
Public Hearing

before

ASSEMBLY EDUCATION COMMITTEE

“The Charter School Program Act of 1995”

LOCATION: Thomas Edison State College
Trenton, New Jersey

DATE: May 11, 1998
9:30 a.m.

MEMBERS OF COMMITTEE PRESENT:

Assemblyman David W. Wolfe, Chairman
Assemblyman Gerald H. Zecker
Assemblyman Craig A. Stanley
Assemblyman John S. Wisniewski



ALSO PRESENT:

Kathleen Fazzari
Office of Legislative Services
Committee Aide

Natalie A. Collins
Assembly Majority
Committee Aide

Raymond Frost
Assembly Democratic
Committee Aide

Hearing Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
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ASSEMBLYMAN DAVID W. WOLFE (Chairman): I'd like to call this hearing to order, please. Please have a seat and we'll get started. We have a lot of people who have indicated their desire to speak today.

We have-- Hopefully, the whole front will be filled, eventually, by legislators who are going to give us all kinds of tales of why they couldn't be here at 9:30, but that's okay. We'll get started anyway.

My name is Dave Wolfe, and this is an Assembly Education Committee open hearing on charter schools. For your information, the Charter School Program Act in 1995 was passed in the Legislature on December 21, 1995. The Senate vote was 27 to 10. The same legislation then went to the Assembly, and it passed on January 4, 1996. The vote was 66 to 8, and one legislator abstained.

We have a number of people indicating their desire to speak. We are going to ask, first of all, to come forward -- are the original sponsors of this legislation, former Senator John Ewing and former Assemblyman John Rocco.

So, gentlemen, you want to come on up? We'll get started with you first.

Before we actually begin the testimony, if any of you have written testimony that you'd like to present, you can give it to the people over here at the recording table. We would ask that you not read your testimony if you are going to submit it. If you could paraphrase it to the Committee, that would certainly expedite the hearing time, since we have a number of people that have indicated that they wish to speak. We have over 40 people who have times designated when they would be speaking.

ASSEMBLYMAN JOHN A. ROCCO, Ph.D.: Jack should go first so that I can rebut all of his controversial statements.

SENATOR JOHN H. EWING: No, let him go. He's in the teaching business.

ASSEMBLYMAN WOLFE: Well, Senator, we will defer to you. You may go first.

MR. EWING: Thank you, Mr. Chairman.

I imagine this is really an informational meeting for the Committee members, etc. There is no question in my mind, like any major legislation, there has to be changes made, and as we go along over the period of time, the years, etc., certainly one of the main areas is on the funding of the bill itself and the problems that various school districts find when they lose children to a charter school, and some districts can hurt their overall budget.

It has to be looked at very carefully to see if there can be some elevation of that. But, certainly, the court cases that are now coming up, in my mind anyway, I feel that many of those superintendents and school boards like the status quo, and certainly we cannot stand that in the State of New Jersey. We've got to do something about the overall education situation in the state, and I don't see that we're going to have thousands of charter schools. I think they will gradually grow. The interest has been shown in it, and I certainly feel that they can show innovative ways.

And it's very interesting to see the number of teachers, people that want to teach the student, coming forward with various ideas and various methods. And some of these certainly can be picked up by other school districts, providing they don't have to be in lockstep with a union. You take

the Katzenbach School. They are meeting, I believe, every other Saturday giving classes. And yet the salaries of these teachers are not up at the level at the regular public school. But there are many, many people out there who really want to change how various subjects are taught and be more innovative and make use of things within certain areas, and certainly the charter schools give them that ability.

Time is going to tell whether this is the way we should be going in the state or not. I just think that it is very unfortunate these court cases have been brought because certainly the school districts that are suing the various charter schools are using students' money that could go into classes, etc., for the legal fees, etc., and I think it would be better to spend it on education and let the charter schools start and see how it does go.

But time will tell, and certainly, we are going to do everything we can to make sure that we keep the people applying for charters where they are necessary. If a public school is doing a great job and everything, I do not feel that you are going to find the impetus of people wanting to shift over.

Another part that has to be looked at carefully, which also goes into the public school sector, is the increase in student population. Whether it's a public school or a charter school, somebody coming out of a parochial or a private school into that particular district or in that particular operation, the school has to wait for a whole year to get the funding, and I don't think that is right.

In my own mind, I think the Commissioner should have a very tightly controlled fund of a substantial amount where a district is suddenly getting four or five children out of a parochial school that they can give the

additional funding to that district and the same way with the charter schools. Because it is not fair for a school district to have to give charter school money for a student that they in turn are not getting money from the State for.

By and large, I'm really here to hear what some of the thoughts and ideas are of the people that are going to be here today.

Thank you.

ASSEMBLYMAN WOLFE: Thank you very much, Senator.
Assemblyman.

MR. ROCCO: Thank you, Mr. Chairman. By the way, you're in my seat, David. (laughter)

MR. EWING: I think he is better looking.

MR. ROCCO: David, really, it is a pleasure to be here.

Having served as Vice Chair through all of this, David Wolfe is well aware of all the work and effort that went in both in the Senate and the Assembly to get this bill in the best possible shape that we could have it.

I think, nationally, now New Jersey is recognized as one of the states that has a charter school bill that is working, that is successful, and continues to grow.

ASSEMBLYMAN WOLFE: Excuse me, Assemblyman.

MR. ROCCO: Yes.

ASSEMBLYMAN WOLFE: Can you move that microphone over towards you?

MR. ROCCO: Yes.

ASSEMBLYMAN WOLFE: Thanks.

MR. ROCCO: I think the hard work done, not only in the Senate by Jack and all of the negotiations that occurred between both Houses, specifically with Senator Ewing and myself, in terms of trying to get this legislation to do everything that we wanted it to do and to do it successfully-- I think the results are clear. We have a number of creative schools operating in the state: charter schools that are successful, that are providing what the original intent was, and that is, creativity, looking to do something that is outside the realm of what one would expect in a public school; something that would possibly be able to be utilized in a public school; something that would be so creative and so different that it would provide additional examples for us to work with in education. That was really the intent, to have a community-based institution.

What was not the intent was to have privateering occur with the system. To have outside private agencies come in and to take over a portion or all of the operation of the charter school -- hat was never the intent. The intent was that the community come up with trustees, and these trustees would be such that they would put in place the creative structure necessary to make a charter school something new and different. If not, our public schools are doing a great job. Why would we want to do this unless there was something unusual about the charter school. I think we want to keep moving in that direction.

I have to also indicate very clearly that there was no corporate control involved in this charter school bill. There are no corporate seals, no corporate intervention, and I understand that there is probing in certain areas of the state by these corporations to try to maintain control of the trustees and

to get control of a portion, anywhere from 8 percent to 12 percent, of the total amount of money to go to the corporation. This is totally outside of the area that we had agreed to in the Legislature, and I think you were a part of that, Mr. Chairman, at the time. So I think we are well aware of those concerns there.

Also, the issue of principal certification. Whether you call them a headmaster, or whatever, the principal was to be certified, and there was agreement between the administration and the legislators on that issue. And whether you call the headmaster the head teacher or the headmaster, or whatever, it was to be a certified individual that knows about children and teaching and knows about the needs of the curriculum.

This is not an instance where you want to take someone from a major corporation, who has worked with widgets, and try to put them into a school. It just doesn't work, and we have to be careful that we have an administrator with that -- a kind of experience that can be helpful to all of the children and who understands the growth and development of the students in the school.

I think another issue we have to keep focusing on is the issue of the true cross section of the student population, the issue of priming. Taking the best students in the charter schools was an issue that we wanted to make certain never occurred within our charter schools. We do not want the charter schools to be any LEAD schools. We do not want private schools or parochial schools to turn over and become charter schools. That also was never the intent. And we must be ever vigilant on those issues.

With those points in mind and the only other thing that I can think of that seems to need some careful review would be the issue of the residential Katzenbach placement, which is going along very nicely, and I spent time in that school. Having grown up in a residential -- well, in an orphanage actually, but same mentality, that you have a controlled environment for the study and the work of these students. We have to make some provisions to help a school that determines that a residential setting is the best setting. And in my estimation, it is a setting that is very worthy of consideration because I think in many of our schools that are having difficulty -- that in the inner city especially, that the residential concept of a controlled environment may have some real rewards. And we should look at that as well in terms of how we can modify the law to help there.

But other than that I think we're off to a good start. I think we have a number of charter schools that are very successful. I think we have to look at the issues carefully, that I indicated, and are in need of further review. I think we do need a monitoring process to make sure that the charter schools are doing the things that both Senator Ewing and I put forth in this legislation. And we have to make certain that monitoring is occurring and that the bill is being followed as indicated by all of the members of this Committee and by you as well, Mr. Chairman.

So, with that, I thank you, and it is pleasure to be back to be here with the Committee.

ASSEMBLYMAN WOLFE: Before both of these gentlemen leave, I'd just like to say that you may all speak whenever you are called on.

Again, if you came late, I prefer if you have a written testimony, give it over here to the table and you paraphrase your presentation.

The legislators who are here are not here to really engage in a debate. We are here, basically, to hear testimony. Some of you came late, and I just want to reiterate that the charter school legislation was passed by the Senate by a vote of 27 to 10 on December 21, 1995 and was passed by the Assembly on January 4, 1996 by a vote of 66 to 8, with one abstention.

The *U.S. News and World Report*, two weeks ago, had -- their entire edition was devoted to charter schools. The conclusion was exactly what Assemblyman Rocco said, and that is, the key component to success or nonsuccess is successful monitoring.

I know we will be calling on each of you to speak. Just a couple of ground rules before we get up here. I know some of you may all be from the same community. I'm going to ask that you all come up at the same time. We are not here to debate the merits and nonmerits of a specific charter school's application. The reason for the hearing is-- As I said -- this is the third time -- this was a process and a procedure that was approved by the entire Legislature. It's just getting going. This is the second year. There may be some problems, which the Legislature is very interested in looking at those problems. We are not here to stymie charter schools. We want to make them better, and we need your advice to help us in how we can do that.

Thank you very much.

MR. ROCCO: Thank you, Mr. Chairman.

MR. EWING: Thank you.

ASSEMBLYMAN WOLFE: Also, one last thing. This is like a procedural thing. There is only one bathroom for everybody, so it's going to be like -- it's going to be like at Giants Stadium, I guess, at halftime. So good luck to you all. Just be kind of courteous. (laughter)

Okay, is Ellen Schechter here?

A S S T. C O M M I S S I O N E R E L L E N S C H E C H T E R:
Here.

ASSEMBLYMAN WOLFE: Okay, Ellen Schechter is representing the Department of Education.

UNIDENTIFIED SPEAKER FROM AUDIENCE: (indiscernible)

ASSEMBLYMAN WOLFE: Okay, I ask all of you, before you begin your presentation, please give your full name, your title, your rank, and who you represent, and your address.

MS. SCHECHTER: Address?

ASSEMBLYMAN WOLFE: Well, if you are not representing the State.

MS. SCHECHTER: Good morning. Is this the one that I am supposed to speak into, Assemblyman Wolfe? (referring to PA microphone)

ASSEMBLYMAN WOLFE: Yes.

MS. SCHECHTER: Good morning, my name is Ellen Schechter. I'm the Assistant Commissioner of Education in the Department of Education, and it is within my Division that fall charter schools. On my right is Pat Austin, who is in the Division of Fiscal Services, and she runs a corollary office, which we run the programmatic aspect of charter schools and Pat runs the fiscal aspect of charter schools.

MR. EWING: Assemblyman, I don't think the microphone is working.

MS. SCHECHTER: Is it this one? (indicating)

ASSEMBLYMAN ZECKER: Jack, it's working just fine, you just can't hear us anymore. (laughter)

MR. EWING: Well, there are several older people here, including myself.

ASSEMBLYMAN ZECKER: You're absolutely right, Senator.

ASSEMBLYMAN WOLFE: Okay, just keep going. We'll work on it.

MS. SCHECHTER: Good morning, Assemblyman Wolfe.

ASSEMBLYMAN WOLFE: You don't have to do that again. (laughter)

MS. SCHECTOR: Good morning, Assemblyman Wolfe and honored colleagues. I welcome this opportunity to speak to you from the Department of Education's perspective about our experiences with the charter school initiative over the last year and a half.

I have had the privilege to oversee the birth of 13 charter schools during this current academic year and watched the fledgling new public schools -- and watch these fledgling new public schools take--

ASSEMBLYMAN WOLFE: Excuse me, ma'am. I hate to interrupt you. Not as a discourtesy, but I've indicated before we would prefer you paraphrase your presentation. We have a lot of people to speak.

And I'd like to ask all of you have that same courtesy. I know some of you may have some very important statistics you want to give us, but that can be part of the written transcript.

Thank you.

MS. SCHECHTER: Anyway, we've had the honor to watch 13 fledgling schools take route and grow, and it's been a wonderful experience. Over the next year to come, 23 additional charter schools have been approved, bringing to the total of 39 charter schools which have been approved by the Commissioner. Only 37 are going to be open. Two recently approved will take the current academic year for planning purposes. One of the 23 charter schools approved by the Commissioner was remanded back to the Department of Education, and it is currently under study.

We believe that the charter school movement, as small as it is at the moment, has created somewhat of a sea change in public education, a sea change that we see as a positive prod to the public education system overall. We believe that it is far too early to make any judgments about the effectiveness of the charter schools' movement, particularly with respect to their success, or lack thereof, of raising student achievement. However, we believe there are many exciting innovations that charter schools of the 13 have already put forth, and we believe there are many more to follow. They include longer school days, extended school years, higher levels of parental involvement, community partnerships, technology integration, full-day kindergarten on a half-day budget, shared services with school districts and other charter schools. We also believe that the development of networks between and among charter schools is a valuable thing.

We believe that the charter school movement has begun to catch on like some kind of small wildfire; whereas, last year a total number of 1400 students were served by charter schools. Our projections, at this point, is that during the upcoming academic year, it will be 5500 such students. This is significant growth during just one year of operation.

