



STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



**Connecticut State Board of Education Action Concerning Hartford
Public Schools' Fiscal Operations**

June 2025 Update

On May 15, 2024, the Accountability and Support Committee of the State Board of Education (SBE) heard from the Connecticut State Department of Education (CSDE) and the superintendent of Hartford Public Schools (HPS) on the impact of the reductions included in the proposed 2024-25 HPS budget, particularly the reductions to staff.

On June 5, 2024, the Connecticut State Board of Education authorized the Commissioner of Education to take necessary actions under Section 10-223e of the Connecticut General Statutes to ensure the stability of fiscal operations of Hartford Public Schools (HPS).

To read the full Board report, go to <https://portal.ct.gov/hps060524>.

When a district effectively manages its funding, leveraging all available resources and allocating those resources efficiently, it ensures students' access to a quality education that meets their individual needs and prepares them for achieving the SBE's overarching goal: *Every Student Prepared for Learning, Life, and Work Beyond School*. In response to the SBE's action, the CSDE has undertaken the following three-pronged approach.

1) Magnet School Assessment: Optimizing Funds Utilization

This activity is being led by the CSDE Office of Internal Audit (OIA) to review the utilization of state magnet school funding to support the operation of these interdistrict choice schools. The OIA is reviewing HPS' funding of its magnet schools through its equity-based framework to assess: (1) alignment with the goals and commitments of the most recent Stipulation and Court Order in the *Sheff v. O'Neill* case—signed by the City of Hartford—and (2) compliance with the statutory requirements of interdistrict magnet schools in Section 10-264l of the Connecticut General Statutes to provide high-quality, themed, and integrated education.

Current Progress and Related Findings – June 2025

- OIA is now in the final stages of the review of documents requested of HPS and is now sharing findings with the Office of Legal and Governmental Affairs for review and conclusions relative to compliance with applicable statutes and the governing *Sheff v. O'Neill* Stipulation and Court Order.

Current Progress and Related Findings – April 2025

- OIA continues to review voluminous documents requested of HPS in preparation of forwarding findings to the Office of Legal and Governmental Affairs for review and conclusions relative to compliance with applicable statutes and the governing Sheff v. O’Neill Stipulation and Court Order.

Current Progress and Related Findings – January 2025

- OIA concluded on-site school level interviews at 9 interdistrict magnet schools and began correlating preliminary findings from those interviews with school budget data analyses and funding sources for fiscal years 2019, 2022, and 2024. To ensure the accuracy of the correlation analysis, OIA requested that HPS re-run magnet school ledgers that were initially provided by the district since the initial reports were sent prior to the closeout of the HPS 2024 fiscal year.
- OIA continues its review of the Allovue “Planned Account Files” and MUNIS reports for FY 2019, 2022 and 2024 to confirm findings on the allocation of funding and conduct compliance testing of grant expenditures.
- As noted in prior updates, OIA’s factual findings will be given to the Office of Legal and Governmental Affairs for review and conclusions relative to compliance with applicable statutes and the governing Sheff v. O’Neill Stipulation and Court Order.

Current Progress and Related Findings – December 2024

- Through November 21, 2024, the Office of Internal Audit (OIA) conducted on-site interviews with school-level staff at 9 interdistrict magnet schools, and developed the following preliminary findings based on reports from school staff on the budgeting process and impact of the Equity Based Funding (EBF) framework on magnet schools. OIA will correlate these findings from the school-level interviews with its school budget data analysis.
 - Principals have limited training on the budget process, including the use of the Allovue system (the budget development and monitoring system utilized by HPS).
 - Since the implementation of the EBF, HPS has reduced magnet school budgets and school administrators have less autonomy regarding school staffing and expenditure of grant funds.
 - These budget cuts, coupled with the reduced autonomy, has led to staff reductions and cuts to programs that are critical to the magnet themes and other key school programs.
 - To compensate for such impacts, principals have assumed responsibility for magnet-specific functions, including marketing and recruiting, community outreach, and magnet development work which was previously performed by magnet theme coaches.
 - Principals reported consistent challenges to spending and implementing programming for certain magnet school grants based on cumbersome budgeting processes and time-consuming purchasing processes within HPS central office. As a result, grant funds are often unspent and returned to the State.

