

4. The district board of education shall verify the credentials and progress toward certification, where applicable, of all preschool teaching staff in a child care center provider and shall verify that all required background and criminal checks on all employees have been conducted; and

5. The district board of education shall provide financial management assistance to the provider to develop and monitor the child care center provider's annual budget, to verify the accuracy of costs and to ensure that the expenditures are made in strict accordance with the approved budget.

(e) A child care center provider that has not previously, as of September 9, 2003, had an Abbott Preschool Program Contract with the district board of education to serve Abbott preschool children shall meet the following criteria to be eligible for a contract:

1. The child care center provider shall have provided preschool educational services for at least one year prior to entering into a contractual relationship with the district board of education;

2. The child care center provider shall have a documented record of appropriate financial management, including timely independent audits revealing no material findings and accounting systems that can accommodate financial reporting requirements;

3. The child care center provider shall be able to accommodate at least 90 Abbott eligible children in a manner consistent with this chapter and the quality standards set forth by the New Jersey Supreme Court;

4. The child care center provider shall provide to the district board of education copies of insurance certificates; an efficient annual budget; credentials for teaching staff; attendance records; and any additional documentation, including all financial records, as requested by the district board of education and/or Department;

5. The child care center provider shall present evidence to the district board of education of compliance with Department of Children and Families background check procedures for child abuse record information pursuant to the Manual of Requirements for Childcare Centers, N.J.A.C. 10:122-4.9 and compliance with Department of Children and Families criminal history background check procedures pursuant to P.L. 2000, c. 77. Any child care provider not fully compliant with these requirements is not eligible for a contract;

6. The child care center provider shall agree to participate in any professional development opportunities offered by the district board of education for all preschool teaching staff;

7. The child care center provider shall agree to submit certified expense reports;

8. The child care center provider shall agree to expend funds only as specified in the approved budget;

9. The child care center provider shall agree to certify that the proposed budget submitted to the district board of education and the executed Abbott Preschool Program Contract is true and accurate; and

10. The child care center provider shall agree to meet the quality standards set forth by the New Jersey Supreme Court and the regulations and procedures implementing same as required by the Department.

(f) The district board of education shall include in each child care center provider's Abbott Preschool Program Contract criteria submitted to, and approved by, the Department for termination of the executed contract prior to the expiration of the executed contract term, which shall include, but not be limited to:

1. Material breach of the child care center provider's responsibilities;

2. Revocation of its Department of Children and Families licensure;

3. Failure to produce criminal and child abuse background checks on all employees;

4. Failure to follow the terms of an agreed-upon corrective action plan with the school district based on the findings of a limited examination or audit report;

5. Failure to comply with all terms of the executed Abbott Preschool Program Contract; and

6. Failure to comply with all applicable requirements established in this chapter.

(g) The district board of education shall conduct on-site monitoring at least twice in the contract year to assess compliance, and shall ensure that child care center providers and local Head Start programs comply with the Abbott Preschool Program Contract requirements, including the requirements of (b) through (f) above.

6A:10A-2.3 Provider and Head Start program contracts and budgets

(a) The district board of education shall ensure that the proposed budget of each child care center provider and Head Start program supports the needs of the children and the actual program costs for the six-hour comprehensive educational program meeting Department requirements at N.J.A.C. 6A:10A-2.2 for at least 180 student school days and not exceeding a 10-month academic period.

1. The proposed budget shall compensate certified teachers comparable to that which would be received if the teacher were employed by the district board of education;

2. The child care provider shall ensure that the certified teacher receiving the comparable compensation meets

comparable work schedule requirements for both student contact time and teacher contract time, including the equivalent number of hours per day and the equivalent number of days per contract year established by the school district board of education for its certified teachers. This work schedule shall also include the same amount of preparation time and the amount of lunch time as received by the school district board of education certified teachers;

3. The district board of education shall verify for accuracy and efficiency all annual budget projections submitted by each child care center provider prior to submission of the budget to the Department; and

4. The district board of education shall monitor the expenditures of each contracted child care center provider at least quarterly and shall recoup any unexpended or misspent funds based on the quarterly expenditure reports, enrollment records and monthly payments made by the school district.

(b) The district board of education, child care provider, and Department shall use the following process for non-renewal of a child care center provider's Abbott Preschool Program Contract:

1. The school district shall notify, in writing, the child care center provider and the Department of the decision and reasons for non-renewal of the Abbott Preschool Program Contract.

2. The child care center provider may dispute the non-renewal of the Abbott Preschool Program Contract by written notification within 10 business days to the Division of Early Childhood Education with a copy to the Department of Human Services, Office of Early Care and Education.

