met with supervisors. On alternate weeks the Superintendent and cabinet met with the principals. She hired a director of professional development and evaluation, an assistant superintendent for academic services, a director of human resources and an executive director for business support services. A district level staff person was hired to focus on data analysis. In August of 1999 district administrators and principals participated in a three day training focused on short term district improvement efforts in the areas of student achievement, accountability and customer relations. Each principal, as part of their current performance evaluation, has a goal to engage twenty-five parents in some level of school involvement. At LHS eight of the contracted twenty-one hours mandated for professional development focus on the NEAS&C accreditation process. The district redesigned its school improvement plan format to include such topics as district goals and NEAS&C standards.

The school committee voted to dismiss the Superintendent in February of 2000 for alleged reasons including conflicts of interest, violation of state bidding laws and abuse of the public trust. An interim Superintendent was appointed by DOE, and ultimately employed by the school committee to monitor the district until a new Superintendent is hired.

Principal Contracts

As of FY99 all elementary principal contracts were for one year, had the same ending date and included the same salary. As of FY00 these contracts began with the same base pay, varied lengths and included up to a two percent increase on the fulfillment of contracted goals and outcomes. Two principals received three year contracts while eight received one year contracts. Also, ten principals have been appointed since education reform went into effect.

Teacher Evaluation and Performance

For the 1997/98 school year, 557 teachers were evaluated. Of these, 236 were teachers without professional status. Also, since education reform, sixteen teachers received remedial status.

Under education reform, LPS has used its evaluation process to remove seven teachers without professional status and none with professional status.

In order to improve teacher performance LPS implemented, during the 1999-2000 school year, a peer assistance and review planning team to assess and evaluate teachers in need of improvement.

15. Accounting and Reporting

The executive director for business support services indicated to the audit team that her office and the city comptroller's office reconcile expenditures monthly and have since FY97.

It was planned that by June 1999, the city would be on new accounting software. The school department would continue with its software package, but bridge the two systems. This would allow the school department to enter its own payroll and accounts payable while the city comptroller's office would have electronic access to the data and would no longer have to duplicate enter accounts payable. As of the audit date, this planned process has not yet begun.

The audit team noted that the school committee has not been approving payrolls before city hall receives them. The DLS has ruled that even after the passage of education reform, the school committee remains the head of the school department for approving bills and payrolls under M.G.L. Ch. 41 §§41 and 56. The audit team found sufficient offsetting controls to mitigate the potential of inappropriate expenditure of funds including payroll sign-off forms which must be signed by the employee in order to receive their paycheck. By law, the school committee has fiscal oversight responsibility. We therefore suggest that LPS and the city of Lawrence review this process.

Pursuant to Ch. 319 §44 of the Acts of 1998, the city of Lawrence is allowed to use unspent school appropriations for school construction costs (see section 24). These funds are held in a school construction reserve account and have certain restrictions placed upon them. In reviewing the October 1999 account statement provided to the audit team, the team noted investment of the fund in an account which is not on the list of legal investments published by the office of the commissioner of banks. Since investment in this fund may be questioned and since accumulated interest is an important factor in the repayment of debt service for bonds yet to be issued, it is recommended that LPS and the city of Lawrence review this investment with the city's financial advisors.

16. Review of Expenditures

The audit team completed a review of LPS expenditures and purchasing controls, analyzed the accounting system and selected accounts from the FY98 general ledger. The review was expanded through February of FY2000 due to allegations of improper spending by the Superintendent and some consultants. This included consultant contracts and expenses, professional development, M.G.L. Ch. 30B, and questions and responses distributed by the city attorney and the Superintendent's lawyer.

The 1997 State Auditor's Report revealed that LPS had not established and implemented adequate policies and procedures relative to the procurement of consultant services. The report recommended that LPS develop and implement

administrative policies and procedures when procuring consultant services. Since this report was issued the district has improved the control system but the exercise of these controls was, at times, implemented ineffectively by the Superintendent.

The general decision to use consultants and the amount to be spent on consulting contracts was a business decision made by the Superintendent. The authorization of expenses by the Superintendent and the review of invoices, vouchers and warrants by the school committee has lacked the commitment needed to insure that expenditures are appropriate and necessary. Few invoices were adjusted. The school committee should adopt a comprehensive review process and establish closer scrutiny of expenditures by executive staff and consultants.

During the expense account review it was noted in the Superintendents response to the city solicitors preliminary report noted that there were three expenses for restaurant reimbursements. It states for each item "this invoice for an expense should not have been submitted". The items were: \$40.60 from the Golden House Restaurant, \$292.00 for Bob the Chef's and \$41.18 for Foxwood Casino. The auditor also noted an invoice for food from a Casino in Minnesota and found that Dr. Stafford was approving invoices and consultant expense reports. Dr. Stafford signed as an assistant superintendent. Her signature approvals were not challenged by the city controller or treasurer.

The exercise of expenditure controls by the city controller and Chief Financial Officer is basic "ability to pay". Any detailed review of appropriate expenditures and controls for approving completed work product and contract adherence is left to the Superintendent's approval. The controller is relying on the checks and balances of other agencies to fulfill the responsibilities of that office and is in effect approving payments based largely on other's authorization. The city controller's office should examine all requests for payment expenditures to assess their necessity and reasonableness.

The computer system that the city utilizes for financial management support is not compatible with the computer systems of LPS. The city must re-key thousands of individual invoices, warrants and vouchers that each agency must reconcile. This greatly reduces any city attempt to audit and review appropriate expenditures or patterns of spending. The city should take steps to ensure that all accounts can be reconciled.

The 1997 State Auditor's Report stated that, in the future, LPS should take appropriate measures to ensure that it complies with the requirements of Massachusetts General Laws Chapter 30B and require that contracts over a specified amount be awarded using a competitive bidding process. The Audit team questioned the use of the Chapter 30B exemption that allows for the purchasing of goods and services that are directly related to education. Exempt from the bidding process under Chapter 30B is the contracting for professional development services. The use of this exemption within the hiring process of consultants reporting directly to the Superintendent's office need not be subject to this particular exemption. The audit team is of the opinion that the consultant contracts written for the

reaccreditation of the Lawrence High School and for enhancing Professional Development should not have been awarded based on the Chapter 30B exemption. Contract language was written along the lines of accreditation and Professional Developmental needs at the high school. Prior working histories with these consultants, the living arrangement between the Superintendent and the primary consultant, and the fact that the primary consultant was signing off on other consultants' work and reimbursements made the administration of these contracts difficult. It impaired the arms length relationship that is essential to maintain the integrity, control and work product of consultant contracts.

Chart 16-1

**Lawrence Public Schools
Professional Development
Foundation Budget, Actual Budgeted Amt, and Actual Expenditures**

	FY98	FY99	FY2000
Foundation Budget	\$1,411,824	\$1,491,460	\$1,572,250
Required Spending Per Student	\$75	\$100	\$125
Total Legal Spending Requirement	\$880,650	\$1,217,800	\$1,572,250
Budgeted Amounts	\$572,217	\$1,048,476	\$1,596,496
Actual Expenditures	\$807,895	\$1,070,491	\$689,220
Executed Prof. Dev't. Contracts	\$373,112	\$848,137	\$764,103
Prof. Dev't / LHS Accreditation			
Consultant Contracts	\$0	\$277,290	\$221,646
Payments made based on above contracts			
Prof. Dev. Consultant Expenditures	\$0	\$297,214	\$34,489

Note: FY2000 consultant payments up through 12/20/1999

The professional development budget has consistently fallen short of the legal requirements and actual expenditures have lagged behind these requirements through FY99. In FY99 LPS had required legal spending for professional development of \$1.22 million and a budgeted amount of \$1.05 million. Professional development expenditures were \$1.07 million or \$.15 million below requirements in FY99. The professional development contracted services amounted to \$.85 million, inclusive of \$.30 million used specifically for accreditation and enhanced the professional development program at LHS.

The broad language in the Superintendent's contract coupled with a cavalier view of reimbursable expenses laid the basis for questionable expenses that were submitted,

approved and paid. Later, during public controversy over the Superintendent's use of funds, these expenses were questioned by the school committee.

The Superintendent hired her sister to review resumes. No disclosure was made of this to the school committee. The Superintendent submitted a letter to the State Ethics Commission admitting she violated the state ethics law by hiring her sister as a consultant. She requested an opinion on the process to remedy the situation.

17. High School Accreditation

At its September 1996 meeting, NEAS&C's Commission on Public Secondary Schools voted to recommend to its Board of Trustees that LPS be terminated from membership in NEAS&C based on its failure to resolve significant concerns and to adhere to certain Commission standards for accreditation.

The following is a brief history of the high school's accreditation.

- In March of 1986, NEAS&C's commission on public secondary schools recommended continued accreditation but expressed serious concerns regarding the high schools' dropout rate.
- In 1990, the commission placed the school on warning for failure to comply with certain commission standards and in 1992, the school was placed on probation.
- In 1994, LHS requested and was granted a postponement of NEAS&C's decennial visit due in part to three administrative changes in the building in three years.
- In 1996, the commission recommended that the school's accreditation be terminated citing fifty-one "numerous and significant concerns."
- In 1997, after reviewing material submitted by LPS as to why the high school's accreditation should not be terminated, the commission affirmed its decision to recommend termination to the board of trustees because the "preponderance of concerns expressed in its October 17, 1996 letter had not be substantively addressed." Although noting some progress, the commission settled on 38 remaining concerns.

In a recent letter to the high school principal, the Commission noted extensive documentation provided by school personnel describing ongoing progress in addressing the Commission's concerns and also reform initiatives underway at the high school which included:

- the extent to which the Standards for Accreditation have been utilized to restructure the school
- the enhanced and positive school climate which supports learning
- the increased opportunity for faculty involvement in decision making processes and
- the external support of the consultants in effecting change at the high school.

The Commission's letter encouraged school officials to contact the Commission to discuss a timeline to regain its accreditation status. LPS is continuing this process.

Chart 17-1 categorizes NEASC's 51 concerns regarding the loss of LHS accreditation.

Chart 17-1

**Lawrence Public Schools
NEASC Accreditation Concerns**

Area	NEASC Concerns
Statement of Purpose	3
Curriculum and Instruction	6
Student Support Services	2
Library Technology and Media Services	2
Administration, Faculty and Support Staff	12
School Facilities	11
Community Support and Involvement	3
Financial Support	4
School Climate	2
Assessment of Student Learning and School Performance	6
Total	51

Note: Data obtained from LPS

18. Grade 3 Transiency

Student transiency is generally defined as the percentage of students who enter and/or leave the system after the first day of school. Transiency poses an educational problem because students may lose the benefit of a sequential and coherent school program as they move from school to school.

Of the 14 communities of similar population to Lawrence, LPS transiency percentage is 16.9 percent, below the statewide average of 19.6 percent. LPS has a relatively high stable population percent of grade 3 students who attended LPS in grades 1,2 and 3. This stability percentage, 83.1 percent, is above the statewide average of 80.4 percent.

Chart 18-1

Transiency and Stability - 3rd Grade**Selected Communities****Student Population Participating in the 1998 Iowa 3rd Grade Reading Test**

Community	Stable Population	Total Population	Stable Population Percent	Transiency Percent
Medford	284	331	85.8%	14.2%
Fall River	748	878	85.2%	14.8%
Quincy	451	530	85.1%	14.9%
Framingham	509	606	84.0%	16.0%
Lawrence	596	717	83.1%	16.9%
Lowell	797	962	82.8%	17.2%
Waltham	221	267	82.8%	17.2%
New Bedford	872	1054	82.7%	17.3%
Weymouth	408	500	81.6%	18.4%
Lynn	807	991	81.4%	18.6%
Newton	622	775	80.3%	19.7%
Brockton	883	1142	77.3%	22.7%
Cambridge	358	469	76.3%	23.7%
Springfield	1084	1508	71.9%	28.1%
Chicopee	318	447	71.1%	28.9%
Statewide	54,047	67,233	80.4%	19.6%

Note: Student population includes only students tested under "routine" conditions.