- OIA will correlate the preliminary findings from the school-level interviews OIA plans to continue their review with the following next steps:
 - with its school budget data analyses.
 - OIA will continue its review of the Allovue “Planned Account Files” and MUNIS reports for FY 2019, 2022 and 2024 to confirm findings on the allocation of funding and conduct compliance testing of grant expenditures.
 - Upon completion of the OIA review, OIA factual findings will be given to the Office of Legal and Governmental Affairs for review and conclusions relative to compliance with applicable statutes and the governing *Sheff v. O’Neill* Stipulation and Court Order.

Current Progress and Related Findings – November 2024

- The Office of Internal Audit (OIA) is continuing its review of the budget development process documentation provided by HPS through MUNIS, general ledgers and the Allovue Planned Accounts File for fiscal years 2019, 2022, and 2024, to analyze the funding sources allocated to magnet schools. Through compliance testing, OIA will determine how the district manages special purpose magnet grants (e.g., marketing grants, extracurricular grants), other than the magnet operating grant, and how those grants impact funding allocations across magnet and neighborhood schools.
- As noted in last month’s progress update, OIA will conclude school-level compliance testing through on-site visits and interviews with school-level administration and staff by the end of November.
- By the end of December, OIA will forward its findings to Office of Legal and Governmental Affairs for review and conclusions relative to HPS compliance with applicable statutes and the governing *Sheff v. O’Neill* Stipulation and Court Order as previously mentioned.

Current Progress and Related Findings - October 2024

- HPS previously developed budgets based on historical spending and per pupil revenues, but in FY 2019-20, switched to an “equity-based funding” model whereby school budgets are developed through an equity-based formula that allocates general staffing and expenses for magnet schools and neighborhood schools based on enrollment and percentage of multilingual learners and chronic absenteeism rates, with a supplement of \$500 per pupil for magnet schools for marketing and recruitment costs. A district allocation is added to the school-based allocations to create the initial starter budgets based on student and school needs, including special education teachers, bilingual teachers, TESOL teachers, and other supports. **Through this model, Hartford neighborhood schools often record a higher per pupil budget than magnet schools based on student need.**
- Central office matches revenues to the initial starter budgets from all sources – including Education Cost Sharing funds, the magnet operating grant and other state, local and federal funding – across all schools to create school budgets, **which**

- **means that funding sources are allocated and distributed across magnet schools and neighborhood schools based on the same formula, other than the \$250 per pupil magnet supplement.**
- The magnet school supplements to school budgets were added to individual magnet school budgets at a rate of \$500 per student in FY 2019-20, and have since been lowered to \$250 per student, with plans for a future phase out. **Should this occur, magnet schools will no longer receive any supplemental funding through the equity-based budget formula.**
- Next Steps: once OIA has completed on-site interviews, and reviews of fiscal reports to establish findings on the allocation of funding, **these findings will be forwarded to Office of Legal and Government Affairs for review and conclusions relative to HPS compliance with applicable statutes and the governing *Sheff v. O’Neill* Stipulation and Court Order.**

Current Progress and Related Findings - September 2024

- OIA is reviewing the budget development process documentation provided by HPS for fiscal years 2019, 2022 and 2024 to analyze the funding sources allocated to magnet schools.
- HPS Central Office site visits are scheduled to begin on September 10, 2024, with interviews of finance staff and central office personnel, including the HPS Director of Financial Planning and Grants Management, regarding the magnet budgeting process. School-based interviews and on-site visits will commence later in September.

2) Special Education Services Assessment and Enhancement

The CSDE, through its existing partnership with the State Education Resource Center (SERC), as well as a contracted education consultant, is working with HPS to understand the impact, if any, the HPS budget will have on the district’s ability to fulfill its federal and state obligations for the provision of services to students with disabilities. The CSDE and SERC will also collaborate with HPS in assessing the continuum of supports and services available to students in the public-school setting and to identify factors contributing to the increased need to place students in specialized programs.