3. The Division of Early Childhood Education may request additional information.

4. The Division of Early Childhood Education shall affirm or deny the appropriateness of the non-renewal decision.

5. The non-renewal decision may be appealed to the Commissioner pursuant to N.J.A.C. 6A:10A-9.2.

6. In the event of non-renewal of the child care center provider's Abbott Preschool Program Contract, the school district shall recover from the child care center provider all playground materials, playground equipment both installed and uninstalled, startup classroom materials, and startup classroom technology or the monetary equivalent thereof, based upon funding for said items as approved by the Department.

(c) The district board of education shall use the following informal process for resolving disputes between themselves and a contracting child care center provider:

1. If a dispute arises between a district board of education and a child care center provider, they shall attempt to resolve it at the local level.

2. If the dispute cannot be resolved locally, either the child care center provider or the school district, or both jointly, shall submit a request that the Division of Early Childhood Education review the dispute.

3. Upon receipt of a request for review, the Division of Early Childhood Education shall notify any non-requesting entity and shall request any documentation required.

4. The Division of Early Childhood Education shall mediate the dispute, in consultation with the Department of Human Services as appropriate, facilitate communications between the parties, and attempt to resolve the dispute.

5. If a dispute becomes the subject of a contested case, discussions occurring during the mediation process shall be considered confidential, and shall not be used as evidence in the contested case.

6. The district board of education and child care center provider shall be advised that this process is an optional service offered by the Department. If either is alleging a violation of school law, and the dispute is such that adjudication by the Commissioner shall be sought through contested case proceedings, use of the informal dispute resolution process shall not exempt parties from complying with filing deadlines for appeals to the Commissioner outlined in N.J.A.C. 6A:3, Controversies and Disputes.

7. This process described herein shall not apply to the termination or potential termination of an Abbott Preschool Program Contract.

(d) The district board of education, child care center provider, and Department shall use the following process to terminate a child care center provider's Abbott Preschool Program Contract:

1. The school district shall notify the child care center provider, the Division of Early Childhood Education and the Department of Human Services, Office of Early Care and Education regarding a possible breach of contract by a child care center provider.

2. The child care center provider will have no less than 10 business days to resolve the deficiency.

3. If the child care center provider fails to resolve the deficiency within the time provided, the child care center or the school district may request a meeting with the Department and the Department of Human Services, Office of Early Care and Education to discuss the possible breach of contract. Meeting outcomes may include a plan of action to correct the deficiency, a schedule for obtaining additional information, or additional efforts to resolve the issues in dispute.

4. If a plan of action is required, then the school district shall write the plan with copies to the Division of Early Childhood Education, Department of Human Services, Office of Early Care and Education, and the child care center provider.

5. Upon the completion of (d)1 through 4 above, the school district may terminate the Abbott Preschool Program Contract with the provider consistent with the following provisions:

i. The school district shall have the right to terminate the child care center provider's Abbott Preschool Program Contract in whole immediately upon revocation of the child care center provider's Department of Human Services licensure, the material breach of the provider's responsibilities, including the failure to conduct and document criminal background and child abuse history checks, discovery that Abbott-eligible children are served in non-Abbott classrooms, failure to comply with all applicable requirements established pursuant to the New Jersey Administrative Code, or any other reasonable cause within the discretion of the school district and written approval from the Department.

ii. Upon termination, the school district shall recover from the child care center provider all playground materials, playground equipment both installed and uninstalled, start-up classroom materials, and start-up classroom technology or the monetary equivalent thereof, based upon funding for said items as approved by the Department.

(e) Child care center providers and school districts shall have the right to appeal any decision to enact termination to the Commissioner pursuant to N.J.A.C. 6A:3, Controversies and Disputes. The filing of an appeal shall not prevent the termination from becoming effective on the date specified unless the appealing party seeks and is granted a stay pending decision by the Commissioner.

(f) The school district and the child care center provider may terminate the Abbott Preschool Program Contract by mutual agreement, in writing, upon notice to the Department, Department of Human Services, and written approval from the Department. In the event of termination under this provision, said termination shall take effect upon the 30th day from the date the parties receive written approval from the Department to terminate the contract.

(g) In the two-year preschool program plan, the district board of education shall ensure that the parent education and involvement activities planned by the district board of education are based on identified needs.

(h) The district board of education shall annually participate in a self-study and validation of its preschool program and amend the two-year preschool program plan to reflect its findings.

(i) The district board of education shall submit amendments to its two-year preschool program plan as required by new findings and conclusions about the implementation of the preschool program.