Data obtained from DOE's 1998 Iowa Grade 3 reading test summary results.

19. Special Education and Transitional Bilingual Education**Special Education (SPED)**

LPS had a SPED participation rate of 10.7 percent in school year 1998, below the state average of 16.6 percent reported by DOE. Total SPED enrollment in the 1990s averaged 14 percent. The number of students in SPED declined significantly from 1996 to 1998 due to implementation of DOE's 1992 Eligibility Guidelines for Special Education which offered guidance on how to implement the SPED law. In FY99, total SPED enrollment began to increase. Many of the new students are from out-of-state and require residential and day placements mandated by their Individual Education Plans. The percentage of SPED students considered substantially separate has fluctuated from a high of 26.2 percent in school year 1991 to a low of 19.3 percent in school year 1999.

Chart 19-1

**Lawrence Public Schools
SPED Enrollment
Based on October 1 Reports**

School Year Ending	Total Enrollment	Total SPED	SPED as % of Total Enrollment	Substantially Separate	Substantially Separate as % of SPED
1991	10,872	1,660	15.3%	435	26.2%
1992	10,974	1,786	16.3%	466	26.1%
1993	10,606	1,766	16.7%	456	25.8%
1994	10,865	1,783	16.4%	403	22.6%
1995	11,131	1,787	16.1%	408	22.8%
1996	11,454	1,517	13.2%	373	24.6%
1997	11,977	1,295	10.8%	286	22.1%
1998	12,015	1,281	10.7%	262	20.5%
1999	12,499	1,363	10.9%	263	19.3%

Note: Data obtained from LPS

The increase in SPED costs from FY93 to FY99 was \$10.5 million, or 202 percent, while the increase in total district expenditures for the same time period was \$ 93.4 million, or 79.2 percent. The majority of the SPED cost increase was due to the increase in SPED tuitions. In an attempt to control some of these tuition costs, LPS is a member of the tuitioned-based Greater Lawrence Education Collaborative. LPS houses many of its special needs classes within its facilities.

Chart 19-2

**Lawrence Public Schools
Total SPED Expenditures as Reported to DOE
(in whole dollars)**

	FY89	FY93	FY99	FY93-FY99	
				\$ Incr. / Decr.	% Incr. / Decr.
SPED Program	\$ 5,631,159	\$ 3,682,875	\$ 14,026,230	\$ 10,343,355	280.9%
SPED Transportation	\$ 1,042,513	\$ 1,537,214	\$ 1,740,553	\$ 203,339	13.2%
Total SPED	\$ 6,673,672	\$ 5,220,089	\$ 15,766,783	\$ 10,546,694	202.0%

Note: Data obtained from LPS

Transitional Bilingual Education (TBE)

TBE was first offered in 1971 with approximately 50 Portuguese and Hispanic limited-English proficiency students. Currently, LPS houses the second largest bilingual program in Massachusetts (Boston is the largest) with approximately 3,500 students enrolled in the program. This represents 28 percent of LPS total enrollment.

Approximately 90 percent of the student population indicate Spanish as their first language. TBE was budgeted at \$6.8 million in FY95 and at \$9.4 million in FY98. This is an increase of \$2.6 million or 40 percent. TBE enrollment was 4,586 in FY95 and decreased to 3,536 in FY98. The average TBE budget per student was approximately \$5,100 in FY98.

LPS offers a variety of program models to address the needs of the English language in both the elementary and secondary population. An integrated two-way immersion program is offered at the kindergarten level and has been expanded to grades 1 and 2. This model helps second language learners learn core curriculum content and expand their English skills.

An Academic Model Classroom is offered in grades 3 through 8 at one of the elementary schools. This model pairs an ESL and a bilingual teacher for a team approach involving two bilingual classrooms at the same or similar grade levels. Students are grouped according to English language proficiency for all academic instruction. LPS plans to implement this model throughout the whole district.

A majority of students enrolled in the K to 8 program are enrolled in self-contained Spanish/English bilingual classrooms. Students are grouped heterogeneously by grade level and bilingual teachers and instructional aides are responsible for instruction in their native language and English for all subject areas.

Transitional classrooms are offered for students in grades 4 to 8 who are orally proficient, but have not yet attained the desired proficiency in reading and writing. In these classes, students are grouped homogeneously within a self-contained ESL classroom for intensive English language development in all the academic language and content-area subjects.

Two-way immersion classes are provided for Khmer and Vietnamese English Language Learner (ELL) students in grades 3 and 4. Tutoring services are provided for Khmer and Vietnamese ELL students in grades K to 12.

There are ELL students within the district from other language groups, who because of the small numbers, are not provided with full bilingual services. The language acquisition program offers ESL classes and native language tutoring services to these students. Speakers of Arabic, Portuguese, Mandarin, French, Russian, Turkish and Polish are among the language groups served.

The newcomer program, implemented in the 1998/99 school year, was developed to help the needs of Spanish speaking ELL students who enter Lawrence High School with little or no formal education in the native countries. This program provides an intensive instructional program from their native language and ESL instruction which focuses on accelerated skill development. It incorporates an extended day program and summer program.

A world languages program offered in grades 9 to 12 was expanded to include grades 6 to 8 as part of the district's Middle School Reform initiative during the 1998/99 school year. Students should be able to read, write and understand at least one language in addition to English at a high level of proficiency by the time they complete high school.

Grade 9 Academy ESL students have been integrated into instructional teams by English language proficiency levels. ESL students in Team 1 are team-taught by a bilingual and regular education teacher with ESL support. ESL students in Team II receive academic instruction with native language and ESL support. ESL students in Teams III and IV receive ESL support to ensure successful mainstreaming.

The TBE program has a goal of mainstreaming students in three years. *Chart 19-3* indicates the number of students mainstreamed each year over the past five years. The number mainstreamed appears to be 12.3 percent of the TBE enrollment. Taking into account that students enter and leave the program during the year, the mainstreaming percentage has ranged from a low of 28 percent in the 1999 school year to a high of 41 percent in both the 1995 and 1996 school years. The percents for school years 1998 and 1999 are below the 33 percent rate that one would expect to meet a three-year mainstreaming goal.

Chart 19-3

**Lawrence Public Schools
Transitional Bilingual Education (TBE)
Grades 1 - 12**

School Year Ending	Enrollment All Students	Enrollment in TBE	TBE %	Number of Students Mainstreamed
1995	11,131	4,586	41.2%	358
1996	11,454	4,711	41.1%	427
1997	11,977	4,142	34.6%	745
1998	12,015	3,536	29.4%	464
1999	12,499	3,446	27.6%	512

Note: Data obtained from LPS

One of NEAS&C's 51 concerns was a lack of high expectations for English literacy by students for whom English is not their native language. Some practices that have been implemented since are:

- All teachers have been given training in LINKS (an assessment tool for teachers using open-ended questions) to improve their skills and instructional strategies for teaching and learning English,
- All ninth grade English classes and all ESL classes have been expanded to a double period to increase exposure to English and practice basic skills. They

also use the CCC software-based instruction for 20 minutes per day to reinforce and develop basic skills in English.

- Two resource teachers were hired in school year 1999/2000.
- The school committee adopted a policy to ensure that all students pass an English Proficiency Test before graduation.

Another NEAS&C concern was to provide for evaluation of students' progress in the Language Acquisition Services (LAS) program and use the data to ensure appropriate placement and improved learning. Practices implemented to address this issue are:

- A Center for Assessment and Placement was established at the high school. Each student's academic record is examined and language proficiency and achievement tests are administered. Based upon this evaluation, each student is placed in either regular education or the LAS program.
- MELA-O (Massachusetts English Language Assessment – Oral) training was provided to all bilingual guidance counselors and ESL teachers. MELA-O is an assessment tool that measures oral English language proficiency. Bilingual students in all grades are tested with the LAS and/or the MELA-O every spring.
- All students who have been in the LAS program for three years or more, or have been recommended for exit by a staff member, are evaluated by a team of educators. The team discusses the progress of the student and makes recommendations relative to the appropriate program and courses for the student.

20. Dropout and Truancy

The dropout rate at LHS was one of the 51 concerns expressed in the October 1996 NEAS&C team report on accreditation. Since 1997, many practices have been put into place to reduce the dropout rate of 10.4 percent. Although these practices have been implemented, the district dropout rates have been calculated at 13.4 percent for the 1997/98 school year and 20 percent for the 1998/99 school year. Some of the practices include:

- Implementation of a computerized auto-dialing message informing parents of their child's absence in both English and in Spanish
- The high school principal is in charge of the Parent Outreach Center. Included duties are home visits, parent job site visits and telephone communication with parents. There is a centralized parent liaison that works out of this center. At the ninth grade academy, there is a dropout prevention teacher. There are also two parent liaisons and one aide working with grades 10-12 at-risk students. All of the above people meet every two weeks to address current issues.
- Computerized attendance is taken each period of the day and sent to the assistant principal's office
- Lawrence Academy serves as an alternative high school for those students who are at-risk of dropping out. These students are given the flexibility of

fulfilling their required hours at a later time in the day and work during the morning.

- The ninth grade success academy is a cluster approach that was instituted since most dropouts occur at the freshman level. The freshman class was broken down into six groups, each consisting of approximately 100 students and 4 to 5 content area teachers.
- A pregnant and parenting teen program is available to Lawrence students. Homebound tutoring is available for the parents of children who are 0 to 3 months of age until daycare can be provided and students can return to school.
- The high school has also developed OTAP (On Time Awareness Program). When students are tardy for the first period, the homeroom teacher calls home to report to the parent or guardian. Students who are late beyond period one are sent to the "lateroom" and must perform written assignments.
- A transitional learning academy is currently being implemented. It will house approximately 200 students in grades 6 – 12. They will engage in regular education as well as life skills development. It begins later than the regular school time.

Chart 20-1 identifies the LPS dropout rates from FY93 to FY97 in comparison to the state average and to the average of fourteen communities similar in population to the city of Lawrence. LPS dropout rate for FY97 was 10.4 percent, considerably higher than the state average of 3.4 percent.

Chart 20-1

**High School Dropout Rates
Selected Communities
FY93 - FY97**

Community	FY93	FY94	FY95	FY96	FY97
Lawrence	14.0%	13.8%	8.6%	6.4%	10.4%
New Bedford	10.7%	9.1%	9.5%	9.5%	9.0%
Somerville	5.7%	7.5%	7.8%	7.8%	6.5%
Chicopee	5.4%	5.6%	3.9%	12.0%	6.4%
Brockton	9.0%	8.3%	8.4%	8.4%	5.7%
Fall River	8.7%	6.7%	6.1%	6.1%	4.6%
Lynn	7.1%	9.3%	7.2%	7.2%	4.3%
Weymouth	2.5%	2.8%	2.4%	2.9%	4.1%
Framingham	3.2%	3.2%	3.6%	3.6%	3.8%
Lowell	3.1%	3.3%	2.8%	2.8%	3.1%
Waltham	2.8%	3.8%	3.4%	3.4%	3.1%
Medford	1.3%	1.8%	2.7%	2.1%	2.5%
Cambridge	4.0%	3.3%	4.2%	4.2%	2.0%
Quincy	1.7%	1.5%	1.0%	1.0%	1.5%
Newton	0.4%	1.1%	1.0%	1.0%	1.0%
Average These Communities	5.3%	5.4%	4.8%	5.2%	4.5%
Median These Communities	4.0%	3.8%	3.9%	4.2%	4.1%
State Average	3.5%	3.7%	3.6%	3.4%	3.4%

Note: Data provided by DOE

21. Maintenance and Capital Improvement

Maintenance

The schools appeared to be clean. The newest facility is handicapped accessible and has a capacity of 1500 students with an enrollment of 1400. Every classroom has a television set and uniforms are worn for grades 1-8. A concern at some schools was the amount of time taken to make DPW repairs.