Following this assessment, the CSDE and SERC will continue to provide support and identify staffing patterns, service delivery models, and current professional learning needs. This collaborative approach is designed to enhance the district’s capacity to meet the diverse needs of its students.

Current Progress and Related Findings – June 2025

- Update related to professional development and technical assistance:
 - The CSDE met with New Solutions K-12 (NSK-12) to review their proposal to support HPS next steps including technical assistance and Action Plan development and implementation.
 - CSDE’s contract with NSK-12 (through SERC) ends on June 30,

2025, however, HPS has the opportunity to continue to access their support should they elect to do so.

- The CSDE developed training and technical assistance proposals for the 2025/26 school year with SERC and the RESC Alliance to provide targeted training and professional development based on the NSK-12 report and the findings of the CSDE enhanced monitoring activities.
- Update on Enhanced Monitoring Activities:
 - The CSDE has completed a review of Prior Written Notice (PWN) documents including a review of quality and compliance.
 - The CSDE did not uncover any non-compliance from the review, however, have identified specific areas of feedback to improve quality from good to excellent (according to our established PWN rubric).
 - The CSDE has completed a portion of the IEP Document Review Process (20 percent) and have identified preliminary themes which will be shared with HPS upon completion of the activity. (Anticipated completion for IEP Review: July 1, 2025).
 - The CSDE conducted an IEP Annual Review/Three Year Reevaluation (Parent Consent) timeline review in CT-SEDS for the 2024-2025 school year.
 - The CSDE identified 255 events that are not currently in compliance and are working with HPS to correct these areas of non-compliance.
- IEP Implementation:

The CSDE met with HPS on five occasions to support systems to:

 - Understand the District's internal tracking mechanism used to monitor IEP implementation and missed services.
 - The CSDE supported the enhancement of this mechanism to allow building-based monitoring.
 - Support the revision of letters to parents notifying them of missed services.
 - Support efforts to increase certified staff.
 - Reviewed summary of participation in staffing fairs.
 - Monitoring of offer letters.
 - Provide technical assistance in the development of make-up services within the IEP process at annual review.
 - Utilize the tracking mechanism as a foundation for the following activities in addition to compensatory services planning:
 - Parent Surveys
 - IEP Verification
 - On-site Observations during Extended School Year programming

Current Progress and Related Findings – April 2025

- The agency is currently reviewing the report of New Solutions K-12, and will be in discussion with the vendor as well as SERC and internal agency staff of the Bureau of Special Education regarding findings and recommended next steps for the district.

Current Progress and Related Findings – January 2025

- New Solutions K-12 has been contracted to conduct an Audit of Hartford Public Schools in particular areas mentioned in prior reports listed below. Nate Levenson, President of New Solutions K-12 is present at today’s meeting to share a slide deck with preliminary findings and discuss next steps.

Current Progress and Related Findings – December 2024

- Status of Vacancies:
 - As previously reported, the CSDE has provided Hartford Public Schools with access to Connecticut Special Education Employment System (CSEES), which is a free resource for LEAs to post special education vacancies. Specific marketing and a social media campaign for Hartford Public Schools is also available to address current vacancies.
 - Hartford Public Schools now has two (2) registered contacts who can post positions in the system. HPS has begun to post some but not all of their current vacancies in the system.
 - CSEES is sending a flyer out to universities nationwide in targeting December graduates and remains poised to support HPS throughout the year.
 - CSEES in partnership with HPS, has developed specific social media marketing posts for teacher, paraeducator, and related services openings. New posts will refresh every couple of days.
 - HPS is offering sign-on bonuses for the open positions (including sign-on bonus incentives).
- Current Professional Development Offerings:
 - Hartford Public Schools has taken advantage of the Statewide Paraeducator Training System (ParaSharp). They have registered 370 members (1 admin, 369 paras). As of November 27, the members have not yet accessed the online modules.
 - The HPS Assistant Superintendent of Pupil Services shared that the paraeducators in Hartford received professional development activities in August just prior to the start of school. During the year, paraeducators access school based professional development activities. The paraeducators will meet their required 18 hours of professional development. Additionally, HPS has established December 11th as a time/date that the paraeducators can access ParaSharp modules.
- Current Status of the Special Education Audit:
 - New Solutions K-12 has been contracted to conduct an Audit of Hartford Public Schools in particular areas mentioned in prior reports (below) and is providing an overview of their review and findings to date (12/4/24 SBE meeting).