I'm paraphrasing.

ASSEMBLYMAN WOLFE: You're doing good.

MS. SCHECHTER: The kind of collaborations that, I think, I referred to earlier between and among charter schools, public schools, and other kinds of organizations are things that we would like to see foster. They already exist now, and we would like to see them foster and grow in cities such as Hoboken, Jersey City, and Newark. Such collaborations currently exist, and we believe that they are healthy.

As you know, the charter schools statute stipulates two different kinds of charter schools which may evolve. So far we have only seen the first type, and that is, the development of charter schools that have sprung up among partnerships, parents, teachers, and community, or private corporations. There is a second form of charter school that is yet to emerge, and that is, a so-called conversion charter school, which permits a particular school within a district, if 51 percent of the teachers and parents that represent that school sign on, they then become an independent school within a larger district. This is yet to occur, but we would see that as a valuable experiment, and we are looking forward to the possibility of such things in the future.

Prior to the implementation of these initiatives, we had a number of critics who, for instance, told us that charter schools would only take root

and grow in the more privileged environments and that, therefore, it would be an elitist kind of movement. Our critics were a little bit premature in their judgment because, of the 39 charter schools that were approved totally, 23 of them will be in urban centers. I'm again paraphrasing.

Last year over 125 professional staff were hired by charter schools. Many of these teachers and administrators chose to leave the public schools and districts to become part of this initiative. Others came from college teacher education programs and the alternate route.

I'm closing now. We recognize that there is certain bugs which need to be ironed out, and challenges related to communication and cooperation will, I expect, dissipate. We remain highly committed to this initiative as it evolves over the years ahead. In fact, the Governor's Charter School Innovation Fund will permit us this year to disseminate best practices to charter schools, create a special Web site, periodically convene charter school administrators, and evaluate the innovations as they have emerged.

I wish to thank you, Assemblyman Wolfe, and your honored colleagues for this opportunity to talk very quickly about the success of charter schools.

Thank you.

ASSEMBLYMAN WOLFE: Thank you very much.

My colleague is Assemblyman Wisniewski.

Assemblyman, do you have anything that you would like to say to the whole group?

ASSEMBLYMAN WISNIEWSKI: Well, I'm interested in hearing the testimony that we will hear today, and it will be an opportunity for me to

hear a variety of opinions and formulate some opinions of my own, and I look forward to it, Chairman.

Thank you.

ASSEMBLYMAN WOLFE: And you may notice Assemblyman Zecker moving in and about over here. At the moment we don't seem to see him -- oh, there he is. He's right back here. I just want to acknowledge him.

ASSEMBLYMAN ZECKER: We don't get crowds like this. We have John Rocco. We have Senator Ewing.

ASSEMBLYMAN WOLFE: Assemblyman, do you have any comments that you would like to make?

ASSEMBLYMAN ZECKER: Pardon.

ASSEMBLYMAN WOLFE: Do you have any comments?

ASSEMBLYMAN ZECKER: Opening comments?

ASSEMBLYMAN WOLFE: Sure.

ASSEMBLYMAN ZECKER: Actually, I wasn't. But you're pushing your luck when you ask me.

ASSEMBLYMAN WOLFE: Okay.

ASSEMBLYMAN ZECKER: But I will.

I would just like to say that as a supporter of the charter school system, I was somewhat shocked when one of the first charter schools was proposed in my legislative district, as a matter fact, in the city of Clifton. And I'll tell you Clifton operates on about a \$62 million budget. Our cost per pupil is under \$7000. When I found out how the system was going to work, it upset me a little bit because the city of Clifton will now have to fund our first charter school to the tune of \$700,000. It's coming out of our public school budget.

So the thing that concerns me the most -- and, look, I voted for this. It was going to be this great experience. Well, now a well-run Clifton school system, in effect, is being penalized.

Now, the taxpayers of Clifton voted the budget down, so our \$62 million-plus budget now must be reworked. But the one area of that budget that cannot be touched is the approximate \$700,000 that has been allocated to the charter school. Now, as someone who has sat on the Board of School Estimate of the City of Clifton for 12 years when I was a mayor and councilman, I'll tell you our budget -- our public school budget -- is pretty well accounted for.

The thing that concerns me is perhaps we, in the Legislature, made a serious mistake in that if this was going to be the great experiment, perhaps maybe we should have passed State mandate-State pay first, not two weeks-- (applause)

Mr. Chairman, you are supposed to say, "Outbreaks will not be tolerated." That's what I used to say when I was a chairman. I'm not doing this for a hand play. I'm doing this for the seriousness of my district.

Maybe we should have done State mandate-State pay after we did charter schools because if this is going to be the great experiment-- As least as it affects my district, I am somewhat concerned. I am still willing to go along with the experiment of the charter schools.

I'll tell you, when I listen to the advocates of charter school, I actually get goose bumps. I like a lot of what they are saying, but when it comes down to money and when it comes down to school districts that are trying -- really trying -- to do things the right way -- now the charter schools are

held to a different standard. Now, if the public schools were held to the same standard that the charter schools were held to, they would have a possibility of reducing their costs, too. This is the one thing that upsets me in the whole great experiment. And I am not certainly speaking out or against on behalf of any groups because I believe in the concept. I'm just concerned that this Committee, or possibly some committee here in Trenton, is going to have to do some tweaking of this great plan.

Thank you.

ASSEMBLYMAN WOLFE: Thank you.

That was a good suggestion the Assemblyman just made. We'll have no applause, and I see some people coming in with their placards. We really don't need that in here. We are going to have a public discussion. This is not a demonstration. We will call on everybody in due time. I appreciate that you will give courtesy to the speakers. This is the largest room we could have for this hearing. The sound is best as it can be. You'll have to speak into the microphone.

Again I would just ask that you be courteous to the speakers and give them the same respect you would request if you were speaking before us.

Next, I am going to ask that Dr. Gloria Santiago, the Coalition of New Jersey Charter Schools, and Nancy Becker come forward please.

BARBARA DeMARCO REICHE: Assemblyman Wolfe, my name is Barbara DeMarco Reiche with Nancy Becker Associates. I am here in place of Nancy Becker with Dr. Santiago. We are here with our new client, the Coalition for New Jersey Charter Schools. They have been together as of March to advocate on behalf of the many charter schools here in New Jersey.

We saw a need to come together on issues that are legislative, regulatory, and legal. We have also decided that we need to have a valid place as a group in the public discussion. Our mission is to infuse innovation into the public education system while increasing the involvement of the parents and the community at large.

New Jersey Charter School works in principles of excellence, parent involvement, innovation and exploration, business and community involvement, business and community service, and flexibility. We have longer school years, full-day kindergarten, as well as a longer school day, and we work in partnership with the community. An example of that partnership would be LEAP Academy in Rutgers University or the Family Alliance Charter School of Burlington County in Burlington County College. You have the Learning Community Charter School and the Boys and Girls Clubs of Hudson County. You have North Star Academy and New Community Corporation.

We are hoping that the future of charter schools will allow an innovative way of dealing with such issues as finding suitable facilities, dealing with initial start-up cost, special education, ensuring that State and Federal funding follows the children wherever they attend public school. Charter schools are public schools, and we are there to help with the discussion once their renewal comes up.

I would like to introduce to you Dr. Santiago, who is one of the founding members of the Coalition and also the founder of the LEAP Academy in Camden.

GLORIA BONILLA - SANTIAGO: Good morning. I want to say good morning also to the parents of the LEAP Academy, who I know drove this morning from Camden.

Honorable Assemblyman Wolfe and members of the Assembly Education Committee: It is for us, indeed, a pleasure to be able to address you today and hear our views regarding the public education in New Jersey and the important role that charter schools play in reforming the state's charter school movement.

My name, like I said, is Dr. Bonilla-Santiago. I am a professor of public policy at Rutgers University in the Camden campus, and I am also here today representing the newly formed Coalition for New Jersey Charter Schools and also the Chairperson of the LEAP Academy Board of Trustees.

The Coalition for New Jersey Charter Schools was formed to serve as a vehicle to advocate on behalf of all charter schools at the State and Federal levels; to gather legislative support for funding; identify emergent legislative agendas; and ensure that charter schools are represented in all major legislative discussions regarding public education. We are focusing our efforts on promoting and advocating for legislation in support of charter schools; informing the public of charter school principles, possibilities, and successes; providing a forum for charter school leaders to network and share success stories; and providing an opportunity for charter schools to share resources and programs.

Our Coalition represents all -- I was going to say 300 charter schools, but we only have 39 -- 39 existing and approved charter schools in the state, and collectively, we are ensuring that our issues are included and

acknowledged by elected and appointed officials, the media, and the general public. Today you will hear testimony from many of our members in our schools. Parents, board members, teachers, and students will share with you their successes and challenges.

I'm trying to paraphrase, okay, so bear with me.

My interest in public education and education reform is not just academic. It is fueled by intense frustration and concern for the slowness and indifference to the crisis in public education. We live in a time when nearly all our institutions are struggling to adapt to the changes of the late 20th century, including American industry, labor, unions, churches, and government. Yet, arguably, in the institution where progress is most critical, education reform is most lacking.

Historically, our country has, and it should, struggled passionately to help the elderly, the homeless, and the disabled, and our new immigrants. However, I ask myself and others, where is our passion for our most precious asset, our children? Where is our collective will and determination to give our children what they deserve and need in terms of a high quality of education? Where is our collective capacity to be entrepreneurs in the field of education and to give our generation of children an opportunity to be the best and to prepare to compete in an increasingly global economy?

New Jersey has always been a progressive state, and it is in the forefront of education reform in the United States. Our Legislature and Department of Education officials have and continue to struggle with issues of equity, curriculum, school finance, and reform. Let's face it, the current system for public schooling was designed 150 years ago and can no longer

adequately prepare young people for the real world, one that has changed dramatically. What we teach, how we teach it, and what we expect from our students must change if we are to succeed in the 21st century.

In New Jersey, thanks to the vision and foresight of our Legislature and government officials, we have taken bold steps in improving many of the areas and need to continue to bring parents and students refreshing and innovative programs that will help raise our students' level of achievement and competitiveness. The charter school law is such an initiative.

Charter schools represent an innovative way to educate youngsters. They avoid the lockstep and bureaucratic traditions of traditional public schools and provide for the site-based management and oversight. They provide access to State public education funding, yet limit the State and local bureaucratic obstacles that often accompany public fiscal support.

While it is too early for a definitive study on the strengths and weaknesses of charter schools as a whole, preliminary observations are promising. We find researchers and people all over the country documenting such. For example, Dr. Joe Nathan, the Director of the Center for School Change at the University of Minnesota, reports that the schools have seen the most successful share of number of characteristics, including a proactive philosophy and close working relationships with parents. These characteristics are also the hallmarks of many of our New Jersey charter schools.

As the founder and Chair of--

ASSEMBLYMAN WOLFE: Dr. Santiago, could you please paraphrase your testimony.

DR. BONILLA-SANTIAGO: I will do that. I am trying to do this. I worked very hard to do this, and I ask you to bear with me because it is important that we get to tell you the stories.

As the founder and Chair of the Board of LEAP Academy, I have experienced firsthand challenges of operating a public school. Our school opened its doors in September 15, 1997, with an enrollment of 324 students *K* through five. It will expand to 500 children in *K* through eighth education over a five-year period. Our instructional philosophy is guided by six core principles: high expectations, a holistic environment, integrated and active learning, positive attitudes, and varied forms of assessment. The LEAP Academy's curriculum focuses on math, science, and technology, and we have been teaching a holistic integrated curriculum. Our students represent a highly diverse, multilingual, mobile, and at-risk population.

Members of the Assembly, I will tell you that it has been, yes, a challenge for the charter schools. But there is nothing more precious than to see 324 children get up from 8:00 to 5:00 -- longer day, longer school year -- learning three languages. We are being transported from all over the city to come to a school. We have 90 percent-- We have been very successful with the Academy. We have a parent's academy, a very active parent's group. Parents are present.

The charter school represents, actually, the best choice right now for our parents in urban and school education. We will argue strongly that charter schools are here to make school reform, and we ask you as much as possible to continue to support our movement and to continue to work with

us in partnership as we begin to reform the most active state in New Jersey.
(sic)

Thank you so much.

ASSEMBLYMAN WOLFE: Thank you and good luck to you and your group.

DR. BONILLA-SANTIAGO: I have a parent here who wanted to speak. Is that okay? Can I bring her forward? She was on the list.

ASSEMBLYMAN WOLFE: She is on the list. Who else is on the list? Do you have a whole bunch of people on the list?

DR. BONILLA-SANTIAGO: Only one parent.

ASSEMBLYMAN WOLFE: I'm trying to be fair because we have a lot of people to speak.

DR. BONILLA-SANTIAGO: I want to be respectful of your time. With your permission, if you allow us to do it -- will do it only if you give us the permission.

ASSEMBLYMAN WOLFE: Go ahead.

DR. BONILLA-SANTIAGO: One parent.

ASSEMBLYMAN WOLFE: Please give your name, so we can put this on record.

TERRA THOMAS, Ph.D.: Hi, I'm Dr. Terra Thomas. I'm a parent of the LEAP Academy School Charter School, and I'm here to give my opinion and perspective on behalf of the charter school in a charter school movement.

I want to say, and go on record as saying, that the charter school movement has been the most exciting, most innovative event to the public school education. It's a tremendous opportunity for innovation and change

and to be able to bring to the larger public school system an opportunity for change in creating the type of academic environment that is going to take us into the 21st century. I see the charter schools as the public school laboratories, an opportunity to be able to create innovations, to create exciting movements that the larger public school system can benefit from.

The problem that I see in terms of charter schools, and the reason why we are here now, is a responsibility of the State, and I see the State's responsibility as eliminating what is now an environment of a we-against-them, where the charter schools are pitted against the public school. The charter school movement is not against the public school, but a benefit to the larger public school system.