Capital Improvement

In a 1997 letter to the LHS principal, NEAS&C indicated that “the school facility continues to impede the teaching of science given the fact that for its 1900 students the school has only one functioning science laboratory which itself is outdated, in deplorable condition, and in need of a total renovation.”

LPS reported to NEAS&C in 1999 that the issue of athletic, recreational or parking areas on the school site and inadequate storage and lighting await the construction of a new high school. Other concerns such as inadequate science labs, replacement of floors and carpeting and the leaky roof have been or are in the final stages of being rectified.

The school department’s major capital improvement plan involves three phases:

- 1.) the construction of three additional elementary schools. The city has not issued bonds for this phase as of the time of this audit. The total authorization is expected to be \$77 million. School building assistance authorizes a 90 percent reimbursement rate to the city.
- 2.) the construction of a new high school. NEAS&C’s 1997 accreditation report included several concerns regarding the building including:
 - The lack of any athletic, recreational or parking areas on the school site
 - Roof leaks which cause wet floors and carpeting as well as damage to ceiling tiles and walls
- 3.) the construction of an additional elementary school.

Chapter 194 §241 of the acts of 1998 established school building maintenance spending requirements. Each school district’s compliance with the requirement is based on the district’s actual spending as reported on the end-of-year report. Any district not meeting the requirement has an opportunity to request a waiver based on unanticipated or extraordinary changes in maintenance spending. The waiver must be approved by the Commissioner of Education and by the Deputy Commissioner of Revenue for Local Services. Districts which do not meet the requirement and which do not qualify for a waiver must work with DOE and DOR to develop a remediation plan. If appropriate action is not taken, school building assistance funds will be jeopardized. For FY99, the district’s spending requirement of \$3,597,779 was

underspent by approximately \$363,000 or by 10 percent. DOE has asked the district to recheck its data before proceeding with the requirements of this law. The district's spending requirement for FY2000 is \$3,771,496.

22. School Improvement Planning

Each school in the district has established a school council. These councils vary considerably in size from a seven to a twenty-seven-member group composed of faculty, parents, business and community representatives. In some schools there is slightly greater parent representation than teacher, but for the most part there is parity. School councils have broad-based representation of parents and teachers, that is inclusive of the various student populations served, such as bilingual, special education and Title I. There are student representatives on both the high school council, as well as one of the K-8 schools. Meetings of the school councils are held from five to six times per year.

School improvement plans varied in the quality of their content with some stating overly general and non-specific goals. Most plans addressed educational goals, assessing school needs, improving student performance, parent involvement and school safety. Class size and student/teacher ratios and professional development for staff were not addressed. Some school councils indicated use of parent and staff surveys to define needs, however, the weakest point in the school improvement plans was the use of student outcome data to generate building-specific student performance goals. Further, some school council members indicated that they are not engaged in the review of the budget for their respective schools. The district developed a School Improvement Plan (SIP) format in the spring of 1999, for implementation in the 1999-2000 school year. This format was designed to be a multi-purpose document to incorporate district goals, Title I standards, and NEAS&C accreditation standards. The format and the procedures for completing the school improvement plan clearly delineate the necessary component areas of a SIP, including student assessment data, budget and professional development. Initial training in the new format was made available to principals and school council members in May; however, the level of participation of school council members was low. Additional training is proposed for the current school year on the development of school budgets and the integration of building-specific student assessment data into the school improvement plan. Once available, the data from both the MCAS and MAT-7, administered last spring, will become the basis for the majority of schools in shaping the selection of their Comprehensive School Reform Models. A process for monitoring the implementation of school improvement plans is in the development stage, including mid-year and end of the year reporting, but has not yet been implemented.

23. Student Learning Time

The Lawrence Public Schools has a calendar of 182 days for students and 183 days for teachers. The district added twenty minutes of teacher time to each day beginning with the 1998-1999 School Year and increased the amount of required

professional development time for professional staff by three hours. (Not aware of any recommendations made by school council)

The district provides for students in grades one through grade eight with 900 hours of structured learning time. Currently at the Kindergarten level, the district offers two program options, a traditional half-day Kindergarten and a full-day Kindergarten. At present, the full-day Kindergarten program is available in only three schools, because of space constraints. Enrollment in this program is determined by lottery. Lawrence High School provides for a minimum of 990 hours of structured learning time for all students.

24. Personnel Evaluations

The district has established a comprehensive evaluation system in 1998, for all teachers, principals and administrators that is based upon the Principles of Effective Teaching and the Principles of Effective Leadership established by the Board of Education. This is the first time that the district has had a standards based evaluation system. The school committee has not established supplemental standards for teachers, however, for the 1999-2000 school year supplemental standards have been established for principals. Teachers with professional status are evaluated every two years, while teachers without professional status are evaluated annually. Principals, administrators and central administrative personnel are evaluated annually. The Superintendent is evaluated annually (by October 15th) by all members of the school committee using an evaluation procedure developed by the Massachusetts Association of School committees (MASC) with performance standards drawn from the Lawrence Public Schools' District Improvement Plan.

The evaluation system for teachers begins with a meeting between the evaluator and the teacher to discuss the evaluation process and goals for the upcoming school year. However, this information is not being documented. A formal observation is conducted which is written and shared with the teacher. The observation narrative provides space for commendations and recommendations. Over a period of time with additional data gathering, the evaluator completes a checklist based on the Principles of Effective Teaching. Written comments are required for any statement that is rated as "Needs Improvement". The procedures refer to the development of a performance improvement plan when a specific area is identified as needing improvement. . Documentation of continued poor performance by teaching staff is supposed to lead to the development of individual performance improvement plans. There was little evidence of the use of performance improvement plans in the sample of evaluations provided by the district. The district indicted that it is the responsibility of the principal and the director of human resources to bring together the resources necessary to assist an individual who is identified as non-performing. Available resources include the support of district personnel, peer modeling, and professional development opportunities available through either district-based initiatives or out of district opportunities, such as college based programs, funded by the district. Further, a teacher-mentoring program has been established by the district for the current school year.

Teachers with non-professional teacher status follow the same procedure as staff with professional status, except for the requirement of two observation/conferences prior to February. Based on the review of a sample of staff evaluations, the district's evaluation procedure for teachers as described in the Lawrence Teacher Professional Duties and Responsibilities Instrument is not implemented in a consistent fashion throughout the district. Some observation narratives were exceptionally well written with specific recommendations or commendations. Others were very brief with little descriptive information of the lesson observed and overly general recommendations and comments. Some non-professional status teachers had only one observation documented. A general weakness of the overall system is the lack of a mechanism to document follow through with respect to any recommendations for performance improvement.

Evaluation of principals and a few key central office administrators is conducted annually by the Superintendent of Schools. Other central office administrators are evaluated annually by the assistant superintendent. The evaluation standards for both groups are based upon the Principles of Effective Leadership. Principals have additional performance standards drawn from the Lawrence Public Schools' District Improvement Plan. District performance standards focus on three main areas; student achievement, accountability and customer service. Similar to the teacher evaluation system, the process begins with a meeting between the evaluator and the administrator to review the evaluation procedure and to identify goals for the coming year. There was no information provided that indicates that this goal setting phase is formalized in writing. The administrator evaluation instrument consists of a checklist with a rating scale with comment space following each section and a summary section for written commendations and recommendations. Direct observation, student outcome data (test scores, attendance and disciplinary actions) and documented information are the basis for the performance evaluation. Performance incentive payments are available to principals per their contract. All of the sample evaluations reviewed contained clear recommendations and indicated strengths, as well as areas needing improvement. Also all evaluations had appropriate signatures and dates. It was not clear what provisions the district makes to enable administrators to address recommendations for improved performance.

The district has established a cycle of evaluation for both teachers and administrators and has documented that it is in place. A summary of staff evaluation results is not provided to or discussed by the school committee with regard to examining staffing needs of the district. The results of teacher or administrator evaluation are not used in the development of the district's professional development plan.

Interviews of principals indicate that thirty hours of training was provided two years ago to supervisory personnel, mostly principals, on Research for Better Teaching (RBT). In October 1997, training to supervisory staff was provided by an attorney with regard to changes in the role and responsibilities of administrative personnel under the Education Reform Act. Since the district embarked in 1998, on a revamped teacher evaluation system, which included a shift in the secondary evaluator role from department heads to central administration program directors, additional training has been provided. The director of professional development and

evaluation provide thirty hours of training to evaluators on the revised evaluation system. Further, the district has contracted with a consultant to provide continued training to supervisory personnel in the current school year on evaluation and supervision based on the Safire (RBT) model.

25. Professional Development

The Lawrence Public Schools develops an annual professional development plan for all principals, teachers and other professional staff. A variety of sources were used to establish the goals of the professional development plan including the Report of the Fact Finding Team on the Lawrence Public Schools, the report of the New England Association of Schools and Colleges and the Murphy Report. A new director of professional development and evaluation came to the district in January of 1999. An extensive array of summer institutes was established for the summer of 1999, focused on curricular changes for implementation in the fall of 1999. These institutes consisted of one-week workshops with planned consultant/trainer follow-up to refine implementation issues during the 1999-2000 School Year. Over one thousand district personnel participated. The 1999 Professional Development Plan is designed to be aligned with system-wide goals articulated in the District's Improvement Plan; the adoption of Comprehensive School Reform models in each building; and different curriculum and instruction initiatives going forward in the 1999-2000 School Year. The process for determining professional development involves the director of professional development, principals and central administration. Teachers are asked to indicate professional development needs on evaluation forms provided at the conclusion of training sessions. The outcomes of teacher and administrator performance evaluations are not linked in a summative way to professional development plans; rather individual teachers by evaluator recommendation are encouraged to improve professional skills by accessing the district's professional development system. The district has developed a draft document well suited to this purpose, however, it is not known when or how this instrument will be implemented.

By contract the district requires professional staff to participate in twenty-one hours of professional development which takes place in two-hour segments after-school. During the 1998-1999 School Year, the focus of most of the twenty- one hours of mandated professional development was a district initiative on curriculum alignment with the Curriculum Frameworks. The process consisted of teachers participating in groups and in grade level meetings to break strands down into benchmarks and assessments. Manuals were produced in this manner for each core curriculum area. For the 1999-2000 School Year, the mandated training time will be allocated toward two hours of Crisis Response and Safety training (a district-wide objective); eight hours at the high school level to focus on the New England Association of Schools and Colleges (NEAS&C) accreditation process; eight hours of NELMS training at the middle school level to focus on the implementation of the Middle School Model (a district-wide objective); and eight hours of CLASP training, an interactive data-base that allows teachers to explore instructional units aligned with the Curriculum Frameworks, for the Pre-Kindergarten to grade five level (a district-wide objective). The remaining ten hours of mandated time is designated for either implementation or selection of a Comprehensive School Reform Model in each school building (a

building-based objective). In addition, the district's Professional Development Program offers half-day, full day, summer institutes and conferences for professional staff on a variety of topics geared toward specific student populations such as second language learners and students with disabilities, as well as educational leadership and technology.

