ESSA grants states more authority over their school accountability systems than did NCLB. Three of the most important improvements states can make are to: (1) assign to schools annual ratings that are clear and intuitive for parents, educators, and the public; (2) encourage schools to focus on all students, not just their low performers; and (3) measure and judge all schools fairly, including those with high rates of poverty.

To determine whether New Jersey’s proposed ESSA accountability system accomplishes these three objectives, this analysis evaluates its state plan, as submitted to the U.S. Department of Education on May 3, 2017, as explained below.

1. **Are the labels or ratings for schools clear and intuitive for parents, educators, and the public?**

   New Jersey’s plan earns a medium on this point because it proposes to use text labels for schools’ annual ratings. Although the proposed labels are easy to understand, in isolation each label fails to communicate how much better or worse a given school could do (it’s not instantly clear, for example, how good or bad “meets target” is; in New Jersey it’s the middle of three labels, which also include “exceeds target” and “below target”). Thus this model fails to convey immediately to all observers how well a given school is performing.

2. **Does the rating system encourage schools to focus on all students?**

   There are two primary ways for state accountability systems to encourage schools to focus on all students: (1) use a performance index and/or scale scores in place of proficiency rates when measuring achievement and (2) measure the growth of all students. New Jersey receives a medium because—despite measuring achievement proficiency rates, which might encourage schools to focus on pupils near the proficiency cutoff—a measure of growth for all students constitutes 40 percent of schools’ annual ratings, which should at least partially encourage schools to heed the educational needs of every child.

3. **Is the rating system fair to all schools, including those with high rates of poverty?**

   New Jersey is medium here because academic growth will constitute 40 percent of schools’ annual ratings—all of which is a measure of growth for all students. Growth measures gauge changes in pupil achievement over time, independent of prior achievement, and are therefore less correlated with poverty, thus affording high-poverty schools the opportunity to earn positive ratings.