The atmosphere that we find ourselves in is harmful to the students of both the public schools as well as the charter schools. We need to be able to see ourselves as operating in partnership with each other as mutually beneficial to each other. The problem that I also see is one of finances, not one of education, but one of finances, and the perception that the charter schools are taking money away from the public schools.

Right now-- I'm from Camden, New Jersey. The LEAP Academy is in Camden, New Jersey. Camden is one of the *Abbott* districts, and in Camden and the rest of the *Abbott* districts, they just won a major battle after 30 years of being able to get equal education based on finances for all students in New Jersey. Now, this is a major win for the United States because it's the first time in all of the history of the United States where all children get an equal opportunity for education based on the financial resources that are put forth.

Right now what's happening is that we won a major battle, but now, within the charter school movement, we find ourselves as an *Abbott* district. Charter schools are becoming the *Abbott* district of the public school districts, and I don't think that's fair. I think that the children that we are here to educate have just as much of an opportunity and a right to funds that is going to allow them to succeed.

At LEAP we are doing some tremendous things, and we are beginning to see a tremendous change within the children who are coming to LEAP, but we are doing a lot with a lot less, and that's not fair. The children of Camden, the children of New Jersey deserve to have equal funding and all the access to funding that every other child within the district, either Camden or any other district in New Jersey, deserve. And I think that's the responsibility of the State.

I think that we are here to continue to push this charter school movement forward. Not to would be taking a giant step backwards, and we would be doing a disservice not only to the charter schools, but to all the public schools within the state.

Thank you for the opportunity.

ASSEMBLYMAN WOLFE: Thank you all.

Natalie tells me I've got to loosen up here, so we will be a little less restricted with the gavel.

Thank you very much for coming.

What does the sign say now that you're all--

DR. THOMAS: LEAP Academy Charter Schools.

ASSEMBLYMAN WOLFE: Senator Ewing can't hear, he says. The acoustics are as best as they can be in the room. If you're giving testimony, please speak loudly into the microphone.

At this time I'd like to call on Joyce Powell, Secretary-Treasurer of New Jersey Education Association.

Next will be Mr. Lloyd Hayes after them.

Get ready, Mr. Hayes.

JOYCE POWELL: Good morning, Mr. Wolfe -- Chairman Wolfe and members of the Assembly Education Committee. I first must apologize for the President of NJEA. Michael Johnson regrets that he cannot be here with us today; he is ill. So I am the substitute and will offer testimony to you.

ASSEMBLYMAN ZECKER: We won't make it part of his public record. You'll tell him that.

MS. POWELL: Okay. He has a sick day today.

With me is Diane Sylvester, of NJEA staff, and Diane Monitors, the charter schools--

ASSEMBLYMAN WOLFE: Senator, is that okay? (referring to PA microphone)

MR. EWING: (speaking from audience; indiscernible)

MS. POWELL: I'd like to thank you for this opportunity to offer testimony this morning on New Jersey's charter school experiment. And, like any experiment, this one has great moments of elation, but it also has some moments of great disappointment. Now, NJEA has been monitoring the progress and procedures of the charter school law, and a number of problems have surfaced. I will focus on our major areas of concern.

First, a review of the financial reports of the charter schools indicates that there is a serious imbalance in the priorities being set by some of the boards of trustees. I know that charter school advocates have claimed that they can do more with less. They claim that they can provide a better educational program with fewer resources of any kind. It seems as if they are doing less but in only one area, and that is, the area of instruction.

Now, attached to my testimony there are two pages that are charts of the statistics that I am about to review for you. An examination of the 13--

ASSEMBLYMAN WOLFE: Excuse me, could you review them and not read them very quickly, please.

MS. POWELL: Okay, but I have some percentages here, so I need to, okay.

ASSEMBLYMAN WOLFE: Okay, percentages are great.

MS. POWELL: There was an examination of the 13 functioning charter schools -- indicates that administration costs consume an average of 21.2 percent of the budget. Administration costs in a regular public school average 13.4 percent of the public school budget. An analysis of support services, there is even greater concern. Charter schools are allocating an average of 27.1 percent of their budgets to services that include purchased services, consultants, rental and noneducational supplies.

A regular public school budget allocates only 11.2 percent to those same items. That leaves what should be the most important area in any school, and that's instruction. We are very much alarmed to discover that a mere 49 percent of the average charter school budget is dedicated to instruction. The

average public school budget dedicates nearly 61 percent of its resources to student instruction.

Our second major concern centers on private entities that are focusing their sights on a new money-making machine. We have seen charter schools contract the entire administration of a school and other related functions with a for-profit corporation. We know that some of these corporations hitch a one-size-fits-all. We are concerned about that. We know that those corporations will dictate curriculum; it dictates the selection of textbooks, as well as other related material.

An additional concern with these private entities is the ever-increasing evidence that there is little or no bidding for materials, equipment, and supplies. But according to the statute, all nonprofessional services, the purchase of supplies and equipment must be bid. We have not been able to acquire any records for bids for computers, for desks, for chairs, for textbooks, and for other supplies.

Now, we are concerned that these for-profit corporations will also contract with themselves, that they will have another company that they will bid for themselves for equipment purchases and for leases. And we know that a conflict of interest certainly cannot be ignored.

Another grave area of concern is the ever-increasing negative impact that the charter schools have on the regular public schools, especially when there are multiple schools within a district. For a single charter and a small district, we see a negative impact on the regular school district. What we know is that some children are no longer in our public schools and that three children leaving a regular public school classroom certainly does not reduce

costs because the same number of teachers are needed, the same number of supplies, the same number of classrooms. And taxpayers who contend that charter schools will decrease the cost for the regular public education need to recognize that those public schools still need to be in place.

Now, all of these situations diminish any anticipation in that charter schools will succeed in New Jersey. The experiment, which was supported by many individuals and organizations, including the NJEA, is on the brink of failure. We believe that the ceiling of 135 charter schools in four years needs to be reexamined and that there should be further limitation, that these schools need to be monitored carefully and properly, and we are certainly concerned that monitoring provisions in the law need to be revisited.

We recognize the severe limitations that the Department of Education works under, but this experiment will fail if action is not taken.

Thank you.

ASSEMBLYMAN WOLFE: Thank you very much.

I just want to indicate -- I should have said it at the very beginning -- we should only limit the testimony if we can to five minutes because of the size of the audience. Again I'm not trying to be rude. I know some of you have come a long way, and I'm trying to get the essence of your very important presentations to the Committee.

Thank you very much for coming here.

Next is Lloyd Hayes from the Ocean City Education Association.

HENRY LLOYD HAYES: Good morning. Thank you for the invitation.

I really don't know about the big picture in the State of New Jersey, but I do know that the educational system in Cape May County and in Ocean City works. And I would have to agree with Mr. Zecker that the funding is totally unfair. If the charter school is granted in Ocean City, 6 percent of the students will get 30 percent of the money. They would have been allowed 216 students, they would have gotten \$1.4 million. We do not have high administrative costs, we have no surplus. So in order to fill that money, staff would have been laid off, about 20 staff. With the staff would have went about 15 programs.

So instead of enhancing the educational programs, the charter school would have hurt the educational system immensely. Again a small section of the students would have got a large section of the money. We have a fine educational system. We work hard. For the past two years we have even looked into block scheduling. The Association, along with the administration, looked into that. When planning to move forward with that, it was the school board that voted it down, not the Association, not the superintendent.

I don't have anything to read in front of me. I just know that the funding formula is all wrong. That all the children are important, and when a select few have an advantage over majority that it is not fair. I also know that some quality families have moved out of the city of Ocean City, but it is not because of the educational system that is going on inside of Ocean City. It is due to the turmoil which is going on outside of Ocean City, which we need a new building. People are saying that we are overcrowded and our sending district sends more students than we have in Ocean City.

Again all the children are important. And again I don't see the big picture, and I'd hate to disagree with all these people that spoke in favor of the charter school. But I know that a select few students would have an unfair advantage over the rest of the students in Ocean City, and I think that is unfair.

Do you have any questions?

ASSEMBLYMAN WOLFE: No.

MR. HAYES: Thank you.

ASSEMBLYMAN WOLFE: Thank you, Mr. Hayes.

MR. HAYES: Excuse me, one other thing. We had to work hard to pass our budget. It was due to the thought that if we voted down the budget, you would vote down the money that the charter school received, and it was only after, they found out that even if the budget was voted down, the charter schools still receive their money.

Another thing is that the one school that has been referred to the Commissioner of Education, that has not been totally approved, is from Ocean City.

Again thank you very much.

ASSEMBLYMAN WOLFE: Thank you, Mr. Hayes.

Dr. Eric Davis, Professor at Rutgers University. And he can indicate if he is speaking for Rutgers University or himself.

Dr. Davis.

ERIC DAVIS: My name is Eric Davis. I teach in the Political Science Department at Rutgers University where I have been for the past 25 years, and I direct the Middle East Studies Program.

I'd like to first say, as someone who has been teaching Middle Eastern politics, I've had to introduce many, many innovative pedagogies, so I come here as an educator thoroughly committed to educational innovation. However, in my own school district of Highland Park, I must say that having reviewed the notion of the charter school, I find it very lacking.

The first issue I'd like to raise is the whole notion, or the concept, underlying the charter school, the concept of a market. There seems to be this idea that somehow the educational system should be looked at in the context of a market. In other words, if we introduce the charter school in Highland Park that somehow this will make the traditional school system function better. The only problem with that is that by all surveys that have been done, the Highland Park school system has and continues to function among the best in New Jersey. So the whole idea of having it introduce a new school system, i.e., the charter school system, to make our system function better is a bogus idea in my view because the current system is working and working well.

Related to this issue is the problem of funding. The problem of funding is going to take about a \$250,000 to \$300,000 chunk out of a \$5 million budget. That is as a result of 25 to 26 Highland Park students are going to be syphoned off and attend the charter school that will open in New Brunswick this coming fall. Eighty percent of our school budget comes from property taxes.

The charter school system is going to duplicate a physical plant; it's going to duplicate educational resources; it's going to undermine educational efficiency. So it seems to me that the charter school has the potential to erode, not enhance, educational quality in the Highland Park.

Equally disturbing is the fact that the tax dollars that have been taken away from us have never been voted on by the citizens of Highland Park; rather, these monies have been allocated by fiat by the State. The residents of Highland Park have never had the say in how these tax dollars are being used. Yet, as all of us know, going back to the Boston Tea Party, that the concept of taxation without representation is a fundamental element of the founding of this country, which we all learned about in our elementary civics courses.

As I understand it, the State of New Jersey is the only state in the union in which either (a) the school district is not allowed to vote on the concept of the charter school or, if the district is not allowed to vote on the idea, the State pays for the mandate. Therefore, I would like to second the comments that have already been made by previous speakers that if the State is going to take away our tax dollars and not allow us to have a say about them, the State should pay for that mandate.

A third issue is the impact of the charter school on the community. Instead of drawing parents together in Highland Park, this system has sent two groups of parents, both of whom seek higher educational quality, against one another. Public policy, it seems to me, should be encouraging programs that bring people together rather than setting them at odds against one another. And rather than abandoning a school system which is already functioning and functioning well, this policy is allowing certain parents to abandon our school system to create a new project, which is, as I said, I think prone to serious problems.

Another issue is the impact of charter schools on poorer families. I think that, for example, the people that spoke earlier from Camden have a

very good point. Perhaps in larger school districts like Newark or Paterson or Camden, that have seriously entrenched problems, we need to have more educational alternatives. However, the charter school requires significant parental impact.

I see in Highland Park that the people who are involved in the charter school system are middle- and upper-middle-class families. Poorer families which have to go to work every day from 8:30 to 4:30 or 9:00 to 5:00 do not have the kind of flexible time that I have or my wife has as academics to engage ourselves in the charter school. So again it seems to me that there is a built-in disparity, or discrimination, against those parents who do not have the time: poorer families and, for example, single parents.

Another issue is accountability. That has just been brought up by the NJEA representative. For example, Highland Park Schools sends out mail, periodic newsletters, we have public board meetings. However, the charter school that is located in New Brunswick-- How do I find out what's going on in the charter school, how my tax dollars are being allocated? The school district is not even located in my home community. Also, as I understand it, the charter school is only subject to a five-year State review by the State of New Jersey. So it seems to me, again, that this is yet another problem vis à vis the charter school.

But not to come here and just speak in negative terms, I would like to suggest an alternative way in which you might address some of the issues that would bring together both the parents who are concerned with the charter school and those who, like myself, see the real alternative, the continued

improvement of our public educational system, and not to sort of jump ship when we already have a fine national school system in place.

For those parents who do seek educational innovation in the form of the charter school, I would argue that the best approach would be to meet with local school boards and administrators to establish special classes within existing schools. For example, in Highland Park, the high school has just built a large addition. It seems to me that parents could proffer a plan to hire one or more teachers to develop classes. And in some schools this might mean students having to attend classes at off-hours or in--

ASSEMBLYMAN WOLFE: Excuse me, Doctor, your time is up.

MR. DAVIS: Can I just finish? I have two more sentences.

ASSEMBLYMAN WOLFE: Real quick.

MR. DAVIS: What I'm just trying to end on is saying that I think the best way to do things would be have charter schools within the existing school system that would allow the students of all social economic status backgrounds to attend those classes. It would still allow educators, administrators to have some control over that. It would not duplicate physical plant to duplicate resources, and we can still have the idea of educational innovation but within the existing framework of the traditional public school.

Thank you. (applause)

ASSEMBLYMAN WOLFE: Thank you very much.

That was very nice, but there is no need to clap, though. This is just your own opinion. Now, for the rest of the hearing, until we conclude, everybody will get a chance to speak. People will be called on in the order in

which they called in their request to speak. So if you called Friday, you will probably be pretty late. If you called before that, then you will be--

In fact, Dr. Hal Morris of Teaneck Public Schools was the very first one to call. He must have been sitting by his phone the moment he got his letter, so he can go first.

HAROLD MORRIS, Ed.D.: I was there before I got the letter.

Thank you.