A separate training initiative has been undertaken by the district to address the issues of parent and community support and involvement. The Parent Advisory Councils which had previously existed for each of the different mandated program areas, (such as Special Education, Bilingual Education and Title I), were brought together to form a broad-based educational forum, the Lawrence Educational Council. A consultant was hired to work with four sub-committees to develop a work plan. The district then hired a Parent Education leader. Currently, the district will institute a Parent Leadership Academy comprised of ten training modules for which stipends are available. Upon completion of the training program, each participant will complete an internship at a particular school. Further, for this school year, each principal as part of their performance evaluation, has a goal to get twenty-five parents engaged in some level of school involvement.

26. Curriculum Alignment

The Lawrence Public Schools began development of local Curriculum Guides in English Language Arts, Mathematics, Science and History during the 1998-1999 school year. The goal was to align district curricula to the State Curriculum Frameworks' learning standards and develop goals, objectives, and benchmarks by grade level for students in grades 1-8. A "Curriculum Working Group" was established consisting of school-based Curriculum Facilitators, classroom teachers and specialists under the direction of the administrator for curriculum and instruction. The group examined local expectations in relation to the state learning standards and back-mapped to develop grade level local standards. Existing district instructional materials were reviewed to determine alignment with state standards as well. Feedback on the developing Curriculum Guides was solicited throughout this process and included additional classroom teachers along with special education and Language Acquisition Service teachers. Draft versions of these documents were completed in June of 1999 and include grade level goals, objectives and benchmarks for students in grades 1-8.

During the 1999-2000 School Year, Lawrence teachers will be participating in study groups to review and suggest modifications to these Curriculum Guides. The ultimate goal is to enable teachers to develop curriculum units based on these standards. The system also plans to develop benchmark assessments for measuring student performance at key transition points. Information generated from such assessments will then be used to improve instruction and provide parents with a better understanding of grade level expectations. The school district intends to address the needs of special populations (i.e. special education and limited English proficient students) when developing these benchmark assessments. The District proposes to produce a Curriculum Guide for the Arts (grades 1-8) aligned with the recently approved state Curriculum Frameworks during the 1999-2000 School Year.

Although some curriculum alignment efforts have occurred in grades 9-12 (i.e., in grade 9 and 10 Science), high school staff have, as yet, had very little involvement in this process. As a result of a major restructuring initiative at the high school, to adopt the Johns Hopkin's Talent Development Model, the curriculum alignment process will be parallel with the implementation of the model and the work of the NEAS&C accreditation Committee on Instruction and Curriculum. In a process similar to that followed at the elementary/middle school levels, the work of curriculum alignment will commence with grade 9 during this academic year to be followed by grades 10-12.

27. Assessment of Student Progress

The district collects information on student performance from a variety of assessment instruments. These include: the Massachusetts Comprehensive Assessment System (MCAS); Iowa Test of Basic Skills (ITBS); the Metropolitan Achievement Test (MAT-7); Curriculum Based Measurement (CBM), Computer Curriculum Corporation (CCC), Math Inventory Tests, and Course Level Exams (grades 9-12). Some of this data is analyzed at the district level and building level, with some schools undertaking further analysis by grade level.

The Lawrence Public Schools undertook an analysis of district-wide Massachusetts Comprehensive Assessment System (MCAS) data, available for students in grades 4, 8, and 10, as well as individual school data. The Administrator for Curriculum and Instruction met with Curriculum Facilitators from each school to review MCAS findings in order to facilitate the communication of this information in their respective schools. One role of the Curriculum Facilitator in each building is to assist the principal and teachers, through grade level meetings, to understand student assessment outcomes and the implications for instruction. Principals participated in New England Comprehensive Assistance Center training on the use of MCAS reports for school improvement and attended a session conducted by the district's technology department on the use of MCAS CD-ROM information. Staff interviews reveal that teachers in most buildings did participate, in varying degrees, in grade level meetings to review MCAS data and examine common MCAS items. No single common approach was used by individual schools to review data, and schools were not asked to develop or submit a written analysis of school-based strengths and weaknesses to the central office.

The school district, in an effort to involve parents, began to inform parents about MCAS in October of 1998 through meetings conducted in both English and Spanish. After the first MCAS reports were released, each school operated a "Help Desk" staffed by Curriculum Facilitators and guidance personnel to answer parent concerns. Parents of children in grades 4, 8, and 10 were given homework packets containing MCAS questions to help children prepare for last year's testing. Local cable access produced videos in Spanish and in English explaining the purpose and use of these packets in order to reach an even broader segment of the parent /community. Central office administrators also made a presentation to the local school committee to review district-wide MCAS results.

The district received data from the state-administered grade 3 Iowa Reading Test in the areas of vocabulary, comprehension, and spelling. However, other than state-generated reports, very little further analysis has been undertaken.

The Metropolitan Achievement Test (MAT-7), a standardized, norm-referenced test, is now given locally to students in grades 1-11. Beginning with the 1999-2000 school year, the district will receive an item analysis and reports for special populations of students (e.g., limited English proficient, and special education) for both the district and individual schools. Central office administrators intend to use this detailed information (not previously obtained) to pinpoint programmatic strengths and weaknesses and to inform curriculum and instruction changes.

All students in grades 1-8 in six pilot schools participated in Curriculum Based Assessment (CBM) during the 1998-1999 school year. CBM is a standardized method of quickly assessing a child's progress in reading and mathematics using the district's own curriculum materials. Curriculum Facilitators and some teachers were trained in this method and have used it to identify children's performance levels. Classroom teachers used this information to then determine instructional groupings. Beginning with the 1999-2000 school year, the district will utilize CBM in all grade 1-8 buildings. All children will be assessed four times during the year. The district's goal is to eventually expand CBM usage to students in grades 9-12. It should be noted that although CBM has the capability of generating information regarding a student's individual strengths and weaknesses in reading or mathematics, most schools are currently only using CBM information to group students by performance levels relative to other students (e.g., best readers, middle readers, lowest performing readers.) Interviews reveal that teachers do not currently analyze CBM results to determine specific weaknesses (e.g., phonic problems) of individual children.

Beginning with the 1999-2000 school year, Lawrence Public Schools will be using the Curriculum Computer Corporation (CCC) program. This computerized student assessment program will be used with all students in grades 4-9. Each student will receive an initial placement test to identify individual reading and mathematics needs. This information will be used to customize related computer assisted instruction to address each student's individual weaknesses. Classroom teachers will also receive this information, so that they can provide additional practice for students in identified areas of need. CCC provides teachers with specific skill worksheets and other curriculum materials for use as in-class or homework assignments. Students' needs are reevaluated throughout the year by the CCC computer program, and teachers and parents generate automated reports for use. Student progress reports can be produced for individual children, as well as for groups of students.

The district also uses some locally developed methods of collecting additional student performance data. These include Math Inventory Tests, which are given in Fall and Spring of grades 1-3 and 5-7, and Course Level Exams which are administered in grades 9-12.

In summary, the Lawrence Public Schools has analyzed student assessment data at the district and building level, with the use of this data varying according to individual

school buildings. Analysis of district-wide student data has had an impact on district-wide instructional practices. Since MCAS and other data revealed great weaknesses in mathematical problem-solving, the district has mandated that Math Their Way (K-2) and Connected Math (6-7) is used in all Lawrence Public Schools. Similarly, since student assessment data confirms difficulty with written expression, the district has brought in consultants to work with Curriculum Facilitators on open-response questions and has developed practice writing prompts and rubrics for classroom teachers to use. Work is currently being done to institute a district-wide Writing Portfolio system to monitor each student's writing progress. Finally, a new district-level staff person has been hired to focus on data analysis. The district, through this person, is also exploring the possibility of bringing in additional consulting help this year to assist individual school buildings to better analyze their data and use the data to make programmatic changes.

IV. Employee Survey

The audit team conducted a confidential survey of all employees of LPS to provide a forum for teachers and staff to express their opinions on education in LPS. Approximately 2022 questionnaires were delivered to school staff and 451 responses were received and tabulated, a response rate of 22 percent. Areas covered by the survey include:

1. education reform,
2. education goals and objectives,
3. curriculum,
4. planning,
5. communications and mission statements,
6. budget process,
7. professional development,
8. supplies,
9. facilities, and
10. computers and other education technology.

Appendix E shows the teachers' answers to the survey questions. The former Superintendent also received a summary of responses.

Sixty-six percent of teachers think that education reform issues are considered when their own school plans are made and 59 percent think that also applies to district-wide plans. Sixty-five percent believe that the school district is taking positive steps to improve education and 67 percent state that a formalized process is in place to analyze student test scores and identify areas of academic weakness. Sixty-two percent state that there are programs in place to improve student performance in areas where academic weaknesses have been identified.

Fifty-seven percent of teachers are clear about the school district's goals and objectives as well as how they relate to their own jobs. Forty-one percent feel that

they have a role in the development of these goals and objectives and 56 percent confirm that there are indicators used to measure progress toward them.

The survey indicates that 35 percent of teachers do not think that an increase in school funding is tied directly to improvements in education. Forty percent of teachers think that improvements in education at the school would have occurred without education reform.

Forty-nine percent believe that the curriculum is coherent and sequential. Thirty-eight percent believe that the curriculum now in use in their school will improve student test scores while 17 percent said that it would not. Fifty-nine percent of the teachers feel that there is a coherent, on-going effort within LPS to keep curriculum current and 37 percent feel that teachers play an important role in reviewing and revising the curriculum. Eighty-one percent state that the curriculum in their school is aligned with the state frameworks.

Sixty-seven percent are familiar with the content of their school improvement plan while sixty-four percent state that the plans address the needs of students. Fifty-eight percent state the plans are used to effect changes in the school.

Twenty-seven percent state that there are a number of available computers sufficient for the number of students. Fifty percent state there is a policy or program for teacher training on software and computers used by students.

V. Superintendent's Statement – Education Reform

As part of this review, the former Superintendent was asked to submit a brief statement expressing her point of view with respect to three areas:

1. school district progress and education reform since 1993;
2. barriers to education reform; and
3. plans over the next three to five years.

VI. Appendix

Appendix A1	School and City Spending by Function
Appendix A2	School and City Spending by Program
Appendix A3	FTE Teachers by Selected Discipline
Appendix B1	Foundation Budget Line Items Targets and Expenditures FY94, FY96-FY99 - Table
Appendix B2 - 3	Foundation Budget Line Items Targets and Expenditures FY94, FY96-FY99 - Graph
Appendix C	Mass. Educational Assessment Program (MEAP)
Appendix D	Comparison of 1998 and 1999 MCAS Average Scaled Scores
Appendix E	Employee Survey Results
Appendix F	Superintendent's Statement on Education Reform Accomplishments, Barriers and Goals
Appendix G	Auditee's Response

Lawrence Public Schools
School Committee Expenditures By Function (in thousands of dollars)