Current Progress and Related Findings – November 2024

- Status of Vacancies:
 - As reported last month, the CSDE has provided Hartford Public Schools

with access to the Connecticut Special Education Employment System (CSEES). This is a free resource for local education authorities (LEAs) to post special education vacancies. The website has had 1,432,444 views, including 101,223 views during the month of September, and since its launch has resulted in 1,878 vacancies filled. Specific marketing and a social media campaign for Hartford Public Schools is also available to address current vacancies. As of now:

- Hartford Public Schools has two (2) registered contacts who can post positions in the system. Hartford has begun to post some, but not all current vacancies are in the system.
- Hartford has not yet taken advantage of the opportunity to work with CSEES on the development of social media posts, marketing of the positions, and working with the resume job seeker portals on their behalf.
- CSEES is sending a flyer out to universities nationwide in early November targeting the December graduates.
- The CSEES Team remains poised to support Hartford Public Schools throughout the year.
- Current Professional Development Offerings:
 - The CSDE/SERC offered training and support in the following areas: Individualized Education Program (IEP) Quality Training, Least Restrictive Environment, Paraeducator Training, MTSS Module (CT-SEDS).
 - Hartford Public Schools has taken advantage of the Statewide Paraeducator Training System (ParaSharp). They have registered 370 members (1 admin, 369 paras). As of October 31st, the members have not yet accessed the online modules.
 - The CSDE offered IEP Quality training to all Hartford Special Education administrators/directors and curriculum leaders to take place on November 5, 2024. Hartford Public Schools has declined this training offering at this time.
 - Hartford Public Schools shared their current plan for administrators which involves a data analysis and action planning. The HPS plan is to integrate key special education components to ensure alignment in their January and March professional development/leadership institute sessions.
- Current Status of the Special Education Audit:
 - New Solutions K-12, which has been contracted to conduct the audit of Hartford Public Schools, has begun their data analysis of the following special education elements:
 - Targeted review of special education in the district.
 - Targeted review of the Least Restrictive Environment (LRE) continuum, including a review of processes and procedures for placing students out of district.
 - Targeted review of staffing shortages, management of vacancies, and recruitment and retention strategies.
 - The data request is nearly complete, and results of these requests are being reviewed.
 - In-district dates for interviews, focus groups and classroom/program

observations have been scheduled for November and December.

Current Progress and Related Findings - October 2024

- Status of review of vacancies:
 - During a July 9, 2024, meeting with the CSDE and SERC, Hartford Public Schools reported the following vacancies: 38 Special Education Teachers; 34.8 Speech and Language Pathologists; 109 Paraeducators.
 - Hartford Public Schools reported the following staff vacancies which are budgeted positions that they are actively working to fill in the August 2024 CSDE survey displayed in EdSight: 57 Special Education Teachers; 79 Other Teachers; 111 Paraeducators (99 special education); and 54 Special Service positions.
 - Hartford Public Schools has engaged in a variety of strategies to address their current vacancies to minimize the impact on students:
 - Adjusting caseloads and responsibilities of current educators.
 - Creative service delivery strategies.
 - Contracted Services (Outside agencies).
 - Hartford Public Schools reported that they are taking the following actions in response to students whose individualized education program (IEP) implementation have been impacted by vacancies:
 - Informed parents of the vacancy.
 - Documented efforts to fill the vacancy.
 - Documenting missed services.
 - Developing plans to provide missed services.
 - The CSDE has provided Hartford Public Schools with access to Connecticut Special Education Employment System (CSEES). This is a free resource for LEAs to post special education vacancies. The website has had 1,432,444 views, including 101,223 views during the month of September. Specific marketing and a social media campaign for Hartford Public Schools is also available to address current vacancies. As of October 1, 2024, HPS has not accessed this resource although email communications have been exchanged.
- The CSDE/SERC offered training and support in the following areas: IEP Quality Training, Least Restrictive Environment, Paraeducator Training, MTSS Module (CT-SEDS).
 - Hartford Public Schools has taken advantage of the Statewide Paraeducator Training System (ParaSharp). They have registered 370 members (1 admin, 369 paras). As of October 1st, the members have not yet accessed the online modules.
 - The CSDE offered IEP Quality training to all Hartford Special Education administrators/directors and curriculum leaders to take place on November 5, 2024.
 - We are awaiting HPS selection of dates for IEP Quality Training for 100+ General Education Administrators (Asst.Principals and Principals). Participants will attend/be grouped by school level.
 - PreKindergarden - in 22 buildings.
 - Elementary - in 25 buildings.
 - Middle School - in 17 buildings.