Thank you, Mr. Chairman, I do have printed copies, which I will distribute when I complete, and I will try to paraphrase and be to the point.

First, let me thank Assemblyman Zecker for making many of the points that I was going to discuss with you today and, if I may note, also agree with many of the points just made by Dr. Davis.

I do want to point out one thing, Mr. Chairman. That I come from Teaneck, New Jersey, northern Bergen County, and I would assume that the members of the Committee are familiar with the Teaneck community not being too different from the area in Clifton.

ASSEMBLYMAN ZECKER: It was raining in northern New Jersey when we left today.

DR. MORRIS: Mr. Chairman, this is an important issue to us, and I do want to initially tell you that Teaneck is one of the few, really truly diverse communities left remaining in the state as a school community. Forty percent of its school population is white, 38 percent of the school population is African-American and black, and about 22 percent is equally distributed between Latino and Asian. So it's really a diverse community. It also has one of the largest orthodox -- the Jewish communities in the State of New Jersey

who also have its children attend many of private and parochial schools in the area. So it is a very diverse community, socioeconomically, politically. In that kind of diversity, there will always be times where you have people who will have different opinions in a variety of issues on any given day.

Mr. Chairman, in paraphrasing my remarks, the issue that I am here to talk about is really again the issue of funding. Teaneck has a long history, and I personally have a long history and involvement in the state in educational, innovation, and reform. It's not about education, innovation, or reform, nor do I want to be labeled as many of the charter school advocates labeled those people opposed to the current legislation as being antireform.

It is very clearly an issue of funding. And as Assemblyman Zecker cited before -- and I couldn't have said it better -- it's really for us an issue of funding and, I guess, the intent of the law and fairness. Certainly-- I have two major points to make. One is certainly that the law and the intention of the law, perhaps when it was written in its good intention, certainly did not recognize many of the problems that you and members of the Committee are dealing with today.

And I think there is becoming universal agreement throughout the state, certainly in the Teaneck community, that this law needs some changes and it needs some changes fast and it needs some work, as Senator Ewing indicated that the bill needs to be tinkered with. Well, maybe a little more than tinkering with it, but certainly one of the aspects of this law, the funding aspect, certainly needs to be addressed.

We, of course, believe had you passed the State mandate-State pay aspect of this law, the current allocation of charters to different communities

in New Jersey, perhaps, would have been different. Certainly we do believe that if the State and the Commissioner is interested in school reform-- Although I have my doubts whether or not this is the silver bullet that everybody is looking for to overhaul “some of the ills that education needs to address,” but, nevertheless, I endorse the Commissioner and the State Education Department’s right to support individual charter schools and communities to do whatever they feel that can be done to tinker with or reform education, but they need to fund it.

The impact that you’re making on good school systems, functional school systems, by diverting funds from its budgets and its programs in this plan, is harmful, and it must be addressed. Relief must be given in legislation that you are about to consider.

Secondly, I am concerned about the label that says that, and in previous testimony, public schools are not able to -- “able to” -- organize and create educational environments for kids in the 21st century. That dispels the notion and makes an assumption that public schools throughout the State of New Jersey have done nothing, are doing nothing, and can do nothing.

There are many fine school systems in the State of New Jersey who function well: systems like Teaneck that sends 90-plus percent of its students onto some form of higher education. Systems like Teaneck that refurbish its own buildings. Eighty percent or more of its funding is from its tax dollars. Little, if any, State aid outside of categorical aid. Systems whose students are consistently scoring in the 90th percentile in its MLPs. In its lowest level, the nationally norm tests in the 75th and 80th percentiles.

These are not dysfunctional school systems, Mr. Chairman. These are school systems that are waiting, willing, and wanting to go ahead not only with its own reform efforts, but to cooperate with the State. This situation of funding has taken us and put us in adversarial situations with many members of our own community. They are saying, Mr. Chairman, if this vote -- if this were put to a vote in the Teaneck Public Schools and the Teaneck community today, whether or not a charter school was really divided, you would see it overwhelmingly defeated because, in its approval process, the Teaneck Board of Education and its community was excluded from the process -- excluded from the process of even dealing with these people in the application or approval form or in any way getting themselves involved. And we found ourselves outside of -- giving some meaningless comments that were taken as meaningless by the State Education Department.

We are now in a situation-- We are forced to be in an adversarial situation because we are defending our public schools.

Last but not least, Mr. Chairman, I wish--

ASSEMBLYMAN WOLFE: This is it. This is last.

DR. MORRIS: I think, please address the issue of the funding aspect that in the fallacy that's given out there that the dollar follows the children, and at school-like community and small communities, it does not. I have had experience in the public and private sector as a corporate executive, as a management consultant, in addition to being a school superintendent, since the 1970s. I can assure you a thorough examination of school funding would strongly indicate to you that that's a fallacy. The loss and impact of

financial dollars to local school communities is a great one and can only help continue the demise of a free public school education.

I thank you for your patience. My remarks go into some greater depth here, and I hope that you will have the opportunity to take a look at them and reflect on them but, most importantly, take some action and give us immediate relief.

Thank you, Mr. Chairman.

ASSEMBLYMAN WOLFE: Thank you.

While we are proceeding, I am going to ask Assemblyman Wisniewski and Assemblyman Zecker if you want to move over. You don't have to feel like you're at the end.

ASSEMBLYMAN ZECKER: You never offered, so we stayed where we were.

ASSEMBLYMAN WOLFE: Oh gee, thanks, guys.

ASSEMBLYMAN ZECKER: If he asked us earlier, we would come closer.

ASSEMBLYMAN WOLFE: I'd like to ask Ms. Lynne Strickland, the Garden State Coalition, to come forward, please.

LYNNE STRICKLAND: Thank you very much. I'll try to skim over the short piece I wrote at any rate and hope that I pass the fourth-grade test in speaking when I am done.

I'm Lynne Strickland, Executive Director of the Garden State Coalition of Schools.

The Garden State Coalition just wants to share with you concerns we are beginning to hear more and more of from our members at the board

table, in particular, about the operation of the charter schools. Garden State does not argue on the concept at all. As a matter of fact, we have no position on charter schools. We welcome tools that will improve the delivery of public education for our students, and we pay particular attention to seeing that one child's access to quality public education is not at the expense of the others.

Two of the major concerns we are hearing are, one, the funding mechanism. This seems to be the main sticking point. Yes, I think you are going to hear it again and again today. People generally are saying that their issues are not with the charter school concept, but rather with the drain on the local public school budget. And when analyzing this mechanism, it is important to understand that the districts who don't receive basic school aid or core curriculum aid -- and there are currently 240 or more schools that fit in that category now in New Jersey -- are required to pay for the charter school students directly out of their property taxpayer pockets.

There are also many aided districts that while they do receive basic support aid, still have to fund-- I would say the majority of the districts that receive aid have to fund their local public school students out of property taxes to 65 percent to 75 percent to 85 percent. Taxpayers get aggrieved, regular public school programs are threatened, and students' needs are pitted against one another.

You also have undoubtedly been hearing from those who feel that the State has handed them a heavy mandate and are very frustrated with the lack of recourse to date. They see this unfunded mandated, albeit perhaps technically correct by date, as a threat to their children's educational well-being and as an additional burden on their communities' property taxes.

It's no surprise, perhaps, that the first case ever heard by the New Jersey Council on Local Mandates happened to be the Clifton Board of Education verses the Commissioner of Education and the Classical Academy Charter School of Clifton this April, 1998. The Council decided against the Clifton complaint, but what is interesting to note is that the transcripts indicate that the Council based its decision on the fact that it had no jurisdiction. In other words, the charter school law was passed shortly before the Council came into being. Thus, technically the Council could not rule on a law that came into being before it was in existence.

The State mandate-State pay issue will still hang out there, though. To quote Council member Judge Farrell, "You can't claim that it is not an unfunded mandate; an unfunded mandate by definition is that it is an expenditure that the State doesn't reimburse."

The other major concern I just want to point out to you is the concept of enabling school reform to grow through the operation of charter schools leading the way and showing other ways in education to help children. The problem is the playing fields are different, and it's relative also to the funding mechanism because there are some people that would argue that a little pain will bring production. The regular public schools will look at themselves as say, "What do we need to do, and why are our children leaving us, and what can we do to improve?"

But if the funds are draining away and they don't have the same regulatory process -- and the public schools currently are very regulated, the charter schools are deregulated for the most part, and they also have a different governance systems. So I think if you want to improve public education, the

Garden State Coalition would prefer to see a window of opportunity open for the public schools to be able to jump through that window through less regulation. You have to look at the governance-- You have to just compare the fields fairly.

I'm done.

ASSEMBLYMAN WOLFE: You have more time.

MS. STRICKLAND: No, no.

ASSEMBLYMAN WOLFE: Thank you, thank you very much.

MS. STRICKLAND: I wouldn't do that to you.

Thank you.

ASSEMBLYMAN WOLFE: Okay, next we are going to ask Mr. John M. Abeigon. I don't know who he is with. I know he is with AFT, AFL, CIO, NJSFT, NTU.

Hi, hi, how are you?

J O H N M. A B E I G O N: Good morning. John Abeigon with the American Federation of Teachers. And to ask a student of Al Shanker to paraphrase would be a disservice to the Committee, so I am going to limit my testimony to the prepared text, which I know is under four minutes.

When I read parts of the charter school law, I am reminded of Al Shanker, the late President of the American Federation of Teachers and his original vision for charter schools. His vision was of a charter school acting much the same way as a medical or pharmaceutical laboratory, research centers for educational reform and innovation free from the restraints of a public school system that stymies the development to reform.

It is inconceivable to anyone in this room that we would allow Hoffmann-La Roche to simply dispense a possible cure for an ailment with years of limited research and data and testing and that a similar length of research and testing by the FDA. Yet, here we have a law that states the charter school program shall authorize the establishment of not more than 135 charter schools during the 48 months following the effective date of this Act.

The law goes on to say further that the Legislature further finds that the establishment of a charter school program is in the best interest of the students of the state. How does the Legislature know this? Based on what research? Based on what data? The Department of Education and the Legislature were inexcusably irresponsible in allowing for more than the original controlled number of 13 schools to act in a way other than exactly as I stated in the opening of my testimony, limited research centers.

It is demonstrable and mischievous nonsense to allow teaching staff members who must teach, parents who are busy working and parenting, or a combination of both to create and sustain a new educational system that will achieve most of its stated purposes. You all know that most new businesses fail outright or miss their mark. The difference is that they do so with their own money, not with the taxpayers.

Thus, in their beginning is their end. Charter schools, as established in the present law, are predestined to fail and foster the type of suggestively felonious behavior we are beginning to read about in the press. What is it that permits political leaders and administrative appointees to support creating a workable, a very small number of charter schools and, then in short order, before anything is known about the obstacle course that schools

confront, to call for a more dramatic increase in their numbers? Isn't all this mumbo jumbo about school choice, which is a separate issue, interspersed in the charter school law that subjects parents, teachers, and children to yet another instance of educational innovation, the implementation of which is yet another catalogs of errors of omission and commission fostered by public misconception?

School choice can be said to exist in higher education. Competition in higher education has nourished many mediocre institutions as well as some of the finest in the world. And contrary to the claim of choice supporters, it does not inevitably cause the mediocre institutions to go under or improve for want of customers.

The New Jersey State Federation of Teachers sees great potential in a limited State mandated-State pay charter school system if documented: the potential to prove with data what every teacher, parent, and child knows, that smaller class size raises student achievement, the strong and fair codes of conduct and behavior build character, and that allowing teachers and parents a stronger role in the schools' administrative decisions build mutually agreeable policy that allow for the improvement of pupil learning.

We implore you to limit the number of charter schools to the original 13 and expend a serious effort and an objective effort to evaluate the new initiative developed so as to have a concrete basis for spending large sums of money to spread the positive aspects of charter schools with demonstrably credible evidence to the immense majority of public school students who continue to languish in an antiquated schoolhouse waiting for your leadership.

Thank you.

ASSEMBLYMAN ZECKER: Thank you.

Do any of the members of the Committee have any questions?

ASSEMBLYMAN WISNIEWSKI: I don't see any, Mr. Chairman, thank you.

ASSEMBLYMAN ZECKER: Thank you.

Next we have Jeanne Allen from the Center for Educational Reform from Washington, D.C.

One hell of a commute this morning. I thought I had it tough.

J E A N N E A L L E N: It was, I got to tell you. I wish it was sunny up here.

MR. EWING: Jeanne, get the microphone.

MS. ALLEN: This one? (indicating)

MR. EWING: No, the other one.

MS. ALLEN: Good morning, thank you.

Can you hear me? Does this work?

ASSEMBLYMAN ZECKER: I can hear you fine, but I don't know about the audience.

MS. ALLEN: They don't need to hear me.

ASSEMBLYMAN ZECKER: Is the microphone on? Can the audience hear the speaker?

UNIDENTIFIED SPEAKERS OF AUDIENCE: No.

ASSEMBLYMAN ZECKER: Want to do a testing, testing, one, two, three.

MS. ALLEN: Well, if there was an on or off switch, I would be fine. Maybe I should just start over.

MR. EWING: Speak into the silver one.

MS. ALLEN: Thank you, Assemblyman.

It's good to be here. I appreciate the opportunity to come up and say a few words. I recognize this is a very local and State issue. My organization works with charter schools, charter school resource centers, and policy makers throughout the country. We've had a great interest and participation in the New Jersey debate for several reasons. I also hail from here and grew up and was born and raised up in Bergen County, so I have a quite familiarity both at the school system, which is excellent, as well as still have many, many people in the state.

Anyway, the debate here is of great interest because, like most states, 33 all together across the country, who have charter school legislation, there are people who are seriously concerned and have very, very valid concerns about how charter schools and whether charter schools are part of public education, a separate aspect of public education, or just, in fact, what we should be doing. Should we be treating this as an experiment? Should we be treating this as something much more integral, and in fact, how should schools in traditional school districts evolve and interchange with charter schools?