	FY89	FY93	FY98	FY99	FY93 - FY99	
					\$ Diff.	% Diff.
Instructional Services:						
Supervisory	\$364	\$963	\$1,758	\$1,796	\$832	86.4
Principal	\$1,850	\$2,059	\$3,559	\$3,680	\$1,622	78.8
Principal Technology	N/A	N/A	\$21	\$23	N/A	N/A
Teaching	\$17,945	\$7,508	\$40,007	\$46,002	\$38,495	512.7
Professional Development	N/A	N/A	\$808	\$1,070	N/A	N/A
Textbooks	\$496	\$506	\$1,310	\$1,023	\$517	102.2
Instructional Technology	N/A	N/A	\$1,521	\$495	N/A	N/A
Educational Media	\$40	\$43	\$1,060	\$626	\$583	1343.5
Guidance & Psychology	\$548	\$642	\$2,031	\$2,292	\$1,650	257.2
Subtotal:	\$21,243	\$11,720	\$52,074	\$57,008	\$45,288	386.4
Other Services:						
Athletics	\$282	\$293	\$373	\$487	\$194	66.3
Student Body Activities	\$38	\$18	\$370	\$255	\$237	1294.4
Attendance	\$68	\$79	\$731	\$804	\$725	918.2
Health (inc. non-public)	\$247	\$260	\$954	\$1,188	\$928	357.4
General Administration	\$222	\$540	\$746	\$978	\$438	81.1
Administrative Support	\$883	\$804	\$1,272	\$1,296	\$492	61.2
Administrative Technology	N/A	N/A	\$480	\$779	N/A	N/A
Employee Benefits Admin.	N/A	N/A	\$29	\$51	N/A	N/A
Operations and Maintenance	\$3,305	\$3,010	\$4,861	\$3,751	\$740	24.6
Extraordinary Maintenance	N/A	N/A	\$842	\$1,532	N/A	N/A
Networking & Telecomm.	N/A	N/A	\$24	\$10	N/A	N/A
Pupil Transportation	\$1,949	\$1,843	\$2,452	\$2,905	\$1,061	57.6
Civic Activities	\$0	\$3	\$0	\$14	\$10	301.4
Rental Lease	\$223	\$653	\$434	\$581	-\$72	-11.0
Purchase of Equipment	\$334	\$168	\$0	\$0	-\$168	-100.0
Payments To Other Districts	\$1,296	\$1,801	\$1,779	\$1,986	\$186	10.3
Employee Benefits	\$1,600	\$4,652	\$9,036	\$8,734	\$4,081	87.7
Subtotal:	\$10,447	\$14,125	\$24,384	\$25,351	\$11,226	79.5
Total School						
Expenditures By Function:	\$31,691	\$25,846	\$76,458	\$82,359	\$56,513	218.7

Note Data provided by LPS and DOE

Lawrence Public Schools**School Committee & City Expenditures By Program (in thousands of dollars)**

	FY89	FY93	FY98	FY99	FY93 - FY99	
					\$ Diff	% Diff.
School Expenditures: Instructional						
Regular Day	\$8,949	\$4,301	\$23,917	\$29,980	\$25,679	597
Special Education	\$4,333	\$1,882	\$9,327	\$10,300	\$8,418	447
Bilingual	\$5,270	\$2,550	\$8,723	\$9,455	\$6,905	271
Occ. Ed., Adult Ed., Expanded	\$802	\$886	\$3,138	\$1,378	\$492	56
Undistributed	\$1,890	\$2,102	\$6,969	\$5,895	\$3,793	180
Subtotal Instructional:	\$21,243	\$11,720	\$52,074	\$57,008	\$45,288	386
School Expenditures: Other:						
Regular Day	\$10	\$296	\$760	\$1,314	\$1,019	345
Special Education	\$2,341	\$3,339	\$3,471	\$3,577	\$238	7
Bilingual	\$36	\$14	\$0	\$0	-\$14	-100
Occ. Ed., Adult Ed., Expanded	\$0	\$0	\$0	\$0	\$0	N/A
Undistributed	\$8,059	\$10,477	\$20,153	\$20,459	\$9,982	95
Subtotal Non-Instructional:	\$10,447	\$14,125	\$24,384	\$25,351	\$11,226	79
School Expenditures: Total						
Regular Day	\$8,959	\$4,597	\$24,678	\$31,295	\$26,698	581
Special Education	\$6,674	\$5,220	\$12,798	\$13,877	\$8,657	166
Bilingual	\$5,306	\$2,563	\$8,723	\$9,455	\$6,892	269
Occ. Ed., Adult Ed., Expanded	\$802	\$886	\$3,138	\$1,378	\$492	56
Undistributed	\$9,950	\$12,579	\$27,121	\$26,355	\$13,775	110
Total School Expenditures:	\$31,691	\$25,846	\$76,458	\$82,359	\$56,513	219
City Expenditures:						
Regular Day	\$0	\$0	\$3,548	\$1,890	\$1,890	N/A
Special Education	\$0	\$0	\$14	\$19	\$19	N/A
Bilingual	\$0	\$0	\$0	\$2,406	\$2,406	N/A
Undistributed	\$11,255	\$10,142	\$12,023	\$12,284	\$2,142	21
Total City Expenditures:	\$11,255	\$10,142	\$15,585	\$16,600	\$6,458	64
EEO and Per Pupil Aid	\$5,223	\$16,162	\$0	\$0	-\$16,162	-100
Total School and City Expenditures	\$48,169	\$52,150	\$92,043	\$98,959	\$46,809	90

Note: Data provided by LPS and DOE

Lawrence Public Schools
FTE Teachers By Selected Discipline

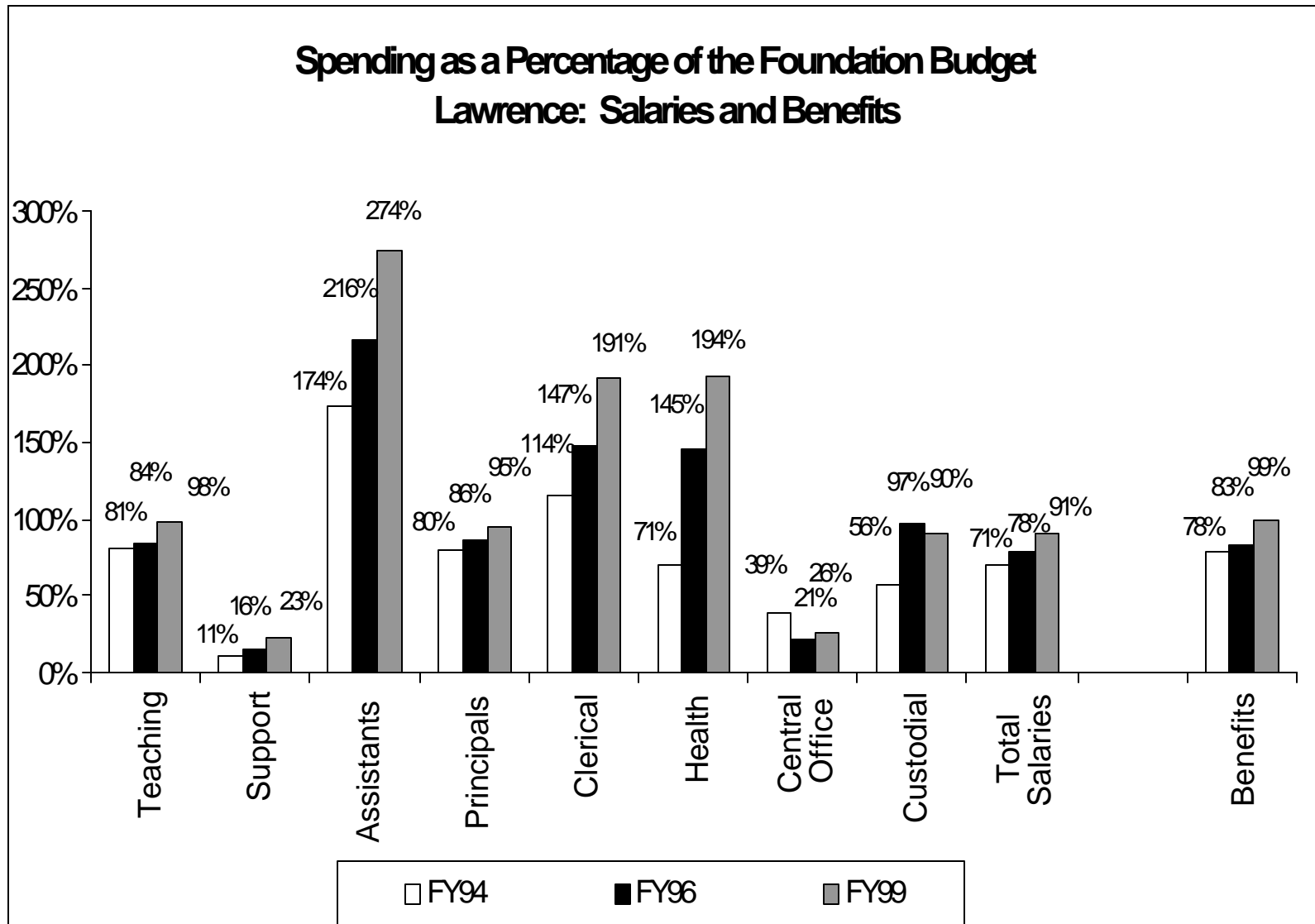
Discipline	FY89	FY93	FY97	FY99	FY89 - FY93		FY93 - FY99		FY97-FY99	
					Incr.	% Incr.	Incr.	% Incr.	Incr.	% Incr.
Early Childhood	28.0	8.0	38.0	30.5	(20.0)	-71.4%	22.5	281.3%	(7.5)	-19.7%
Elementary	281.0	237.0	289.0	249.5	(44.0)	-15.7%	12.5	5.3%	(39.5)	-13.7%
Middle (Generalist)	0.0	4.0	0.0	20.0	4.0	N/A	16.0	400.0%	20.0	N/A
English	13.0	10.0	12.0	35.0	(3.0)	-23.1%	25.0	250.0%	23.0	191.7%
Spanish	6.1	3.0	4.0	6.0	(3.1)	-50.8%	3.0	100.0%	2.0	50.0%
History	4.2	5.0	0.0	12.0	0.8	19.0%	7.0	140.0%	12.0	N/A
Social Studies	3.2	7.0	9.0	16.0	3.8	118.8%	9.0	128.6%	7.0	77.8%
Biology	3.6	4.0	0.0	4.0	0.4	11.1%	0.0	0.0%	4.0	N/A
General Science	6.6	4.0	9.0	4.0	(2.6)	-39.4%	0.0	0.0%	(5.0)	-55.6%
Mathematics	20.0	15.0	22.0	21.0	(5.0)	-25.0%	6.0	40.0%	(1.0)	-4.5%
Art	10.0	9.0	10.0	22.0	(1.0)	-10.0%	13.0	144.4%	12.0	120.0%
Music	7.0	8.0	10.0	17.0	1.0	14.3%	9.0	112.5%	7.0	70.0%
Reading	20.0	93.4	88.0	59.5	73.4	367.0%	(33.9)	-36.3%	(28.5)	-32.4%
Health	6.0	5.0	9.0	7.0	(1.0)	-16.7%	2.0	40.0%	(2.0)	N/A
Physical Education	21.6	8.0	22.0	11.0	(13.6)	-63.0%	3.0	37.5%	(11.0)	-50.0%
Health & Physical Education	0.0	16.0	0.0	18.0	16.0	N/A	2.0	12.5%	18.0	N/A
Business	2.2	0.0	4.0	6.0	(2.2)	-100.0%	6.0	N/A	2.0	50.0%
Business Management	1.4	5.0	0.0	0.0	3.6	257.1%	(5.0)	-100.0%	0.0	N/A
Home Economics	6.0	4.0	4.0	4.0	(2.0)	-33.3%	0.0	0.0%	0.0	N/A
Industrial Arts	10.0	6.0	7.0	5.0	(4.0)	-40.0%	(1.0)	N/A	(2.0)	-28.6%
Secretarial Science	5.4	0.0	0.0	0.0	(5.4)	-100.0%	0.0	N/A	0.0	N/A
SPED	115.0	120.0	87.0	122.0	5.0	4.3%	2.0	N/A	35.0	N/A
Bilingual/ESL	192.0	139.0	175.0	145.0	(53.0)	-27.6%	6.0	4.3%	(30.0)	-17.1%