(j) Through the needs assessment process, the district board of education shall evaluate and assess the needs of its students, programs and child care center providers so as to formulate plans and applications to meet these needs and shall include, but not be limited to, the following:

1. For every child's preschool application, the district board of education shall complete an enrollment survey on forms provided by and made available to the Department;

2. The district board of education shall conduct a preschool early childhood screening assessment at school entry to determine if a child needs comprehensive diagnostic assessment; and

3. The district board of education shall use a reliable observation method approved by the Department to assess program quality in each preschool classroom, aggregate the data, and develop professional development plans for all teaching staff.

i. The district board of education in consultation with the ECAC and with approval from the Department shall establish a minimum acceptable score for all preschool classrooms in operation in the school district.

ii. If any classroom falls below the minimum acceptable score, then an improvement plan shall be established. The school district early childhood supervisor or director of early childhood, the master teacher and the school principal or child care center director shall participate in discussions to determine the classroom quality improvements that are necessary based upon the observation and establish a timeframe for making the required changes.

iii. The master teacher shall provide technical assistance to the classroom teacher based upon the improvement plan.

iv. If the district board of education deems that improvements have not been made according to the established schedule, a reliable independent observer approved by the Department will evaluate the classroom or program. If the reliable independent observer verifies that the expectations are not being met, steps shall be taken to remove the teacher from the classroom or terminate the Abbott Preschool Program Contract between the child care center provider and the district board of education.

(k) In its two-year preschool program plan, the district board of education shall describe its plan for articulation of the preschool program with kindergarten. This plan shall, at a minimum, include the following:

1. The process for identifying and communicating the information needed by the kindergarten teachers about the preschool program, and vice-versa;

2. Methods for communicating information about individual children to their new kindergarten teacher, in particular the results of the NJELAS;

3. The plan developed by the district board of education to ensure a seamless transition from preschool to kindergarten for the preschool children; and

4. The process for providing information to parents about the kindergarten program and the transition plan from preschool to kindergarten.

(l) Upon offering full-day, full-year preschool programs, the district board of education may request a waiver of this requirement under N.J.A.C. 6A:5, Regulatory Equivalency and Waiver, as applicable, to allow families to enroll their children in a half-day program and/or a school-year program, provided that the program meets all other requirements of this subchapter.

(m) The waiver application shall include copies of signed declinations by parents or guardians that demonstrate that the district board of education offers a full-day, full-year preschool program and discloses that the families have elected a half-day program and/or a school-year program.

6A:10A-2.4 Division of Early Childhood Education roles and responsibilities in the preschool program

(a) The Division of Early Childhood Education shall provide services that include, but are not limited to, the following:

1. On-site technical assistance in the development of the two-year preschool program plan, including the development of program goals and objectives for a high quality preschool program and other technical assistance as requested by the district board of education;

2. Review and approval of the two-year preschool program plan by January 15, 2008;

3. Professional development opportunities to the district board of education early childhood directors and/or supervisors to provide information and technical assistance to the district board of education from the Department;

4. Professional development opportunities for master teachers;

5. Assistance with the self-study and validation process and the development of a program improvement plan;

6. Providing copies of the complete two-year preschool program plan, including the school district and child care center provider budget forms, a copy of the Uniform Preschool Enrollment Form, a list of State-approved reliable

independent observers, a copy of the State-approved Abbott Preschool Program Contract, as well as copies of other information available from the Department and requested or needed by the district board of education;

7. Opportunities to be involved in State planning and policy development for the preschool program; and

8. Ensuring necessary funds to implement a high quality preschool program.

SUBCHAPTER 3. STANDARDS-BASED INSTRUCTION

6A:10A-3.1 School district-led standards-based instruction

(a) Abbott schools and school districts shall implement a coherent and integrated curriculum for all students, including English language learners, gifted and talented students and students with disabilities, that is content-rich, aligned to the CCCS and guarantees the instruction every student needs to master them, is engaging for students, and is continuously adjusted by the evidence of student performance. Such curriculum shall include the provisions set forth in N.J.A.C. 6A:10-2.6(d)1.

(b) Abbott schools and school districts shall develop and implement a professional development plan that includes the provisions set forth in N.J.A.C. 6A:10-2.6(d)2.

(c) Abbott schools and school districts shall be accountable to the communities they serve and to the public at large. Such accountability shall include:

1. At least annual meeting(s) of each SLC to solicit public input and report student achievement data by NCLB subgroups, adequate yearly progress (AYP), and plans and budgets for the following year;

2. At least annual public meeting(s) of the school district board of education to report and provide opportunities for public comment on:

i. School district-wide student achievement reported to comply with NCLB requirements, graduation rates and AYP by school, comparisons to other school districts, and progress made toward closing the achievement gap; and

ii. The school district report on instructional priorities' revisions and annual budget; and

3. Frequent contact between parents and schools centered on student achievement information on how parents can help their children improve their academic performance.

(d) Schools and school districts shall demonstrate that they systematically generate, collect, analyze, dis-aggregate and re-aggregate evidence of student performance and that they

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.

Case Notes

Adjustments to state aid formulas which were not calibrated with program costs could not be made late in the school year unless there was a meaningful opportunity for the school district to present information related to actual costs and the adjustment was then realigned with those actual costs. Board of Educ. of Passaic v. New Jersey Dep't of Educ., 183 N.J. 281, 872 A.2d 1062, 2005 N.J. LEXIS 580 (2005).

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;