And I think one of the things that does distinguish New Jersey, however, from really what is going on in the rest of the country is that there appears to be a critical disagreement here about whether or not charters are good or not, whether or not they are beneficial to the entire education system. And I think, in most cases where you go, the disagreement is not so much over

whether or not they are good, but over who should deliver education for our children.

In other words, charters are a much larger piece of a puzzle right now in how to reform education. I would argue that charter schools, from what we've seen in the over 800 charter schools now operating across the country, are indeed showing us not only that there is another way to educate children, but that there is a complementary way to have an alternative, to have excellent schools, to have schools run by a number of different people not within the traditional rubric of the school system and still, in fact, be complementary and very much part of what we know to be public education.

But I guess the question here over who should deliver it and be responsible is really the essential question. On one side you have those who believe the political body should govern. The school boards are elected, Assemblymen are elected, other bodies are elected across the state and across different states in this country to govern. And on the other side, there is a group of people who believe the communities, parents, schools, individuals should, in fact, be able to educate and deliver education as well.

Is the latter less accountable because most hold no office or they have not had to walk precincts or do the various political circuits? I think we should be very, very clear that the changes that have occurred in every major industry in this century, from telecommunications, to health, to the automobile industry, to the environment, have been forced on us by outside changes, have been somewhat spurred by economic or social forces. In fact, education is no different and demands no less, in fact, one could argue

demands the most important kind of changes that we need to see in education today.

But unless we can all sit here and actually say that every child in the state is being educated the best way possible, that we are doing everything we can in terms of outcomes, not just inputs, to make sure children are getting the best education, I think one could argue that definitely we need to look at alternatives. But beyond alternatives, what is the potential? In fact, what is the opportunity for charter schools to become yet another part of the public system that -- in terms of providing options for teachers and parents and students? I think one of the useful things that we bring out of this state across the country -- and you should be proud of -- is how many of the community leaders, the civic leaders, the urban leagues, the police forces, the law enforcement agencies working with charter schools, the parents. People who have been in New Jersey for years and years actually leave to tell their story across the country. It's quite impressive.

But I think one of the issues that I would like to focus my last few minutes on here is the financial interest because charters in New Jersey-- Obviously, there has been a huge ballyhoo and cry about how they are financially treated and whether or not these are taxpayer dollars, whether or not they belong to a community, or whether or not they belong to everybody. And one of the things I've heard that's really amusing-- From time to time we'll get calls from reporters or from charter people themselves. They will say, "Is New Jersey really the only state in the country where we're forced -- communities are forced to fund charter schools? Isn't it true that states fund it?" And the answer is no.

New Jersey is just like every single other state that has charter legislation. While the path of funding may differ, the money is all coming from the same sources. There are only two exceptions. Arizona and Michigan, in the initial years of their charter school legislation, did, in fact, have total state funding for charter school students as they were phasing out. In other words, they were holding some schools harmless, and they had a double-funding mechanism which, in the case of Arizona, they discovered was a mistake and, in the case of Massachusetts, is what the Legislature felt they had to do in order to allow charter schools to thrive.

This year all of that goes away, and so both local and state dollars are following kids. For, in fact, taxpayer dollars and our obligation to fund public education in this country, whether it be a magnet school, an alternative school, whether it be private funding for special ed kids that go to hundreds of private schools in this state if they cannot get the services they needed in a public school district -- regardless of the situation, those dollars are dedicated and devoted to children. And dollars should and are beginning more and more, particularly through the uses of things like charter schools, to follow the child. If we believe that we should be funding children and not systems, that is our obligation. Charters, in terms of actually focusing on education and public education in this country, please make no mistake about it, are having a dramatic impact on school systems. And in many, many places around this country, school systems and charter schools are working wonderfully together.

The head of the Colorado School Boards Association stood up two years ago at his annual meeting and implored his members to come to the table, to sit down, and figure out how they can become new providers of public

education. How, as opposed to being responsible for all aspects of every school, they can get back to their original task and their original duties, which was, in fact, to help deliver education, to seek out the best delivery mechanisms, and to provide to the best of their ability within their community for public schools.

And so, while superintendents and reform-minded school board members and educators across this country are joining together to help make charter schools work, the focus in this state, I would hope and as you are obviously having this hearing, is to see how they can work together and to try to put away the concerns of adult jobs and typical systems and focus on how we best educate the child.

I'd be happy to provide you with any kind of information I can at any time. I appreciate the time to talk to you.

ASSEMBLYMAN ZECKER: Can you send the Committee any and all pertinent information that you can? Obviously it's an issue that's not going to go away. I'm sure every member of the Committee would appreciate anything you could send out of Washington.

MS. ALLEN: I would be happy to.

ASSEMBLYMAN ZECKER: You probably got better national numbers than we have here in Trenton.

MS. ALLEN: Well, we do. And one of the things we do twice yearly is put out the National Charter School Directory. One that we have just published has a listing of all the over 800 charter schools. In fact, in September, what you might like to know is, over 1100 schools will be

operating, serving over 220,000 children nationwide. And that's in just 26 of the 33 states that currently have charter schools. So it is certainly exciting.

ASSEMBLYMAN ZECKER: Any national data you could send us I'm sure the Committee would appreciate.

MS. ALLEN: I'd be happy to.

ASSEMBLYMAN WOLFE: Ms. Allen, Assemblyman Wisniewski has a question.

ASSEMBLYMAN WISNIEWSKI: Ms. Allen, just two questions. In your testimony, you made a reference to how New Jersey funds charter schools in comparison to other states. Are you saying that New Jersey's funding mechanism for charter schools is similar to the funding mechanisms in other states?

MS. ALLEN: It is. The path may differ. New Jersey, like some states, is heavily relying on, as you well know, property taxes, and so when you have pools of money going from the local school district and some from the State and then some from the Feds, that both feeds into local LEAs and the State Education Association. States like Arizona, where 60 percent of the money is collected centrally and another 40 percent, more or less, comes from the local districts, they both send directly to the charter school and are required to do so.

The only differences that we tend to see, or struggles, is states like California -- although that is going to change. But up until this point, states like California, where the school districts were in charge totally of approving charter schools, are required to pass on any funding for those children, whether

in categorical or Title I money or state money, to the charter schools, but they also can negotiate for certain services.

It's a vaguer in the law the Legislature just corrected in a huge bipartisan move that makes California's charter law now the second strongest in the country. They had a cap, they had total school board autonomy over charter schools, and because they only had 100 -- because the local LEA were the only sponsoring authority-- In a state the size of California, you would expect to see more than 100. They recognize that one of the reasons they only had a little over 100 is because school boards had the exclusive franchise over who to charter. So the Legislature, just last week, passed a pathbreaking law to expand it. Now money will not only flow from the local district, all of it, without negotiation, but also continue to flow from the state.

ASSEMBLYMAN WISNIEWSKI: That leads to my next question. There seems to be split in philosophy as to whom the education dollars belong to in some of the testimony we've heard here today. Does the education money belong to all of the students, or does it belong on a per capita basis to a student? Because if I'm to follow your testimony, it would seem that the trend nationally is that the dollars are divisible by student and therefore follow the student. Whereas, I think some of the other testimony we've heard today is that the educational money belongs to all of the students, and by taking some of that away, you disadvantage the bulk.

MS. ALLEN: Well, I guess if we were to believe that the money belonged to all the students and the actual buildings and the bricks and mortar, then every time there is an enrollment increase, we shouldn't worry

about whether or not we've got room for kids. Or every time there is an enrollment decrease, we shouldn't worry about taking away.

In other words, if we were going to have a static formula where, let's say, 3 million flows into Sussex County for X, Y, and Z school, then you wouldn't think if it didn't belong to students, too, it shouldn't expand and fluctuate with enrollment. In fact, school finance does expand and fluctuate.

ASSEMBLYMAN WISNIEWSKI: Well, it should because as you acquire more students you need additional teachers--

MS. ALLEN: Right.

ASSEMBLYMAN WISNIEWSKI: --additional classroom space.

MS. ALLEN: Exactly, as you need more students. And as you have fewer students, as we've seen in lots of trends in decline of enrollment-- In the '70s, for example, there were fewer students, and you didn't have the same amount of money going to school districts. Local communities didn't raise the same amount, the state didn't subsidize the same amount, the Federal government didn't provide the same amount as you had enrollment declines.

So while we tend to fund systems, there also is quite a bit of history to suggest that even though we are funding systems -- because that seems the easy way to do it, the reasonable -- the way that we can best account for the dollars, we are, in fact, funding children. It's just been very clouded by the way we have different programs coming from different places.

ASSEMBLYMAN WISNIEWSKI: Let me just, I guess, conclude on this observation that if you reduce the state's education system to one classroom and you had 25 students in that classroom all contributing through their parents' tax dollars, prorater for that teacher, and 10 of those students

were to decide to leave that classroom and go to a charter school, that teacher still who is teaching the remaining 15 would still have to be paid, leading to a per capita increase for those remaining children. It would seem to put the remaining children at a disadvantage for the children who decide to leave.

MS. ALLEN: Well, I guess one of the things you've got to consider-- Well, there is two factors to consider. One, I would hope that we'd all want to question why those 10 students left and worry about those 10 students equally as the 15 and work just as hard for those 10 students who have opted to go someplace else whose families -- as those 15.

When it comes to the 15, you can't assume an education never has acted this way, that there is a static model, that that building stays the same, teachers stay the same, 15 students stay the same, nothing changes. In fact, school finance does fluctuate, buildings fluctuate, services fluctuate.

ASSEMBLYMAN WISNIEWSKI: Well, let me ask you this question then. If that type of choice is permissible and that child then wanted to go to be home schooled, should that money then follow to the parents -- back to the parents -- because the child is now at home?

MS. ALLEN: Well, I think you are talking about two different paradigms. You're talking about one within public education, which is what charters are, magnet schools, different--

ASSEMBLYMAN WISNIEWSKI: Well, are charters truly public education?

MS. ALLEN: Absolutely.

ASSEMBLYMAN WISNIEWSKI: Because they are funded with public dollars?

MS. ALLEN: Because they are publicly accountable. They are publicly accountable. They may not be publicly accountable to the local school board that was elected, but they are accountable to a governing board which is chosen just the same way school boards are elected by parents when they vote with their (indiscernible) to go there.

ASSEMBLYMAN WISNIEWSKI: I don't know that I agree with that entirely.

Thank you.

MS. ALLEN: You're welcome.

ASSEMBLYMAN WOLFE: Ms. Allen, thank you very much for your testimony.

MS. ALLEN: Thank you

ASSEMBLYMAN WOLFE: I'd like to welcome Assemblyman Craig Stanley who is joining us.

Welcome, Assemblyman.

I don't have a microphone that speaks to these people. Do you want to say anything before you--

ASSEMBLYMAN STANLEY: Well, I guess the only thing that I would really say is that, well, number one, I commend you, Mr. Chairman, for having this hearing. This is indeed an issue, and I think the basic issue here is not whether charter schools are good or bad. I feel, as most people do, anything that helps educate children is going to be a good thing. The question is, of course, that we don't place students at risk via-- The way we fund education, number one, in the state anyway is problematic. But then, when you are taking from the pool and--

Some of the conversation between Assemblyman Wisniewski in the previous testimony, we find that that becomes the issue, as to How we fund these charter schools, and also where we are going with the charter schools? Are we going to make charter schools available to every student in the state? I don't think so. Our main concern is the-- I believe our main concern is to develop a public school system that works, that the kid down the street can walk to the school and get the proper education.

The-- I guess one of the things I'd like to hear within the testimony is, is there a reasonable-- I don't think that the funding can just follow the student. I don't think that that's prudent, and I don't think it is feasible. Of course, again, referring to Mr. Wisniewski's comments, I think if you have 10 students leave out of 25 that's one thing, but when you have 5 students leave out of 30 that's another thing. You have those fixed costs, now you can't absorb that-- You can't say, well, you got 5 students who left. If you got classes that are 30 in a class, now you're down to maybe 25 students a class instead of 30. You have those fixed costs that are going to remain. You can't say, well, you got 25 students now in each class. You're going to have one class with 50 students and take a teacher out and those kinds of things.

It doesn't work. When you are only losing maybe 5 percent or 3 percent or 2 percent of the people, you know your fixed costs are much greater than that, and so we have to try to figure out what is a happy medium, when we can afford to say that this amount of money can follow the student, but this amount of money must stay with the public school system.

But, again, I'm sure that we've heard some testimony regarding that already, and I'm looking forward to some more. I'm just glad to be here and glad I was able to make it down.

And welcome to all of you. I'm glad so many of you came down in what we've seen is a very miserable weather system.

ASSEMBLYMAN WOLFE: Thank you, Assemblyman.

Next is Sharon Kregel, Citizens for Public Education.

SHARON KRENGEL: Good morning. The three of us are all from Highland Park and from Citizens for Public Education. You mentioned that we should all come up at the same time. Is that right?

ASSEMBLYMAN WOLFE: Do you want to give their names, please.

MS. KRENGEL: Yes, my name is Sharon Kregel. This is Judy Vonella Fischer. And this is Joy Schulman.

ASSEMBLYMAN WOLFE: Do you want to give copies of your testimony over here, and we'll just pass it out.

MS. KRENGEL: Afterwards, is that okay?

ASSEMBLYMAN WOLFE: Whatever.

MS. KRENGEL: Before I start, I just wanted to address what the woman who came up from Washington said. And as far as I have come to understand, doing research on the Internet, being given information that other people have gathered, it is true that New Jersey is anomalous in comparison to other states with charter schools. It's the only state where one person, the Commissioner of Education, grants the charter without district input. The district has no say on whether there should be a charter in their district, and

yet the district pays. As far as I know, New Jersey is the only state with that set up.

ASSEMBLYMAN WOLFE: Excuse me, before you begin.

MS. KRENGEL: Yes.

ASSEMBLYMAN WOLFE: You're representing Highland Park, the three of you?

MS. KRENGEL: Yes, we are all from Highland Park, and I'm representing Citizens for Public Education.