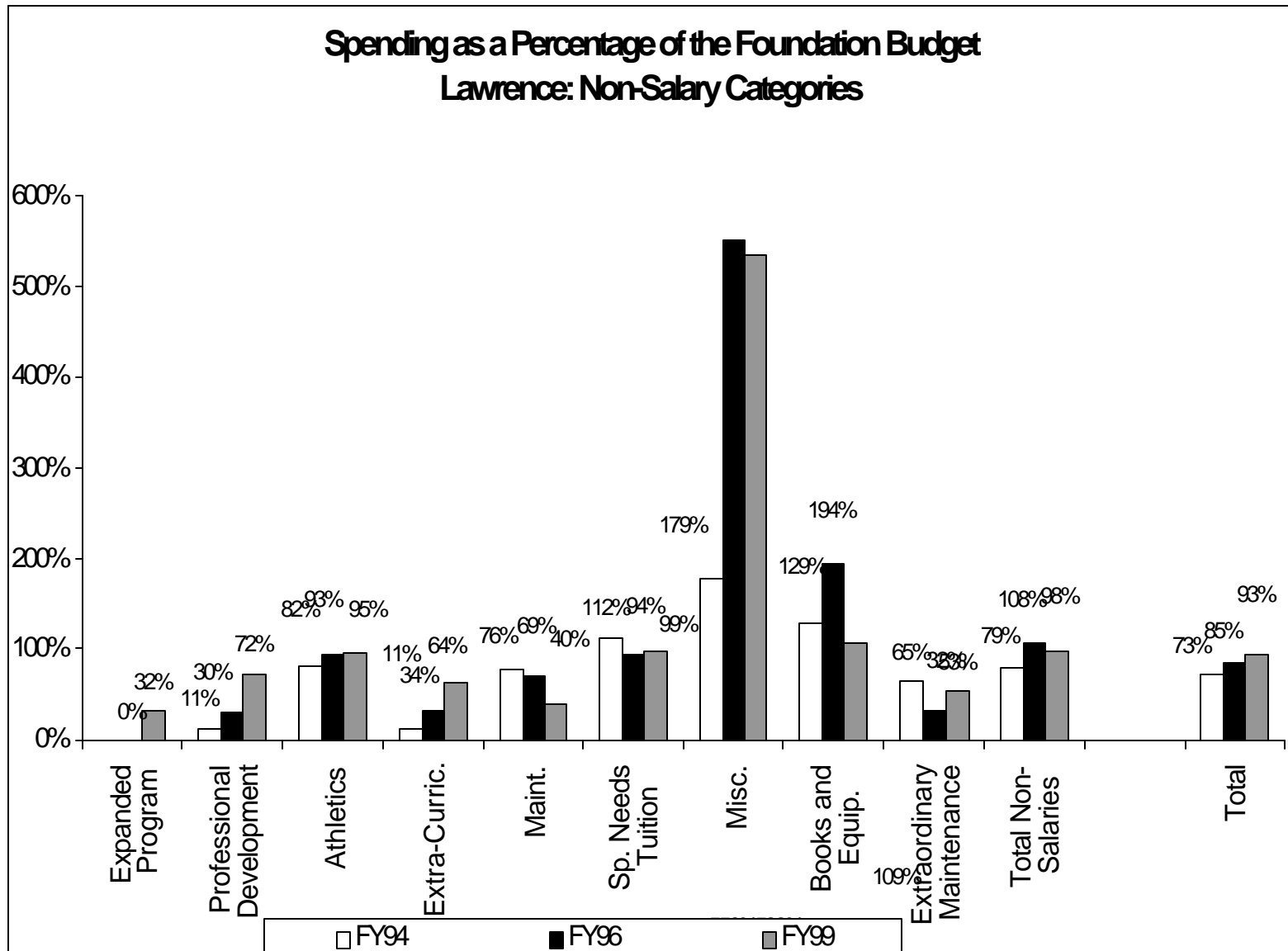
Note: Data obtained from October 1 School System Summary Reports.

Lawrence Public Schools
Net School Spending According to Foundation Budget Categories
(in thousands of dollars)

	Reported Expenditures			Foundation Budget			Variance			
	FY94	FY96	FY99	FY94	FY96	FY99	Expend. over(under) Foundation	FY94	FY96	FY99
Teaching Salaries	\$22,753	\$29,145	\$39,283	\$28,012	\$34,655	\$40,204	(\$5,259)	(\$5,510)	(\$921)	
Support Salaries	\$711	\$1,247	\$2,223	\$6,455	\$7,761	\$9,510	(\$5,744)	(\$6,514)	(\$7,287)	
Assistants' Salaries	\$1,907	\$2,881	\$4,377	\$1,098	\$1,333	\$1,597	\$809	\$1,548	\$2,780	
Principals' Salaries	\$1,517	\$1,910	\$2,589	\$1,895	\$2,222	\$2,733	(\$378)	(\$312)	(\$144)	
Clerical Salaries	\$1,302	\$1,976	\$3,146	\$1,139	\$1,343	\$1,644	\$163	\$634	\$1,502	
Health Salaries	\$312	\$760	\$1,230	\$439	\$523	\$636	(\$127)	\$237	\$595	
Central Office Salaries	\$712	\$453	\$691	\$1,836	\$2,161	\$2,646	(\$1,124)	(\$1,708)	(\$1,955)	
Custodial Salaries	\$1,271	\$2,701	\$2,953	\$2,268	\$2,791	\$3,271	(\$997)	(\$90)	(\$317)	
Total Salaries	\$30,484	\$41,073	\$56,493	\$43,141	\$52,789	\$62,241	(\$12,657)	(\$11,716)	(\$5,748)	
Benefits	\$4,661	\$6,081	\$8,582	\$6,001	\$7,340	\$8,662	(\$1,340)	(\$1,260)	(\$80)	
Expanded Program	\$0	\$0	\$959	\$1,874	\$2,505	\$2,958	(\$1,874)	(\$2,505)	(\$1,998)	
Professional Development	\$112	\$384	\$1,070	\$1,034	\$1,273	\$1,491	(\$922)	(\$889)	(\$421)	
Athletics	\$320	\$353	\$487	\$391	\$379	\$511	(\$71)	(\$26)	(\$25)	
Extra-Curricular	\$30	\$110	\$255	\$284	\$324	\$397	(\$254)	(\$214)	(\$142)	
Maintenance	\$2,291	\$2,550	\$1,716	\$2,998	\$3,683	\$4,317	(\$707)	(\$1,133)	(\$2,602)	
Special Needs Tuition	\$1,450	\$1,444	\$1,855	\$1,291	\$1,528	\$1,865	\$159	(\$84)	(\$9)	
Miscellaneous	\$1,656	\$5,986	\$7,113	\$924	\$1,089	\$1,333	\$731	\$4,897	\$5,779	
Books and Equipment	\$3,481	\$6,063	\$4,173	\$2,708	\$3,117	\$3,845	\$772	\$2,946	\$328	
Extraordinary Maintenance	\$1,290	\$779	\$1,519	\$1,995	\$2,456	\$2,878	(\$706)	(\$1,677)	(\$1,359)	
Total Non-Salaries	\$10,629	\$17,668	\$19,148	\$13,500	\$16,353	\$19,596	(\$2,871)	\$1,315	(\$448)	
Total	\$45,774	\$64,822	\$84,223	\$62,642	\$76,483	\$90,498	(\$16,869)	(\$11,661)	(\$6,275)	
Revenues	\$20.8	\$2					\$20.8	\$2	\$0	
Net School Spending	\$45,753	\$64,820	\$84,223	\$62,642	\$76,483	\$90,498	(\$16,889)	(\$11,663)	(\$6,275)	

Note: Data obtained from DOE and LPS. Totals may not add due to rounding.





Lawrence Public Schools
Massachusetts Educational Assessment Program (MEAP) Scores

	Grade	1988	1990	1992	1994	1996	1988-96 Change	1996 State Average	1996 LPS Over/(Under) State Avg.
Reading									
	4	1100	1100	1140	1220	1210	110	1350	-140
	8	1100	1090	1140	1200	1210	110	1380	-170
	10	N/A	N/A	N/A	1150	1160		1310	-150
Math									
	4	1080	1070	1140	1210	1220	140	1330	-110
	8	1090	1070	1140	1160	1180	90	1330	-150
	10	N/A	N/A	N/A	1140	1130		1310	-180
Science									
	4	1090	1090	1130	1210	1210	120	1360	-150
	8	1070	1090	1140	1120	1140	70	1330	-190
	10	N/A	N/A	N/A	1130	1140		1310	-170
Social Studies									
	4	1100	1090	1130	1220	1220	120	1340	-120
	8	1090	1090	1150	1160	1170	80	1320	-150
	10	N/A	N/A	N/A	1140	1160		1300	-140

Note: N/A indicates that test was not given to all grades in all years. Data obtained from DOE

Lawrence Public Schools
Comparison of 1998 and 1999 MCAS Average Scaled Scores

All Students	1998 District	1998 State	Point Diff.	1999 District	1999 State	Point Diff.	Inc./Dec.	
							District	State
Grade 4:								
English Language Arts	222	230	-8	222	231	-9	0	1
Mathematics	219	234	-15	220	235	-15	1	1
Science & Technology	225	238	-13	223	240	-17	-2	2
Grade 8:								
English Language Arts	225	237	-12	226	238	-12	1	1
Mathematics	211	227	-16	210	228	-18	-1	1
Science & Technology	210	225	-15	207	224	-17	-3	-1
History	N/A	N/A	N/A	209	221	-12	N/A	N/A
Grade 10:								
English Language Arts	218	230	-12	217	229	-12	-1	-1
Mathematics	208	222	-14	207	222	-15	-1	0
Science & Technology	214	225	-11	212	225	-13	-2	0
Total Score (excluding History)	1952	2068		1944	2072			

Note: Data provided by DOE

EMPLOYEE SURVEY - Lawrence**Teachers**

Note: Percentages may not add to 100% due to rounding

Rating Scale		
Yes/No Questions		Opinion
yes	1&2	Good to Excellent
No	4&5	Not good, inadequate
Not sure, one way or the other	3	OK - could be better, could be worse

1 Education Reform		1&2		4&5		3
1.a	Are you familiar with the issues of Education Reform, the Law passed in 1993?	77%		7%		15%
1.b	Do you feel you have a good understanding of the purpose and the goals of the law?	73%		8%		19%
1.c	Do you feel that there is a lot of confusion about what Education Reform is all about?	53%		19%		27%
1.d	Do you feel the issues of Education Reform are considered when school district plans are made?	59%		6%		35%
1.e	Do you feel the issues of Education Reform are considered when school based plans are made?	66%		10%		24%
1.f	In your opinion is the school district taking positive steps to improve education?	65%		20%		16%
1.g	Do you feel your job has changed because of Education Reform?	46%		36%		18%
1.h	Do you think there has been an improvement in student achievement in your school due to Education Reform?	27%		31%		42%
1.i	Do you think the improvements in education at the school would have happened without Education Reform?	40%		21%		39%
1.j	Have you perceived an increase in school funding tied directly to improvements in education in your district?	31%		35%		33%
1.k	Is there a formalized process in place to analyze student test scores and identify areas of academic weakness?	67%		13%		20%
1.l	Are there specific programs in place to improve student performance in areas where academic weaknesses have been identified?	62%		16%		22%

2 Educational Goals and Objectives		1&2		4&5		3
2.a	Are the school administration's goals and objectives generally clear and understandable?	59%		24%		16%
2.b	Are you clear about the school district's goals and objectives as they relate to your own job?	57%		23%		20%
2.c	Are there indicators issued to measure progress toward goals and objectives generally?	56%		18%		26%
2.d	Are there indicators used to measure your progress toward goals and objectives?	58%		18%		24%
2.e	Do you have a role in developing these goals and objectives?	41%		39%		20%

EMPLOYEE SURVEY - Lawrence Teachers

Note: Percentages may not add to 100% due to rounding

Rating Scale		
Yes/No Questions		Opinion
yes	1&2	Good to Excellent
No	4 & 5	Not good, inadequate
Not sure, one way or the other	3	OK - could be better, could be worse