- High School - in 12 buildings.
- The following areas of training are also available to Hartford Public Schools:
 - Least Restrictive Environment (recommended by SERC/CSDE).
 - Functional Behavior Assessment (FBA) support, including modeling, training, data collection, implementation (Requested by Hartford Public Schools).
- New Solutions K-12 has been contracted to conduct an Audit of Hartford Public Schools in the following areas:
 - Targeted review of special education in the district.
 - Targeted review of the Least Restrictive Environment (LRE) continuum, including a review of processes and procedures for placing students out of district.
 - Targeted review of staffing shortages, management of vacancies, and recruitment and retention strategies.

Current Progress and Related Findings - September 2024

- An assessment is being made of the special education staffing vacancies and current systems to recruit, retain, and support educators, as well as the impact, if any, the HPS budget will have on the ability to fulfill their federal and state obligations for the provision of services to students with disabilities.
- CSDE has received the draft of a 2020 HPS special education audit with recommendations which were, according to the Superintendent, not fully implemented due to the pandemic. These findings will be analyzed as part of the current review being conducted.
- CSDE is providing HPS with the opportunity to access high quality professional development, and shared resources including access to free paraeducator training and the CT Special Education Employment System.

3) Improvement of Financial Systems

The CSDE has engaged an external entity to examine HPS' preexisting financial systems and procedures along with current operational structures to determine both short- and long-term action steps to improving financial operations. This will also provide the needed technical assistance to ensure: (1) no funds are returned to the state or federal government due to a failure to meet grant expenditure deadlines; (2) that the district meets all state and federal compliance requirements, including the proper utilization of grants for their intended statutory purposes; and (3) the district is able to maximize the financial resources available to it in promoting successful student outcomes. The successful allocation and deployment of financial and human resources are critical to supporting needs at the school and classroom level.

Current Progress and Related Findings, as reported by Public Works, LLC – June 2025

- Subsequent to their presentation to the State Board of Education on March 5, 2025, Public Works increased its technical assistance to HPS to target the 46 recommendations outlined in the *Fiscal Services Review Executive Summary of the Final Report*. Details of the technical assistance provided by Public Works are outlined in the attached *Fiscal Services Review Technical Assistance Final Report*.

- In total, Public Works provided 96 hours of technical assistance to HPS between January 2025 and May 2025 focused in the areas of:
 - Budget creation and grants planning,
 - Purchasing, and
 - Payroll.
- In order to track progress towards complying with the recommendations of Public Works, HPS developed a progress monitoring tool that identifies for each recommendation the status, the level of priority, the person responsible, and the date of anticipated completion.
- As of April 25, 2025, HPS reported and Public Works verified that HPS has completed eight recommendations, initiated work for 22, and have yet to begin 14.
- The CSDE’s contract with Public Works will end in June 2025, which will mark the end of Public Work’s commitment to supporting HPS. Beginning in July 2025, the CSDE will monitor on a monthly basis HPS’s progress towards completing the remaining tasks associated with the 46 recommendations and provide technical assistance as required.