I've come to this public hearing today because I'm afraid that Governor Whitman and our legislators are withdrawing support from the existing public schools. I see clear evidence of that in the charter school law, and it upsets me. Asking school districts to take much-needed funds out of our schools and give them to a separate facility that we did not agree to, have no say about, and cannot effectively monitor is tantamount to a vote of no confidence. The resulting program cuts increased class sizes, and lack of funds for new and innovative projects are devastating to the education of the majority of children in the established public schools.

You're the Assembly Education Committee, and so I am sure that you know what the purpose of our public schools is: to educate all the children, even, or perhaps especially, those who don't have a strong parent advocate overseeing their education. The purpose of the public schools in a democracy is to try and give all children a chance at a happy and successful future. If you willfully or even accidentally weaken the established public schools serving the great majority of students, then you weaken a basic tenet of democracy that all children, not a select few creamed from the crop, be given the opportunity to

learn and grow and achieve. That all children, regardless of race, social position, or intellectual ability come together to be educated with the same opportunities, helping each other, learning to live together, and beginning to make the society of the future.

By forcing charter schools on districts that neither want nor need them and by siphoning off much-needed funds from the established public schools serving the vast majority of students, you are dealing a severe blow to the notion of public school. There are many parents like myself who can see beyond the needs of our own children, who can see the needs of the majority of children of students, who can't come to public hearings or perhaps don't know about public hearings and meetings and conferences. Bluntly put, we are here to stop anyone from harming their educational chances or ignoring their educational needs.

The charter school law, as it now stands, will weaken our public schools in the service of a select few. It represents a State-sanctioned abandonment of the public schools by families whose only interest appears to be the education of their own children at the expense of the great majority of children. Until charter schools have no financial, educational, or social impact on the public schools, they are de facto threat to their existence. If you mean for our public schools to fail, then this law makes sense. If you don't, then it has to be changed. Please be aware that we citizens will not sit idly by while our schools are attacked, while buzzwords like school choice are used as a smoke screen to cover the intentions or divert funds from the public schools and ultimately create voucher systems.

Because of this apparent attack on our public schools and on our children's educations, I and a number of other citizens in Highland Park decided to create an organization called Citizens for Public Education. In our specific case, we are protesting the establishment of the Regional Greater Brunswick Charter School, but we are also linked statewide with other individuals and groups working to change the law.

Probably you have heard of us because we, along with several other districts, were the ones who organized the rally against the charter school law in Trenton at the State House on March 30th and got quite a bit of press about that. It was a heady moment for us because there was much support for that idea that the law had to be changed. Speaker after speaker talked about being given the right to decide whether or not we wanted charter schools in our districts. We talked about the unfairness of having one person -- as I said before, the Commissioner of Education grants charters without considering the wishes or the of the district schools and then demanding that the district foot the bill.

Because that's how it works in Highland Park, where local property taxes pay for 82 percent of the school budget. That means 82 percent of the money for the charter school comes from locally raised taxes. The State is not paying for the school in this case; we the taxpayers are. Our property taxes are going up because of charter schools. For residents of Highland Park on fixed incomes, such as senior citizens, or for those who are just getting by, these increases are quite significant. Our school budget recently passed by only 100 votes because many people, even those who support the public schools, simply

can't afford the tax increase. That means neighbor is pitted against neighbor, and the good of the children takes a backseat.

A number of false premises has been put forward to justify the funding of the charter schools. For example, many people, even this morning here, have been talking about this misguided idea that the money follows the child. But the cost of educating children doesn't work that way. School funding works on a districtwide basis with funds for a variety of programs to meet a variety of needs, some of which are much more costly than others.

Simply put, as Assemblyman Stanley just said a moment ago, a class with 25 children costs exactly the same as a class with 22 children. There is no saving in teacher salaries, utility cost, overhead expenses in the loss of 1 or 2 or 3 children per classroom. Sending district children to a charter school won't help decrease cost. It only siphons off much-needed, tight funds.

So I invite you, all of our legislators, to come to Highland Park and see what our schools have achieved. See just what innovation and achievement really mean for all children, as I said before, regardless of race, social position, or intellectual level. To see what the loss of hundreds of thousands of dollars will mean to a district like ours. To see that parents and other taxpayers are united in defense of our schools, furious at the divisiveness that the charter school law has created in our community, and willing to do what it takes to get things right for all of our children. We will not accept attacks on public education in this state.

Finally, I just want to say that I urge you to amend the charter school law by providing for local district control over their establishment and a funding mechanism that in no way penalizes the existing public schools.

ASSEMBLYMAN WOLFE: Thank you very much.

Do you wish to testify?

JOY SCHULMAN: Yes.

ASSEMBLYMAN WOLFE: I just want to reiterate a request we made at the very beginning of the hearing. Please do not read your testimony. We appreciate it if you would paraphrase it. We have some groups here with eight or nine speakers. We cannot allocate an hour to a specific school district. If you want to have one or two spokesmen for that particular school district-- We are not the State Board of Education. We are not here to make a decision for or against a specific granting or not granting of a charter. We are here to see if there is a problem with charter schools, what is it, and how can we make them better.

So you must be Judy Fisher.

MS. SCHULMAN: My name is Joy Schulman.

ASSEMBLYMAN WOLFE: You're not here. (referring to witness list)

MS. SCHULMAN: I am also a parent in Highland Park, and I'm here to speak though representing Progressive Taxation for Education, which is a statewide organization, which began in Highland Park and now probably involves about a dozen school districts.

PTE is a statewide coalition seeking to reform the way public schools are funded in New Jersey. Certainly the way public schools are funded in New Jersey, with a regressive-tax mechanism of the property tax, makes the charter school even more difficult than it is in other places. Our efforts are

directed at moving away from the overreliance on property taxes, a regressive form of taxation, to a more progressive system.

As an organization that focuses trying to effect equitable and sufficient funding for New Jersey's public school, we thought it was important to come here to speak out concerning the funding of charter schools. The current funding mechanism of charter schools is at the expense of the established public schools, taking precious dollars away from them and channeling those funds to schools for a selected few. This forces the established public schools to cut programs and forgo innovative improvements to current programs.

Progressive Taxation for Education sees the charter school law as an attack on public education that gives license to citizens to abandon their commitment to a sound and equitable education for all children. PTE is committed to fighting any legislation that diverts funds from public schools such as the charter school law. We urge the Legislature to reform the charter school law so that the local school districts do not bear the burden of financing charter schools.

Thank you.

ASSEMBLYMAN WOLFE: Thank you.

Judy Fisher.

JUDY VONELLA FISHER: Good morning. I'm not going to read my statement; you have it before you. It restates much of what has been said this morning. There is one point that hasn't been addressed that I would like to state, and that's that the other communities involved with the Greater

Brunswick Charter School, Edison and New Brunswick, have shown a desire for the charter school. Highland Park consistently does not do that.

In the beginning, when the charter school was being developed, it wasn't believed that Edison and New Brunswick had adjoining geographic borders; in fact they do. The school could continue without Highland Park's participation.

The other thing I'd like to actually read to you is a petition that we did in a very short amount of time in Highland Park, where we received approximately 500 signatures from the residents there showing a very strong resistance to the Greater Brunswick Charter School. And I'll read it to you as it's written. You have a copy.

It says to "Governor Christine Todd Whitman, Senator Robert Martin, Assemblyman John Wolf (*sic*): "Whereas, Highland Park is a superior school district as measured by student success rates;

"Whereas, neither the voters of Highland Park nor their elected representatives of the Board of Education ever approved the establishment of the Greater Brunswick Charter School;

"Whereas, under the present charter school law, Highland Park is required by the State to divert scarce funds raised through local property taxes and earmarked for the existing public schools to the Greater Brunswick Charter School;

"Whereas, Highland Park's local property taxes are among the highest in the state and over 80 percent of the school costs are paid for by local property taxes;

“Whereas, Highland Park cannot afford to support a charter school nor is it needed for educational reasons;

“Be it resolved that the charter school law should be amended to protect districts like Highland Park from the seizure of local property taxes for a charter school that the local electorate has never approved.”

And I thank you, and I hope that you are able to reconsider.

ASSEMBLYMAN WOLFE: Thank you very much.

Susan Tantillio, the Charter School Resource Center of New Jersey.

Sarah, I’m sorry. Who is Susan? (laughter)

Sorry.

SARAH TANTILLO: Thanks. My name is Sarah Tantillo, and I’m the Coordinator of the Charter School Resource Center, which is located currently in New Brunswick. The Charter School Resource Center exists for the purpose of helping people start and run charter schools successfully, also to inform the public about charter schools.

The Charter School Resource Center is a program of the New Jersey Institute for School Innovation, which has as part of its mission to improve the quality of public education overall and to expand public school choice opportunities in this state.

I’m going to be very brief because several remarks that I was going to make have already been stated and I’m sure will be stated by subsequent speakers. I wanted to thank Jeanne Allen for coming up to speak about the national picture and just to reiterate that the movement is growing nationally. As she mentioned, there are more than 800 charter schools in the country, and

we will see more than 1000 in September. In New Jersey, the number of charter schools has more than doubled in the past year.

As someone who works with those people who are in the planning stages of starting charter schools, I'm aware of more than two dozen groups around the state, currently, that are planning charter schools. This movement is growing and expanding in really exciting ways.

With this growth comes a need for accountability. In any legislation, a year or two after its passage it is appropriate to assess how effectively the implemented program is meeting the intentions of the Legislature. A study of these results forms a subsequent discussion of possible amendments to the original bill.

The New Jersey Institute for School Innovation, which oversees the Charter School Resource Center, has commissioned a first-year study of New Jersey's charter schools by Teachers College Columbia, which will be presented to members of both Education Committees in Trenton on June 9th. We hope the findings will be useful in the continuing effort to improve public education in New Jersey and certainly that will be well publicized, and we look forward to your interest in hearing the results of that study.

Thank you.

ASSEMBLYMAN WOLFE: Thank you very much, Sarah, for your testimony.

Okay, now we are going to begin hearing from a series of communities who have brought a large group of people with them. Mary Wakeham, Michael Klavon, Mary Hauss, Rebecca Pocsaji, Nancy Bucco, and Assemblyman Sam Thompson. They are all from Matawan-Aberdeen.

Assemblyman, do you want to come on up?

Again I would appreciate if you could just give a synopsis of testimony rather than having 10 people speak about a specific school system.

Assemblyman, thank you.

ASSEMBLYMAN SAMUEL D. THOMPSON: Thank you, Mr. Chairman. Actually my remarks are not related only to Matawan-Aberdeen. We've heard many comments suggesting there are pros and cons related to charter schools. We are all hoping that they are successful.

I feel there are several items that require some modification in the program as it currently exists. One is related to the timing; thus, later this week the school districts will be advised exactly which students, how many students, and so on, will be going to the charter school that they will be losing. This is well after the school budgets have been passed. They are trying to modify them, etc. It is my view that the timing of this should be modified such that the registration for charter schools is done in January in order that the precise information can be supplied to the school districts prior to their adoption of their budget, so they know what they are dealing with. And, of course, other shifting of time lines to match with this.

A second item is that the school districts are being required to supply the money for all students that are going to go to the charter school, including those that were not in public schools before. I follow the argument that okay, money was being collected for these children before from the parents, etc., but they are also having to put in what would normally be the State's contribution for these nonpublic schoolchildren. I think that's totally inappropriate. They were not receiving that money, and they are now going

to have to take it out of their budget. So the State should make its contribution for any previously nonpublic students that are going to be attending the charter schools.

Finally, it's my understanding that the Department of Education, in computing how much each district should contribute to the charter school, is using an average figure for all students without regards to whether you are discussing primary grade students, middle school students, or high school students. Well, of course, the cost is very significant whether you are speaking of a high school student or a primary grade student. I believe that the cost, when computed for the students, should relate to the grades that you are dealing with and, therefore, be true cost related per each student that is being moved over to charter school.

Thank you very much, Mr. Chairman and members of the Committee.

ASSEMBLYMAN WOLFE: Thank you, Assemblyman.

Okay, now can we have some representatives of this huge group speak, please.

MICHAEL K. KLAVON: I'm going to go first, and then I'm going to be very brief and address some of the comments that were made, not referring at all to the testimony, but addressing the comments that were made, and then the others will be also brief.

Let me point out that my name is Michael Klavon, Superintendent of Schools in Matawan-Aberdeen Regional School District. Unfortunately, to make an example with regard to Mr. Zecker that he pointed out that in their \$62 million budget, they were going to be losing \$700,000, we have a \$38

million budget, and we are going to be losing \$1.56 million. So we have less money and we are losing more.

I personally believe in reform. I believe in experimental models. I believe in alternative modes of education. I believe in the primary rights of parents and believe that lighthouses should point to what works and what doesn't work. I do have a suggestion as to how the funding should work in regard to, I think, Mr. Stanley's comment and Mr. Wisniewski's comment.

One, New Jersey unfortunately has, as you know, a very complicated funding system with regard to their property taxes, how State aid works. As you know, the State aid in one district could be 90 percent. In another district it could be a very negligible percent of that district's budget. And in some districts, the spending can be over \$20,000 a child. In other districts it can be below \$6000.

And Assemblyman Thompson pointed out the State has already determined that there are three average costs for education in New Jersey, an elementary cost, a middle school cost, and a high school cost. The State also allocates on average somewhere around 38 percent, give or take a percent, in terms of State monies to education. What I'd like to propose is a-- Because I don't believe that there should be double funding, but I believe there should be a cost sharing, and the cost-sharing mechanism, I think, is already there.

The Commissioner has identified how much he believes it costs for each one of those levels. And yet the charter school law that you passed says that 90 percent -- excuse me. The State Board of Education just adopted regulations that says it's 90 percent of the local district's money. And so, therefore, for local districts that are spending \$18,000 per child, it would be

somewhere around \$16,000 that would go to that child in the charter school. Whereas, in another school district, if they are only spending \$6000 a child, it is obviously a much smaller number, yet two charter schools getting off the ground, similar costs, why such a big difference in money? So what I am proposing is that we use the tiny amounts that are already established by the Commissioner and then use the same ratio of State aid to local money on an average.

