2. Recruit and deploy educational practitioners as employees or consultants who can assist school districts with priority instructional issues and practices in literacy, math, science, English language learners, special education, or increased academic rigor in secondary grades;

3. In consultation with the Division of Finance, issue decisions on Abbott school district budgets in accordance with the decisions of the Supreme Court;

4. In cooperation with the Title I office, train, and deploy CAPA team members to match the needs of individual schools and to comply with Federal requirements as necessary, or requirements of *Abbott X*, NCLB, or for other purposes, with the approval of the CSA;

5. Provide forms and guidance to permit school districts to apply for waivers in accordance with N.J.A.C. 6A:5, Regulatory Equivalency and Waiver; and

6. Provide support directly to school districts, and to schools when possible, that are implementing CAPA recommendations.

(c) The Office of Abbott Services shall establish partnerships with practitioners, researchers, providers of technical assistance and professional development, and recognized experts. The Office of Abbott Services shall:

1. Collaborate with institutions of higher education, schools and school districts to improve instruction, prepare teachers and administrators to be more effective, and to undertake research;

2. Contract with providers of technical assistance and/or professional development to schools and/or school district central offices, including model developers, universities, consultants and others; and

3. Encourage the evaluation and study of Abbott student achievement, reforms, programs, and services by scholars and researchers.

(d) The Office of Abbott Services shall seek the cooperation of other divisions of the Department to coordinate the reports, calendar, and requirements of other Federal and State programs that impose mandates on Abbott school districts, with particular attention to NCLB and special education.

6A:10A-6.3 Low and high performing schools

(a) Any school designated as LPS, as defined by this chapter, shall be assessed one time by a CAPA team organized, trained, and deployed by the Department per the following:

1. The CAPA team's composition shall be determined by the particular needs of the school to be assessed and *Abbott X*.

2. The CAPA school visit shall be guided by Department's standards for school scholastic audits and *Abbott X*, to include a review of the effectiveness of any currently-contracted WSR model and a recommendation on its retention, modification, or discontinuation.

3. The CAPA team report shall be reviewed in draft form by the school, school district central office, and the Department and an agreement reached that is to be approved by the Commissioner, made public and incorporated into the school and school district two-year reports on instructional priorities.

(b) The Commissioner shall designate schools as high performing using the results of NJ ASK3 and NJ ASK4 for purposes of determining schools that may be subject to the provisions of *Abbott X*.

(c) School districts approved for AWSRD shall implement the model school district-wide except for high-performing schools that document the advantages of maintaining their contracts with WSR vendors or that have been approved for a school-level AWSRD or a new WSR model. All other schools shall be supported by the school district central office in making the transition from their current WSR model to AWSRD.

6A:10A-6.4 Dispute resolution

The Department shall facilitate agreements or mediate disagreements between SLCs and school management, SLCs and the school district central office, or complaints from SLC members that bear on the implementation of this chapter. Primary responsibility for resolving disagreements shall remain with the school district.

SUBCHAPTER 7. ABBOTT FINANCIAL REPORTING

6A:10A-7.1 Financial reporting requirements

(a) Each Abbott district board of education shall conform to the following requirements:

1. The district board of education shall consider Comprehensive Education Improvement and Financing Act (CEIFA) generated revenue and all other State, local and Federal revenue as revenue available for the general fund unless expressly restricted by Federal law or written contract, for the purpose of implementing the school and school district two-year report on instructional priorities.

2. The district board of education shall apply for school-wide status under Title 1, Part A of the Elementary and Secondary Education Act of 1965 (ESEA) for each eligible school in the school district, as reauthorized under the No Child Left Behind Act of 2001 or submit a Federal waiver request of the poverty criteria to enable the school to operate a school-wide program and combine Federal, State and local funds.

3. Any appropriation balances remaining at the end of the year shall lapse and be commingled with the general

fund balance of the school district after reserving for year-end encumbrances at the school level, except where prohibited by any Federal law.