Current Progress and Related Findings, as reported by Public Works, LLC – April 2025

- The Board was presented with the final report, including findings and next steps at the March, 2025 State Board of Education meeting.
- By April 7th, 2025, Public Works, LLC will submit to the agency it’s final “Technical Assistance Report” which will include a summarization of the progress made by HPS in implementing recommendations.

Current Progress and Related Findings, as reported by Public Works, LLC – January 2025

- Public Works, LLC has completed their analysis report of Hartford Public Schools financial operations system and is working with CSDE and HPS to confirm factual accuracy of findings before the report undergoes final edits and formatting for publication.

Current Progress and Related Findings, as reported by Public Works, LLC – December 2024

- Public Works, LLC is in the process of wrapping up their report, including findings and recommendations, which should be available to the Board in January.

Current Progress and Related Findings, as reported by Public Works, LLC – November 2024

- The budget creation process used for the 2024-25 Fiscal Year was based on an equity-based, formula-driven spreadsheet, with no consideration for revenue sources. HPS does not have a budget development procedural manual.
- The District has not created Key Performance Indicators (KPIs) to measure whether the financial programs/grants are succeeding; goals and expected outcomes from the use of funds are not documented and monitored in most cases.
- The Budget and Grants Department has few documented procedures for the tracking, monitoring and administration of the grants.
- Grant planning is not integrated into the normal budget process. Instead, planning for grants occurs after the budget is developed. As a result, Hartford Public Schools

allocates budgeted positions and expenditures to various grants after-the-fact, which limits the district's ability to evaluate and make programmatic changes to grant funded programs targeting improved student outcomes.

- Public Works is in the process of finalizing their report documenting the findings of their review and their recommendations for improving Hartford Public Schools financial systems. This report will be published and presented by Public Works at an upcoming State Board of Education meeting.

Current Progress and Related Findings, as reported by Public Works, LLC – October 2024

- The absence of a Chief Financial Officer is seriously impeding the district's ability to regain control of its budgeting, grants, and financial management functions; it should be noted that HPS is in the active recruitment process for this critical position.
- **HPS has not designated a program-related owner for its grants;** positions such as federal grants coordinator and Title I coordinator positions that existed in the past have been eliminated.
- **The grants application and budgeting processes were in many instances carried out by the grants/budget team with little or no programmatic input;** some planning for the use of grants for the 2025-26 fiscal year has begun, but there has been no training for the programmatic owners on the planning process.
- **HPS is making excessive use of purchase vouchers;** using purchase vouchers does not encumber funds until the invoice is paid, which could lead to budget overruns or possible circumventing of competitive procurement guidelines (i.e., approximately 17% of 17,000 invoices paid in 2024 were paid without a purchase order).
- The accounts payable staff authorize the payment of invoices based on a match between the purchase order and the invoice; **receiving documents are not examined or matched to ensure that the items ordered were actually received.**
- HPS does not use one-to-one position control; **making the tracking and monitoring of positions paid from grants difficult and limits the ability for the district to accurately track vacancies.**

Current Progress and Related Findings, as reported by Public Works, LLC - September 2024

- Public Works is currently reviewing state and federal grant expenditures and utilization of funds, as well as current fiscal processes and procedures, and has the following preliminary findings:
 - i. Grant budget development needs focused attention and consistent oversight to ensure timely and effective grant planning in alignment with requirements and school needs.
 - ii. Organizational staffing and structures are not optimized to support effective grant management by school leaders.
 - iii. Regarding standard business operating procedures, fundamental processes need updated documentation and training.
- Of note, the CSDE recently invoiced HPS for nearly \$1.6M spanning 28 grants over four (4) fiscal years, including \$99,514 for Commissioner's Network and \$835,963 (in 2021) for magnet school related grants.

Conclusion

The CSDE will brief the SBE at each board meeting regarding this proactive, unified, three-pronged approach, which will assist HPS in achieving fiscal health and stability of financial systems, resulting in improved delivery of services to students, educators, and families. Enhancing educational outcomes for all HPS students is the central focus of this SBE action.