So, therefore, 40 percent of the money comes from the State. It would be 40 percent of the money divided in half going to the local school district and to the charter school. And the amount of money raised locally would be again half of the amount of money that's raised locally that would go towards the charter school program, and the cap per pupil would be on the Commissioner's numbers, not the numbers of the local district.

Now, obviously, if the charter school can do it for less, they shouldn't be given a blank check as is what is happening now. Now the charter schools are given the exact amount of money, and they know they can spend that without having to be efficient or thorough.

Thank you.

ASSEMBLYMAN WOLFE: Don't go. Wait a minute.

MR. KLAVON: I'm sorry.

ASSEMBLYMAN WOLFE: Where is Assemblyman Wisniewski? Did you understand what he said? That formula?

Could you say it one more time.

MR. KLAVON: Sure. In other words-- Just very briefly-- But the Commissioner has -- and I don't have these numbers memorized but-- The

Commissioner has an amount of somewhere around \$6000 for elementary schoolchildren, let's say it's \$6500 for middle, and let's say it's \$7000 for high school. If the charter school is going to be an elementary school, it should be capped at a per pupil amount of that \$6000. Then any student, if they go on to middle school grades, it should be for those grades that are in the middle. They should get the middle school amount as a cap per pupil.

The other thing that should happen with the funding is, if a school district right now is getting 90 percent of the money from the State, another one is getting 5 percent, the State average of 38 percent -- let's just make it 40 because it's easier to do the math-- If you take 40 percent and take half of that amount of money and give it to the local district, take the other half of that money and give it to the charter school, and you do the same thing with the 60 percent of the money that is remaining -- you take half of that money and give it to the charter school and the other half remains in the district.

Because as was pointed out -- and I can spend a lot of time on this, but I won't -- just to highlight it. In a district like ours, we already have an established salary guide. You have a bell curve, you have X amount of people making \$60,000 on averages -- teachers. You have middle of the road, which is where the bulk of the people are, at \$45,000. You have the people who you are hiring at the bottom of \$30,000. The charter school-- It doesn't take a rocket scientist to figure out they are hiring a brand-new staff. All of their staff should be located closer to the bottom, so you wouldn't want to give them what it costs on a per pupil basis in the local district -- that same amount of money. Not to mention all of the other facility things. We have libraries, we have gyms, we have computer rooms, we have art rooms, we have music rooms

-- all required by the State to be a certain size. The charter school is exempted from all of those regulation. They don't have to have any of those rooms. They have to have the services but not the rooms.

Obviously, our per pupil cost is a derivative of the total cost of the district. If I were to divide one of my elementary school budgets by the number of pupils in that elementary school, obviously the cost is going to be very different. Then why didn't I divide all the child study teams services, the guidance services, transportation costs, and everything else? So what the State is saying right now it's 90 percent of my total cost per pupil. That's ludicrous. It's got to be a more rational approach that's used. And I'm just suggesting one method, and I'd be happy to sit down with a staffperson anytime and share that.

Thank you.

M A R Y P. W A K E H A M: Good morning. My name is Mary Wakeham. For your background information, I am a resident and parent of two children in the Matawan-Aberdeen Regional School District.

My two daughters both have different educational needs. One daughter has required basic skills and tutorial assistance in math since day one when we moved to New Jersey, and she started in the fourth grade. She is currently a junior in our high school, and she is in team geometry because she can work there at her own pace and also receives one-to-one assistance. She also recently did not pass the HSPT and was taken out of her elective class and put into HSPT remedial math.

My other child is an academic superstar. She is in a gifted and talented program and is currently taking honors programs in math, language,

and reading at Matawan Avenue Middle School. She is in the seventh grade and, in this past January, took the SATs for the first time and scored 1040 in the seventh grade. She will be honored May 23 by the Center for Talented Youth at Johns Hopkins University in a special ceremony at Monmouth University. She has received all of her education from the Matawan-Aberdeen Regional School District.

I tell you this not because I am a proud parent, but to illustrate the point that the Matawan-Aberdeen Regional School District has served both of my children so that they would both be able to achieve up to their maximum potential, whatever that might be. I also would like you to know that I am the founder of a citizens group called Taxpayers Against Charter Schools in the Matawan-Aberdeen Regional School District.

There is a charter school scheduled to open in our town in September of 1998. The citizens and taxpayers are very upset with the manner in which the charter school is to be funded, and that is by cutting \$1.56 million dollars from our local school budget. There was no citizen voter input regarding this matter. We feel that this represents taxation without representation.

On April 21, 1998, to illustrate our point, our group conducted our own mock election. All citizens in both Matawan and Aberdeen were invited to participate, as were the students in Matawan Regional High School. The only question on our ballot was, are you in favor of charter schools being funded through local school tax dollars? The results were astonishing. Of the 560 students who participated only 10 said yes and 550 said no to charter schools being funded through local tax dollars. Of the 160 voters in Matawan

and Aberdeen who participated 4 said yes and 160 said no to charter schools being funded through local tax dollars.

If this question was where it should have been, and that is in the polling booth, I would not be here today speaking to you personally. As things currently stand, it is our feeling that taxation without representation now exists in New Jersey.

Our school budget is voted upon. Charter school budgets are not voted upon and are not accountable to taxpayers. Charter school funding is guaranteed even if the taxpayers were to disapprove their local school budget. In the event that this were to occur, that the local school budget were defeated, not only would the charter school still receive its guaranteed funding, but additional cuts would be required to be made from the local school budget.

Also, our board of education is elected by our citizens. In the case of the proposed Patrick Douglass Charter School, a meeting was held this past May 5th in which their board of trustees was chosen. We called to find out the details of the meeting so that we could attend, and we were told this was a private and a closed meeting. Since this school will be funded with public funds, is it only the cash flow that will be given to this school that gives it any affiliation with our public school system?

In a democracy, the voice of the majority should rule. The Matawan-Aberdeen Regional School District represents approximately 3500-plus students, give or take. How is it possible that a minority representing a maximum of 200 students this year, approximately 30 percent of whom they say will not even be from our school district, be allowed to impose a \$1.56 million financial burden at the expense of and to the detriment of our high-

performing Matawan-Aberdeen Regional School District? And to back up what I'm saying to you, I am enclosing a copy of the results of all the State testing that was done that compares our district to others so that we are showing you factually that we are backing up what we are saying.

But one of the other big issues that bothers our group is that charter schools are being forced upon local communities. Has New Jersey stopped being part of a democracy? Will every person with a private agenda or personal axe to grind be given the opportunity to hold the local school district and taxpayers hostage by creating their own charter school? Obviously no school district can create an educational program to meet the whims of every disenchanted parent nor can it afford to pay for private education at public expense. However, our record proves that we are serving the needs of our children. It is my belief that if the local community is going to be required to fund a charter school, it should decide whether or not to establish that school.

Ladies and gentlemen: I thank you for your time, and if there are any questions, I'd be glad to take them.

ASSEMBLYMAN WOLFE: Thank you.

I'm just going to have to ask that we have just one more representative from the school district and please do not read your testimony. I'm not trying to be overly gruff with this, but we do have a lot of other people here, and we just really can't -- timewise-- If you have something extra you wish to say that has not been said, then certainly go ahead.

Thank you very much.

MARY E. HAUSS: Good morning, my name is Mary Hauss. I was born in New Jersey 60 years ago. I've been a resident of Aberdeen Township for 41 years. All three of my children attended the Matawan-Aberdeen Regional Public School District. Presently I have a grandson in the kindergarten and one in the high school, who will graduate in June.

I've done a lot of work with this school district in seeking improvement and seeing a lot of improvement take place over the years. But to want to take out so many dollars from our school budget and hand it over to a so-called public charter school seems disastrous. Some of the facts about this State that they have done for the charter school that concern me is that they unburden the charter schools from many of the regulations applicable to traditional schools.

They have also supplied the charter schools with a Web site on the Internet available to parents and students. I don't see them suppling that to our school district. They have also allowed special interest -- it also allows, not they -- perhaps with personal axes to grind to open charter schools in these districts. If there is more than one axe in a school district to grind, well then, I guess, does that say our district just goes down the tubes? Because my grandson is in the high school, and I hope that the other one can graduate from a high school because, as we take funds away, the only place they can take them from, to my knowledge, is probably at the upper high school level where there are electives. They can't take them from the grammar school, where you can't take the teacher out of the classrooms. So where my grandson can take a psychology course or these different electives, will there be anything left by the time the charter schools finish building up to their eighth grade for

the children of the district, and even the charter schools who might not get the opportunity to go to a private high school, will there be anything left?

And the guaranteed funding on the cost per pupil basis at the high school level is extremely much higher than on the grammar school, as was noted before. It does make me heartsicken and distraught to think that our own State doesn't care equally about all of our children.

When the Federal government posed these kinds of things, I really feel that it's they just can't see the forest for the trees. They are not here, they don't see our children as children, but I think our State needs to. I was on that bus that came down here from Matawan for the picketing, and one of the things that disturbed me very, very, much was, as I was standing on the steps just to the left of a news reporter -- on the steps of the State House -- former Senator Ewing, a member of that Committee that drew up this law, came out and stood to the right of the reporter. As the Senator observed the marchers, he said to the reporter, "You're really going to the bottom of the barrel for news these days," motioning to these people. I really don't consider myself or my cause as the bottom of the barrel.

I hope that's not what Senator Ewing and his Committee consider the majority of the citizens of Matawan and the rest of the state in passing this charter school law. It's my hope that all of you hearing me today won't put the children of Matawan Regional School District, or any of the children of the State of New Jersey, into the bottom of the barrel because that's where I feel you're really putting -- you're throwing us down.

Thank you.

Do you have any questions?

ASSEMBLYMAN WOLFE: No.

Do you guys have any questions? (no response)

JANICE GALLO: Good afternoon. My name is Janice Gallo. I'm a board member from Matawan-Aberdeen Regional School District. I will try to be as brief as possible.

ASSEMBLYMAN WOLFE: Could you pull the microphone closer to you.

MS. GALLO: I'm sorry. (witness complies)

ASSEMBLYMAN WOLFE: That's the one.

MS. GALLO: I need you to know that we have an excellent school system, and we are known for many fine things such as we have fantastic academic programs, fabulous theater arts program, a terrific marching band that has received many trophies, a football team that has won many state championships, a renowned forensics team, and a student that has received a perfect score on the SATs. We offer many advanced placement classes and send many of our students to top colleges such as Harvard, Yale, Duke, etc. Our SATs are high for our socioeconomic community. Our students and staff contribute to the community via many philanthropic activities.

We've had our share of difficulty, and one of the reasons is that we have the highest equalized tax rates in New Jersey, over \$2.00 per hundred equalized, while Deal in our county has an equalized tax rate of under 20 cents. Our homes are valued on an average of \$150,000, while Deal's average is over \$400,000. Last year was the first time we received a jump in State aid, due mostly to the tax relief portion of CEIFA.

We actually passed our budget last year for the first time in 20 years. The reason being is we were able to hold our tax rate stable. We were able to also pass the budget this year because, for the same reason, we had no increase in Aberdeen and a 3 cent increase in Matawan. But over the past 20 years we have had to cut many, many of our programs.

Our cost per pupil is still somewhat higher than the state average and is higher than the CEIFA limit. That is because we have had over 7000 pupils in the mid-1970s and had these numbers decline to below 3300 pupils a few years ago, and the number of pupils has been rising gradually to over 3500 pupils now. So what happened was that we had to let our younger, less expensive staff go, and we now have the senior staff.

Just to make a simple illustration to make a point. If you multiply \$35,000 for an average salary times 100 faculty and divide it by 250 pupils, you obtain an average of \$1400 per pupil. And if you multiply \$50,000 for an average salary times 100 faculty and divide by 250 pupils, you obtain an average of \$2000 per pupil. That is a whopping \$600 more per pupil on just that type of cost factor.

The Patrick Douglass Charter School filed for a school for more than 200 students *K* through five in its first year and up to 320 students in the future *K* to eight. No one on the board is philosophically opposed to alternate educational opportunities for children nor is anyone opposed to fair and reasonable competition. But what happened to State mandate-State pay? I'm not sure which issue is more important than the next.

It appears that all efforts are being-- Oh, I'm sorry. I'm trying to make this brief.

We resent the fact that the charter schools are waived from adhering to most of the rules and regulations. We believe it's creating unsafe and inappropriate settings for the children. We cannot propose new or renovated schools, let alone change of use for classrooms without complying with the rules that deal with square footage, types of materials, lighting, and on and on. We must have the plans reviewed and approved before we can do anything. The charter school is exempt from most everything.

They also do not have to let anyone know if they have a facility until May, and they do not have to provide the proof until July. They also do not have to let us know how many students they plan on having until June. They can adjust these numbers in October and again in February. The problem is that the law requires us to budget for the full 200 students out of our budget without knowing whether they have a facility or how many pupils.

The devastation and damage to the budget, our programs, and services will have already taken place. If they wind up with 50 pupils in June, we can't even rebudget the monies because they may have more pupils in October or again in February. Also, if their facility can only house 50 pupils, will they be allowed to acquire an annex?

As Assemblyman Zecker was concerned about--

ASSEMBLYMAN ZECKER: Zecker. (indicates pronunciation)

MS. GALLO: Zecker, I'm sorry.

--Clifton losing the \$700,000, we are losing \$1.56 million. We still have to continue to provide the programs and the services, and we have to honor the contracts. We pay starting teachers over \$30,000 per year, as do

most districts. The charter school can employ teachers at \$18,500. Again, how can we be as economical as they are? It's unfair competition.

Also, as Assemblyman Stanley pointed out and the citizens from Highland Park, if we lose two children per class, we're still not going to be able to cut a teacher. Also, we thought that-- I'm sorry, I'm a little nervous. What we thought was going to be 90 percent of the State T and E amount per child, as stated in the application process, has now jumped to 90 percent of our per pupil amount via the rules that the State Board has adopted.