4. The district board of education shall maintain separate accounts for three-year and four-year regular education; special education inclusion classroom costs; and special education self-contained and other special education costs and any other Abbott cost category included on supporting documentation item 15 in the school district budget that the school district prepares a detailed budget for, in the special revenue fund section of the school district budget in accordance with GAAP and N.J.A.C. 6A:23-2.

5. Early Childhood Program Aid (ECPA) and Demonstrably Effective Program Aid (DEPA) are non-lapsing sources of funds. A district board of education shall classify ECPA and DEPA that is not expended or encumbered by June 30 of the budget year as deferred revenue.

6. Preschool Expansion Aid, Early Childhood Program Aid, other State aids and local funds may be used to support the Department approved preschool budget.

7. Funds transferred from the general fund to the enterprise fund to fund a food service deficit shall not be considered general fund expenditures for the purposes of calculating audited excess surplus at June 30.

8. Funds transferred from the general fund to the special revenue fund to record the full cost of preschool programs shall not be considered general fund expenditures in calculating audited excess surplus at June 30.

9. The school district shall not establish a tuition reserve at June 30 of the current year as provided for in N.J.A.C. 6A:23-3.1(f)8.

6A:10A-7.2 District and school-level transfers during the budget year

(a) A district board of education may transfer surplus or other unbudgeted or under-budgeted revenue between April 1 and June 30 only upon the approval of the transfer by the Commissioner's designee, pursuant to N.J.S.A. 18A:22-8.1. To request approval of such transfers, a district board of education shall submit to the Department:

1. Documentation of approval of the transfer by a two-thirds affirmative vote of the authorized membership of the school board;

2. Certification by that same membership that the transfer is necessary to achieve the efficiency and effectiveness standards for the current year. Requests to appropriate surplus for textbooks, computers, equipment or other needs for use and operation in the subsequent school year is not considered a need for the current school year and shall not be approved; and

3. The latest board secretary's report to document that appropriation balances are or shall be expended or encumbered.

(b) Prior to April 1, a district board of education may petition the Commissioner, by a two-thirds affirmative vote of the authorized membership of the school board, for approval of a transfer of surplus or other unbudgeted or under-budgeted revenue only for an emergent circumstance. Such district board of education may be subject to an on-site inspection for verification of the emergent condition and other supporting documentation. The district board of education shall submit such board-approved petition to the Department for review for recommendation to the Commissioner. At a minimum, the district board of education shall include in such submission:

1. Certification that the transfer is necessary for an emergent circumstance, that no other line item balances are or will be available, and that the remaining surplus will enable the district board of education to operate in a fiscally solvent position for the remainder of the budget year;

2. Documentation that the emergent circumstance, if not addressed through an appropriation of additional revenue, would render peril to the health and safety of students or staff, and/or force the school district into an operating deficit as a result of the implementation of the requirements of this chapter and the CCCS;

3. The latest school board secretary's report as documentation that no other line item balances are or will be available as set forth in (b)3i below:

i. Any unexpended, unencumbered balances shall be for non-discretionary fixed costs and supported by historical expenditures or other documentation ensuring that the balances will be expended by June 30; and

4. Evidence of approval of the petition and supporting documentation by a two-thirds affirmative vote of the authorized membership of the board of education.

(c) A district board of education may, at any time and without Commissioner approval:

1. Appropriate unbudgeted or under-budgeted State aid for which the approval was granted by the Department in the written notification to the school district of the additional aid;

2. Appropriate unbudgeted and under-budgeted tuition revenue generated from a school district-specific program, which is not part of a formal sending-receiving relationship pursuant to N.J.S.A. 18A:38-19 and 18A:46-21;

3. Appropriate unbudgeted and under-budgeted school transportation revenue generated from a school district's or Coordinated Transportation Services Agency's role as the host provider of school transportation services pursuant to N.J.S.A. 18A:39-11 and 18A:39-11.1;