3 Curriculum		1&2		4 & 5		3
3.a.	Do you believe that your district's curriculum is coherent and sequential?	49%		27%		24%
3.b.	Do you believe that your curriculum is challenging and tied to preparing students for life after secondary school?	56%		21%		23%
3.c.	Is there a coherent, on-going effort within the district to keep curriculum current with evolving trends and best practices in pedagogy and educational research?	59%		18%		23%
3.d.	Do teachers play an important role in reviewing and revising curriculum in the district?	37%		34%		29%
3.e.	Will the curriculum now in use in your school improve student test scores?	38%		17%		45%
3.f.	Do you believe that the curriculum content does not impact test scores as much as how a subject is taught by a teacher?	60%		16%		24%
3.g.	Is the curriculum in your school aligned with the state frameworks?	81%		5%		14%
4 Planning		1&2		4 & 5		3
4.a.	Is the planning for important issues (e.g. curriculum, budgetary, etc.) within the district a top-down process?	68%		13%		19%
4.a.1.	If the answer is "Definitely yes" (1) or "Generally yes" (2), is there an important role for teachers and professional staff in the planning process?	31%		25%		44%
4.b.	If staff does not have an important role in developing plans, are decisions made by the central office/school committee explained so that you can understand the basis for the decision/policy?	20%		34%		46%
4.c.	Are you familiar with the content of your school improvement plan?	67%		19%		14%
4.d.	Does the school improvement plan address the needs of students in your school?	64%		27%		9%
4.e.	Is the plan used to effect important changes in your school?	58%		29%		13%
5 Communications and Mission Statement		1&2		4 & 5		3
5.a.	Is there adequate on-going communication between teachers and district administrators? In other words, do you think that you know what is going on in the district?	26%		21%		54%
5.b.	Is there adequate communication between you and your superiors?	53%		10%		37%
5.c.	Is there a mission statement in place for your school district?	69%		9%		27%
5.d.	Is there a mission statement in place for your school?	82%		15%		3%
5.e.	Does the mission statement define how the school is run, and how students are taught?	63%		23%		13%
5.f.	Are these mission statements applied in the operation of the school and the teaching of students?	53%		31%		16%

EMPLOYEE SURVEY - Lawrence

Teachers

Note: Percentages may not add to 100% due to rounding

Rating Scale		
Yes/No Questions		Opinion
yes	1&2	Good to Excellent
No	4 & 5	Not good, inadequate
Not sure, one way or the other	3	OK - could be better, could be worse

6	Budget Process	1&2		4 & 5		3
6.a.	Do you understand your school budget process?	24%		24%		52%
6.b.	Do you understand how the budget process impacts your department?	34%		21%		46%
6.c.	Is the school budgeting process fair and equitable?	19%		43%		38%
6.d.	Are budgetary needs solicited and adequately addressed in the budget process?	22%		40%		38%
6.e.	Once the budget is approved and implemented, does the allocation and use of funds match the publicly stated purposes?	21%		52%		27%
6.f.	Given the circumstances, the school department seems to be doing the best it can with in the school budget process.	24%		42%		34%
6.g.	Are there deficiencies in this process?	45%		18%		37%

7	Professional Development	1&2		4 & 5		3
7.a.	Is there an adequate professional development program in your school?	52%		34%		14%
7.b.	Is the program designed to meet school needs and tied to the new frameworks and assessments?	57%		26%		17%
7.c.	Is the program designed to change the content of pedagogy in classrooms?	45%		26%		29%
7.d.	Are there deficiencies in the professional development program?	58%		23%		19%
7.e.	Did you participate in the professional development program in 1997/98?	87%		11%		2%
7.f.	Professional development is making a difference and will improve education in my school district.	36%		39%		26%

8	Supplies	1&2		4 & 5		3
8.a.	Have you generally received sufficient and appropriate supplies to do your job?	61%		29%		9%
8.b.	Have you generally received sufficient and appropriate basic educational supplies (e.g. chalk, paper, pens, pencils, etc.) to do your job?	71%		22%		8%
8.c.	Have you generally been supplied with a sufficient number of a current edition of textbooks?	62%		29%		10%
8.d.	Are students given a copy of these textbooks to keep at home during the year?	4%		91%		6%
8.e.	Have you generally been supplied with sufficient ancillary curriculum materials (e.g. current maps, lab supplies, videos, etc.)?	46%		13%		41%
8.f.	Is the process for obtaining supplies and materials effective, time sensitive and responsive to your classroom needs?	48%		14%		38%

EMPLOYEE SURVEY - Lawrence Teachers

Note: Percentages may not add to 100% due to rounding

Rating Scale		
Yes/No Questions		Opinion
yes	1&2	Good to Excellent
No	4 & 5	Not good, inadequate
Not sure, one way or the other	3	OK - could be better or could be worse

9 Facilities		1&2		4 & 5		3
9a.	How would you rate the overall state of school facilities (e.g. cleanliness, security, maintenance, structural integrity)?	50%		20%		29%
9b.	How would you rate the overall state of classrooms, labs, and other teaching rooms/areas?	44%		19%		37%
9c.	How would you rate the overall state of the common areas (e.g. hallways, stairwells, and cafeteria)?	51%		20%		30%
9d.	How would you rate the overall state of the areas outside of the building (e.g. playgrounds, walk-ways and grounds)?	52%		33%		15%
9e.	Would you agree with the following statement: "The school administration makes an effort to provide a clean and safe working environment."	67%		22%		12%

10 Computers and other Educational Technology		1&2		4 & 5		3
10a.	Are the usage of computers and other technological tools a significant part of the management practices at the school?	51%		31%		18%
10b.	Are the usage of computers and other technological tools a significant part of the instructional practices at the school?	51%		31%		18%
10c.	In terms of student usage, are computers generally available only in a computer laboratory setting or library/media center?	38%		49%		13%
10d.	How many computers are located in your classroom?					
10e.	Do you have a school computer provided for and dedicated for your usage?	30%		66%		3%
10f.	Is there a school computer provided for and shared by you and other teachers?	34%		57%		9%
10g.	Are there computers available for and used on a regular basis by students?	51%		32%		17%
10h.	Is the number of available computers sufficient for the number of students?	27%		56%		16%
10i.	Are the computers in good working order?	48%		35%		17%
10j.	Are the software packages in the computers uniform and consistent with the instructional level to be provided?	42%		30%		28%
10k.	Is there a policy or program providing for computer training for teachers on software and computers used by students?	50%		28%		22%

Superintendent's Statement - Education Reform
Dr. Mae E. Gaskins, Superintendent, Lawrence Public Schools

1. School District Progress and Education Reform Since 1993

Having assumed the position of Superintendent for the Lawrence Public Schools in July 1998 the information that I provide in this statement relating to the years 1993 - July, 1998 will be based on my review of pertinent data relating to district performance.

1993-1998

These years brought tremendous change in the district. The total operating budget appropriated by the Lawrence School Committee in Fiscal Year 1994 was \$47,222,194. By Fiscal Year 1998, the budget appropriation had grown to \$78,824,289, due primarily to the funding provisions of the Education Reform Act. During this same time frame, our student population increased from 10,751 to 12,104. In 1997-1998, 70.2 % of our students lived in poverty; and 76.3% came from families for whom English is a Second Language. In 1993 the City of Lawrence approved the construction of the South Lawrence East School which opened in 1995 and serves 1,400+ children, grades K-8.

Increased funding enabled the district to hire additional instructional staff (teachers, counselors, librarians). In October 1995, the district reported a total instructional staff of 773.5. By October 1997 the number of instructional staff had grown to 915. Expenditures on instructional materials, professional development, and student activities also continued to increase during these years, however, the improved performance results that were anticipated as a result of this increased aid were not achieved.

In 1997, a Fact Finding Team appointed by then Massachusetts Commissioner of Education Robert Antonucci, assessed the performance of the district and concluded that many Lawrence students were not receiving an adequate education. Further, the Fact Finding Team stated that there was "an obvious and urgent need for improvement in the management and operation of the Lawrence Public Schools." This assessment of district performance by the Massachusetts Department of Education, coupled with a vote by the New England Association of Schools and Colleges (NEASC) to strip Lawrence High School of its accreditation lead to the dismissal of former Superintendent James F. Scully in August of 1997. The Lawrence School Committee appointed former Andover Superintendent, Dr. Kenneth Seifert, as Interim Superintendent of the Lawrence Public Schools. During this same year the Lawrence School Committee and the Massachusetts Board of Education developed a Memorandum of Agreement to jointly manage the school district. A nationwide search was conducted for a permanent Superintendent and with the approval of the Lawrence School Committee and the Massachusetts Board of Education, I assumed the position of Superintendent for the Lawrence Public Schools in July 1998.

Superintendent's Statement - Education Reform
Dr. Mae E Gaskins, Superintendent, Lawrence Public Schools

July 1998 - present

As a new Superintendent in a district that had experienced great turmoil I knew that the road to improvement would require a radical reorientation of the staff and the community toward results. Measuring the extent to which we would be able to achieve short-term, incremental improvement along the way would greatly facilitate the reorientation process. Toward that end I brought all principals and district administrators together for an intensive, three day academy in August. I focused discussions on district improvement efforts that would target the areas of Student Achievement, Accountability and Customer Service. I also directed each administrator to develop an individual work plan that addressed the key deficiencies identified in *The Report of the Fact Finding Team*. The purpose of the individual work plans was to foster a sense of individual and collective responsibility for district performance. These individual work plans were compiled and formed the basis for our *District Improvement Plan, "Schools that Work for ALL Students."* The Plan defines improvement as a continuous process that involves: the provision of meaningful opportunities for teamwork and collaboration; the identification of clear and measurable goals; the regular collection and analysis of performance data; and the implementation of performance evaluation procedures to ensure accountability for improvement.

At the district-wide opening meeting on August 31, 1998 my message to all school staff was very clear. We were a district with many challenges to overcome, but working together, we could and would improve.

I do believe that the district has made progress in implementing Education Reform and providing quality education for all students. Over the past 17 months a number of important areas have been addressed and are summarized below.

A. Curriculum and Instruction - District administrators and teachers have analyzed MCAS results and assessed our strengths and weaknesses. We expanded the number of grades tested by the Metropolitan Achievement Test, Seventh Edition (MAT-7) to include students in grades 111. We will be receiving disaggregated score reports in order to more effectively pinpoint strengths and weaknesses of specific categories of students. At the elementary level, the Curriculum Based Measurement (CBM) project which began as a reading pilot in several schools has been expanded to include all students grades 1-6 in seven schools. Principals have praised this project for its ability to provide almost immediate, useable feedback to teachers resulting in a problem-solving approach by staff.

For the first time in more than a decade offered a six-week, district-wide summer program that standardized and focused instruction in the identified areas of academic weakness. We established a database of students who attended summer school so that their progress can be monitored through the school year and longitudinally. Students who continued to need academic support at the conclusion of the summer were recommended for additional interventions, including participation in the comprehensive after-school program.

Superintendent's Statement - Education Reform
Dr. Mae E Gaskins, Superintendent, Lawrence Public Schools

The ongoing work in aligning our curriculum with the Massachusetts Curriculum Frameworks culminated in the development of a Working Curriculum Guide in English Language Arts; Mathematics; Science and Technology; and History and Social Science specifying goals, objectives and benchmarks for each grade 1-8.

Pilot programs designed to enhance the acquisition of English language skills for students enrolled in the Transitional Bilingual Education (TBE) Program were implemented including the Newcomer Center, 'Sheltered English' content area courses at LHS and Two-Way Immersion Programs. All programs were evaluated and show promise for expansion.

The Lawrence Public Schools initiated utilization of *Computer Curriculum Corporation (CCC)* courseware for students enrolled in grades 4 - 9 on a district-wide basis this winter. Students use CCC's *Success Maker Software* for 20 minutes daily in both Language Arts and Mathematics. CCC incorporates built in assessment and accountability functions that are attractive to educators, including: an automated planning system to customize instruction supporting local, state and national standards; and automated reports to keep parents and administrators informed about the progress of individual students, as well as groups of students.

B. Other Performance Indicators - The attendance rate rose .73% to a district-wide average of 92.79% for school year 1998-1999. We attribute this improvement to the implementation of the *Truancy Prevention/Intervention Initiative* and the development of a system-wide attendance protocol and attendance panel, facilitated by school department staff and comprised of representatives from the juvenile court, the office of the District Attorney, and social service agencies.

A significant decrease in the rate of in-school and out-of-school **suspensions** was achieved by virtually all Lawrence Public Schools during the current school year. More effective classroom interventions resulted in an 18.4% reduction in in-school suspensions. Out-of-school, short term suspensions were decreased by 43.8%. The rate of suspensions in excess of ten (10) days was reduced by 41.0%.

Gains achieved with regard to attendance and discipline have not been experienced with regard to **dropouts**. Major strategies will be employed on a variety of fronts to address this serious problem. The January opening of the *Transitional Learning Center (TLC)*, an alternative program serving approximately 200 students in grades 6-12, will increase services to students most at risk of becoming a dropout. The implementation of the Talent Development High School Model, specifically the Ninth Grade Academy, will improve the delivery of instruction and support services to our grade 9 students, as our greatest number of dropouts continue to occur during grade 9.

C. High School Accreditation - The members of the LHS Accreditation Team are addressing the original 51 concerns that led to loss of accreditation. Dr. Pamela

Superintendent's Statement - Education Reform
Dr. Mae E Gaskins, Superintendent, Lawrence Public Schools

Gray-Bennett, Director of NEASC's Commission on Public Secondary Schools has indicated that Lawrence is proceeding according to established timelines for accreditation that will allow it to apply for candidacy in the Fall of 2000. The earliest possible date that accreditation can be achieved is 2001.

An integral part of our effort to regain accreditation is the reorganization of Lawrence High School. After completing an in-depth analysis of nationally recognized, research-based models of whole school change the high school faculty voted to implement the Talent Development High School with Career Academies Model. The selection of this model was also unanimously endorsed by the Lawrence School Committee. The Talent Development Model includes a grade 9 program that assigns students to small interdisciplinary teams of teachers who are responsible for finding solutions to individual student attendance, discipline and learning problems. Good student attendance becomes a priority to set the foundation for the serious student work required to earn promotion on time to the next grade. Students participate in Career Academies during grades 10 -12. The Career Academies are developed to reflect instructional strengths, labor market opportunities, and students' career interests. Research indicates that this model has been effective in large high schools that have serious problems in the areas of student attendance, discipline, achievement and dropout rates.

D. Financial Management - We have worked closely with the Lawrence School Committee and the Massachusetts Department of Education to ensure that our budget resources are being spent in accordance with our District Improvement Plan; including provisions to provide for the School Construction Account as approved by the Massachusetts Department of Education. The FY2000 budget was formulated using a staffing model that combined the DOE Foundation Formula with a Model used by the City of Boston. The reallocation of staff will provide the schools with equal access to resources for the first time. As evidence in support of sound financial management our grant resources increased from \$12.7 Million in 1998 to \$13.4 Million in 1999.

E. Professional Development - The Lawrence Public Schools Professional Development Plan was approved by the Department of Education in March, 1999. Individual Professional Development Plans were developed and are being utilized by all professional staff. Professional development initiatives focus on new curriculum and instruction initiatives in the district. A Peer Assistance Committee was established in cooperation with the Lawrence Teachers' Union to develop and implement peer mentoring programs for veteran teachers and new inductees. In-district graduate programs in partnership with local universities began this past September and include: a Masters in Reading program with the University of Massachusetts Lowell; a Masters in English-as-a-Second Language/Bilingual Education with Salem State College; and a Masters in Special Needs with Simmons College.

Superintendent's Statement - Education Reform
Dr. Mae E Gaskins, Superintendent, Lawrence Public Schools

F. School Facilities - The Lawrence School Committee voted on a three phase plan for new school construction as follows: Phase 1 - three new elementary schools; Phase 2 - a new high school and one new elementary school; and Phase 3 - one new elementary school. The Lawrence City Council voted to approve the site selections and bond anticipation notes required for submission of our construction plan to the School Building Assistance Bureau. The completion of the three phased construction plan will ensure that all Lawrence children will attend schools that provide environments that optimize the potential for teaching and learning.

G. Strategic Planning - A broad based Steering Committee comprised of school department staff, parents, local business and community leaders worked together with technical support from Northeastern University's Center for Innovation in Urban Education to develop a *Strategic Planning Document*. It provides our school community with recommendations to guide our continuing improvement efforts.

H. Restructuring Support for Parent Involvement/Parent Training - We have merged the citywide parent councils into one cohesive body, the *Lawrence Educational Council*, to unify support for district improvement. We have provided opportunities for Council members and other parents to develop their leadership potential through the provision of training and support through the newly created Parent Leadership Academy.

1. Safe and Caring Schools - We are in the process of developing a comprehensive K-12 Developmental School Counseling Program that partners teachers and counselors together to address the social, emotional and academic development of our students.

2. Barriers to Education Reform

Although state aid for education has increased dramatically under Education Reform there are still major barriers that we must overcome if we are to fulfill its high standards of performance, including:

- lack of appropriate space to house all programs.
- insufficient numbers of highly qualified-certified teachers, particularly in the areas of language acquisition, mathematics and the sciences.
- the impact of poverty that hinders the ability of our parents to support their children educationally and economically

3. Plans for the next 3 - 5 years

As discussed in part 1, the district has just completed a planning process that produced a *Strategic Planning Document* that is intended to provide all members of our school community with a map to guide us on a journey of continuous improvement. It articulates six priority areas of concern and recommends strategies to address each concern.

*Superintendent's Statement - Education Reform
Dr. Mae E Gaskins, Superintendent, Lawrence Public Schools*

Increasing Student Success

- provide a safe, secure learning environment
- appropriately assess and place students in programs designed to meet their needs
- establish and maintain high expectations for all students
- provide early intervention for students not experiencing success in school
- lower class size

Supporting Teacher Success

- recruit and maintain highly qualified teachers
- provide professional development opportunities that address curriculum and instruction initiatives
- provide opportunities for teachers and administrators to collaborate
- improve communication between and among teachers and administrators
- increase opportunities for teachers to be involved in the decision-making process

Increase System Success and Accountability

- foster collaboration and teamwork
- maintain involvement of stakeholders in evaluation of district progress
- improve communication with stakeholders internally and externally
- ensure the accountability of school personnel for district results
- provide a cohesive organizational structure with a clear chain of command
- clearly articulate and communicate district goals and priorities

Strengthen Curriculum and Instruction

- set clear performance objectives in all subject areas
- provide a district-wide curriculum that supports the Massachusetts Curriculum Frameworks
- use assessment results to inform teaching and learning
- provide equitable access to high performance technology

Increase Family and Community Involvement in Education

- extend times that parents can visit schools
- provide training opportunities that help parents achieve personal educational goals
- support families with children at-risk
- cultivate a system of volunteers maintain support for a single, unified parent organization
- provide ongoing opportunities for parents and other community members to be involved in decisions that impact our schools

Enhance Facilities and Resources

- build new schools
- renovate existing buildings
- provide adequate interior and exterior space to house all programs

Superintendent's Statement - Education Reform
Dr. Mae E Gaskins, Superintendent, Lawrence Public Schools

By addressing these areas we will work toward the promise of Education Reform and its mandate that we provide programs and services to ensure that all students achieve at high standards.

Appendix G

Lawrence Public Schools

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May 8, 2000

Mr. Dieter H. Wahl
Director of Education Audits
Division of Local Services
P.O. Box 9490
Boston, MA 02205

Dear Mr. Wahl:

Although in general the Lawrence Public Schools' review shows significant improvement since the audit completed by the State Auditor in 1997, the recent Educational Accountability Audit identified several issues raised that require a response from the district. It is our intent to use the review as a guide to support continuing improvement, especially in the area of school finance. As a result of the issues identified, several new procedures have been developed, current procedures have been revised, additional procedures are being reviewed with the goal of further improvement.

Although the audit team found sufficient offsetting controls to mitigate the potential of inappropriate expenditure of funds, they noted that the School Committee has not been approving payrolls before City Hall receives them. It is important that School Committee signatures be obtained as part of the routine payroll processing. Therefore, the Lawrence Public Schools' payroll office has created a calendar whereby the School Committee Finance Subcommittee signs all payrolls prior to checks being issued to employees. The payroll run report TPP will be used as the sign off document.

The Department of Revenue review team noted that a review of the investment statement for the School Construction Reserve shows that the fund is not on the list of legal investments published by the Office of the Commission of Banks. The City is in the process of correcting that matter and has adjusted its procedures to ensure that it will only invest in funds on the legal list of investments.

Student Achievement * Accountability * Customer Service

Appendix G

Mr. Dieter H. Wahl

May 8, 2000

Page - 2

The review team noted that Lawrence Public Schools is leasing space for school facilities from two religious institutions. Lawrence Public Schools has very serious space problems. The district has embarked on an aggressive school building program to begin to provide adequate space. It is currently anticipated that the leased facilities owned by religious institutions will be vacated once new facilities and adequate seating is available for students.

The City acquired new accounting software in July 1998. The bid specifications required the successful bidder to interface existing Lawrence Public Schools' systems with the City's software. Purchase order systems were interfaced immediately and have been fully operational since October 1998. The payroll and accounts payable interfaces were delayed. However, final testing of the accounts payable system is now underway and file layout changes are being completed in the payroll interface. The Interim City Comptroller has worked diligently with school staff to complete the interfaces.

Several issues were raised during the review regarding contracts. It was noted that one contract was overpaid. As a result, several new procedures have been implemented to log all purchase orders and ensure that contracts cannot be overpaid. Copies of these procedures and the status log are attached for your review. Accounts payable will post expected payments against the contract log to complete the transaction record. This part of the procedure will be completed in May.

The review team reviewed the expenditure requirements for school building maintenance. The report indicated that the requirement was not met by \$363,000. In April 1999, the Lawrence School Committee transferred \$367,000 to the City of Lawrence Department of Public Works for full time staff (plumbers, electricians, carpenters, locksmiths and painters) to work in the schools. It is our understanding that a waiver can be granted in order for the tradesmen's expenditure to qualify toward the district's minimum. Additionally, the nearly four million dollars set aside for school construction should be considered in meeting the mandatory minimum. Lawrence Public Schools requests that the School Construction Reserve deposit be used to meet part of the requirements of Chapter 194, Section 241.

Mr. Dieter H. Wahl
May 8, 2000
Page - 3

Lawrence Public Schools appreciates the opportunity to respond to some issues raised in the review report. Good fiscal controls and accountability for district resources is very important. Our intent is to make sure procedures we implement meet standards of good accounting practices. We look forward to your review of some of the procedures implemented as a result of the Department of Revenue's site visit.

Lawrence Public Schools would also like to extend our appreciation to the Department of Revenue team assigned to Lawrence. The team conducted the review with the utmost courtesy and allowed opportunity for meaningful dialogue between Lawrence Public Schools and the Department of Revenue Team.

Sincerely,

Eugene F. Thayer, Ed.D.
Interim Superintendent of Schools

Jmm:jm

Att.

cc: Joseph J. Chessey, Jr., Deputy Commissioner
Chesley R. Taylor, Jr., Auditor - In - Charge