I ask you to please listen to everyone's plea and, if we have to, delay this process even for a year until all the issues have been raised and addressed. And I thank you very much.

ASSEMBLYMAN WISNIEWSKI: Mr. Chairman.

ASSEMBLYMAN WOLFE: Yes.

ASSEMBLYMAN WISNIEWSKI: I have just one question.

The testimony you just gave us talked about regulations the State Board just adopted.

MS. GALLO: Yes.

ASSEMBLYMAN WISNIEWSKI: Ninety percent of the per pupil expenditure is supposed to follow the student to--

MS. GALLO: The thorough and efficient.

ASSEMBLYMAN WISNIEWSKI: Ninety percent of the thorough and efficient amount.

MS. GALLO: Yes.

ASSEMBLYMAN WISNIEWSKI: Would that be the same or less than the amount per pupil spent by the school district?

MS. GALLO: That would be-- Wait a minute.

MR. KLAVON: Can I clarify that?

ASSEMBLYMAN WISNIEWSKI: Sure.

MR. KLAVON: I have these numbers right here. When the application process first came into being and the application first came to the district, we followed everything that it said to the letter in the application in calculating the per pupil cost and how much a district was going to allocate. So we set aside \$1.3 million, and then what happened is, in April when we received notification from the State, on official State forms, they indicated that the amount would have to go up to \$1.56 million based on rules that the State Board of Education was going to adopt in May. So the rules had not yet been adopted, but we were given revised aid figures and revised calculations for the charter school. That is part of our legal appeal because we think that's ultra vires.

ASSEMBLYMAN WOLFE: What's that?

MR. KLAVON: Against the law, sorry. (laughter)

ASSEMBLYMAN WOLFE: I'm just going to have to-- Again I have tried to be as lenient as I could. Again there are a lot of people here today. This is not a hearing on Matawan schools or the Star of the Sea Academy or something. This is on charter schools that save New Jersey. If there is a problem that you wish to bring to our attention let us know, but please don't go over and over again the same issues.

We have three or four other people from Matawan who wish to speak.

Again I've asked you five times do not read your testimony. I'm trying to be fair to the other people. I know you have come a long way, and I'm just going to say does anyone else-- I'm going to give five more minutes for the rest of Matawan, and that's it, and then we have to move on to the next school district.

Assemblyman, go ahead.

ASSEMBLYMAN WISNIEWSKI: Just one question on that. I'm looking at the charter statute 18A:36A; it talks about a specific funding formula. Are you saying that the regs that you are talking about that have been adopted are different than the funding formula set forth in the statute?

MR. KLAVON: It is my understanding, based on what we were told originally and the guidelines we were given by the State originally, we arrived at the \$1.3 million number, and that number, as I understood it, was based on 90 percent of the State's calculations of the T and E average amount per pupil. What happened later is we received in our State aid packages, when we went to the meeting with the county superintendent and we received all of our official documents from the State -- we were told at that time that the number was going to change from \$1.3 million to \$1.56 million because it was going to be based on 90 percent of what we were spending locally on average per child. And so we complied with that in terms of our budget and the documentation that we sent to the county office.

I can't respond, unfortunately, directly to your question, except I would direct you to Mr. Wyans in the State Department of Ed.

ASSEMBLYMAN WISNIEWSKI: All I would ask is, if you could supply that information to the Committee so that we could all look at it, I'd appreciate it.

MR. KLAVON: We'd be happy to do so.

ASSEMBLYMAN WISNIEWSKI: Through the Chair.

MR. KLAVON: Thank you.

NANCY BUCCO: I'm going to be very brief.

ASSEMBLYMAN WOLFE: Thank you.

MS. BUCCO: I'm not going to say anything that everyone has said before.

My name is Nancy Bucco. I have three children in the Matawan-Aberdeen school system. What I wanted to say was-- Well, there's lots of charter schools opening up all over the place, and sure they are going to increase because they don't have to pay for it. I can open up a charter school. But don't believe a charter school is a public school. We have a charter school opening up in Matawan-Aberdeen. There is 200 children. There is now a waiting list. I can't take my three children out of public school and put them in there. It is a private school. When it's full, it's over, you can't put your kids in it, but I have to pay for it.

So I am here as a private mom, a private citizen, who pays a lot of taxes in my town. I don't have any desire to put my child in that type of environment where they are going to be in school. I'm home, I don't need a day care service. I don't need to have my kids in school 24 hours a day. I want them to play and enjoy their childhood, also, and have a good education.

But I do think that funding is the big issue here. I don't think any of us are against charter schools. I just think the funding needs to be addressed. I hope you're hearing what everyone is saying.

ASSEMBLYMAN WOLFE: I'm getting it all down. Thank you.

Anybody else from Matawan-Aberdeen Schools want to speak?

(no response) Thank you very much.

I would like to call on Mr. Norman Atkins of North Star Academy School in Newark.

N O R M A N A T K I N S: I will not be reading my remarks. (laughter)

ASSEMBLYMAN WOLFE: Thank you.

MR. ATKINS: Thank you for holding these hearings, Chairman Wolfe.

I bring special greetings to Assemblyman Stanley. North Star Academy Charter School of Newark is in downtown Newark and represents Newark kids, and we bring greetings from our parents and our children, and it's good to see you here and your interest in charter schools.

I'd like to respond to some of the things that people have been saying with gross inaccuracy at these hearings thus far. Number one, the previous speaker said, "The charter schools, I don't think, are public schools." In fact, charter schools are public schools. They must follow public school law, they must follow public school regulation. Students are chosen by a random lottery. Sure they get filled up, but so do magnet schools. There are lots of schools that that previous parent couldn't send her kid to in lots of districts around the state.

Assemblyman Rocco was questioning certification of administrative personnel. I happen to have a certification as a principal, which I got in this process, so I want to allay that fear before I continue with my remarks.

Another myth is that charter schools are creaming. This isn't so. At North Star all of our students are minority students, 90 percent qualify for free or reduced lunch, 90 percent came from public schools in Newark the previous year. They represent all skill levels from some A students to students who are scoring on the bottom 5 percent of the Stanford Nine Achievement Test, which is the test that is used in Newark.

There is this idea that was put forth that charter schools are spending a fortune on administrative overhead and support costs. Well, I would take that piece of paper that they gave and throw it in the garbage because charter schools are doing a lot more with less. I, for example, am an administrator of the school, am the only one you would look to as a full-time administrator, and I teach with about 30 percent of my time.

If we were just wasting money on administrative overhead, we wouldn't have a longer day. We wouldn't have an 11-month school year. You have a support cost analysis by the union. I would urge you to look at the way the State Department of Education allocates cost. Under support cost is rent. Charter schools pay rent. Most public schools-- In fact, all public schools are free of rent. They have a sunk cost advantage of their buildings.

There is this notion that 30 students a class, 25 students a class, what happens if two kids leave, then you have 23 kids in the class. We have 18 kids in a class, and we can do it with the money that we get. There are

other costs. There was something brought up about school libraries and school gyms. We use the Newark YMWCA, so our kids can swim twice a week. Our art classes are in the Newark Museum. We've got the Performing Arts Center across the street, so our kids are taking a lots of stuff at the Performing Arts Center.

Any district, any school in the State of New Jersey is free to allocate its resources in the best possible way and to give the best possible education for its students. Charter schools are not a panacea, but they are a pathfinder to reform if you will let them be. They will point the way to a more creative use of resources.

There is this notion -- we've been painted with this brush that charter schools are somehow profit-making machines. There are 13 charter schools in the state; not one of them is a for-profit entity, not one of them is a profit-making machine. If there are other schools that are coming forward that are using for-profit agencies, well, you know what, we buy our textbooks from Holt and Mifflin (phonetic spelling), and that's a for-profit agency. Most schools use for-profit service providers in one way or another. It's a very fine line, a very gray area. But to use that brush that we are for-profit machines is crazy.

There is this idea that we are having a negative impact on the public schools. Well, we've had 350 visitors in North Star Academy Charter School this year. We had the Governor visit, the State Commissioner, the State-appointed Superintendent from Newark, Newark teachers, teachers from around the state looking at what we are doing. They think we are having a

positive impact on the schools around this state. They are taking ideas from North Star and bringing it to other places in their community.

I would urge each of you to come to North Star and see for yourself what a school like this could do -- what a charter school like North Star can do in its community. We are working with the State-appointed Superintendent on improvement for other schools in the district. This is not an isolated thing for 72 kids at North Star or 144 when we are in full capacity. This is for the benefit of all kids in New Jersey.

There is this notion that was put forth by one representative of one of the unions that we are on the brink of failure. It's a little premature for a school that has only been open eight months or for schools that are only open for eight months to say that we are on the brink of failure. You can tell that to the 350 parents who have put forward applications for 108 spots at North Star. Tell them that we are on the brink of failure. Tell the students who have 96 percent attendance rate in our school in Newark that they are on the brink of failure. Tell the faculty that has a 99 percent attendance rate that they are on the brink of failure. Tell the 70 families that are represented out of 72 at our parent meetings that they are on the brink of failure. Tell the students who wear uniforms every day and who are coming to school in July that they are on the brink of failure. I would say that we are on the brink of success, and we are just starting out. There is no proof yet that the academic numbers are going up because we haven't even finished our first year, but if you will give us time, it will prove its worth.

There was also a notion put forward that the parents of charter schools only care about their kids. We had founders who created our schools,

parents in the Newark district, whose kids didn't get into the school. We have people hanging chalkboards, lecturing on Islamic history, putting together Kwanza celebrations, taking kids on field trips, coaching basketball teams for children who are not their own. They are building a community because they care about not just their own kid, but about all kids.

There is this notion that charter schools are not accountable. In Newark, there is no board of education anymore. At North Star Academy, which is a school in Newark, there is a board of education, there is accountability, and there are parents who are elected to serve on that board of education in Newark at North Star. We have to prove our worth. We have four years to do so, and if we don't, you can take our charter away. That's far more accountability than any other public school in this state who will stay open no matter what. That's a level of accountability that you should be proud of.

I have been asked to speak in Pittsburgh, in Boston, around the country at various places, and I've looked at other charter legislation around the state (*sic*). New Jersey has fine legislation. It's one of the stronger charter laws. You all should be proud of what you've done so far. Can it be improved? Absolutely. Can we tweak it? Yes. I hope we have a chance to talk about that in the coming days and weeks and months and years. But, in the meantime, you should see that you've let something very good out of the gates and watch what happens. It will do you proud. It will not be perfect, nothing ever is, but it will be a significant improvement in education reform for all New Jersey students.

Thank you.

ASSEMBLYMAN WOLFE: Thank you.

Next we have representatives of the Samuel Proctor Academy.

ASSEMBLYMAN STANLEY: Can I just ask one question?

ASSEMBLYMAN WOLFE: Go ahead.

ASSEMBLYMAN STANLEY: One quick question.

I know it is very early to rate your school, and I don't question that there are probably some very, very good things going on at North Star. Let me just ask you, what things do you see being transferred from the North Star experience to the public school systems and what other public schools in Newark, let's say?

MR. ATKINS: Well, I'm the codirector of the school. The other codirector is working on a team of middle-level folks who are trying to redesign Barrenger Prep as a new school in Newark. There are teachers who come and look at our interdisciplinary learning, who look at our computer programs. We've got four kids for every one computer. They are coming to look at how we are deploying the Newark Museum as an educational resource. They are looking at our partnership with the YMWCA. They are looking at our partnership with Rutgers Newark in building a school-based health clinic.

They are looking at how teachers are working longer days and giving teachers the freedom to craft their curriculum and to develop their lesson plans with freedom and autonomy and what that does for teacher energy and why they spend longer days and have 99 percent attendance rates. They are looking at what our professional development is, and they are bringing ideas out. Especially, people come to our morning assembly and see what we do when we meet together as a community every morning and how

we are instilling corps values into the students. And they like to see that students' level of participation, which was different from where they were previously enrolled in school--

ASSEMBLYMAN STANLEY: One of the things that you mentioned was that you have 18 students in a class -- and a lot of these ideas are tremendous, tremendous ideas. But even just to try to have an 18-student per class situation-- And one other school -- public school -- in Newark, the cost associated with that would be tremendous.

The other thing I just wanted to clarify was that when we talked about taking two of thirty or three or four of thirty children out of the classroom, we weren't saying that twenty-six students per class is going to be something that is going to be hard to justify from a financial standpoint, per se. But we were just saying that it costs just as much to educate the twenty-six students in the class as it did to educate the thirty.

MR. ATKINS: Right.

ASSEMBLYMAN STANLEY: And when you take those dollars out, a lot of the fixed cost remain.

MR. ATKINS: It's a really strong point that you're making, it's a very strong point, and one can empathize to a point with the schools. But what I'm saying is that it is a very fluid situation and that the-- You are forced -- if you care about kids in a profound way, you are forced to figure out the best way to allocate the resources. So that if your priority is 18 kids in a class, you can use the resources to achieve that. If you have 3 or 4 kids leave the district or leave the school, it is telling you something about the quality of teaching, it's telling you something about the community, and you need to

reallocate the resources. You need to be responsive about your enrollment numbers. If half of your district is running down to go to the private school, you need to be responsive to that particular environment, and yes, it is going to be a lot harder to educate the kids on similar resources, but you're going to have to be responsive then. Ultimately, that rebounds to the benefit of the schools, rebounds to the benefit of the public sector, rebounds to the benefit of the children who are in those schools.

ASSEMBLYMAN STANLEY: Yes, I'm sure no one here has any problem agreeing with you that the current state of the public school systems, especially in the special needs districts where -- one of which you happen to have your school at-- As a matter of fact, it was the main reason I got hot with (indiscernible) on the Education Committee. But we have to make sure that we don't -- No. 1 cliché -- throw out the baby with the bathwater and also that we don't take from students who really need the resources and create a worse situation where they are.

I think that the charter school has some very good things to offer. I just think we have to work on being in a position to fund the charter schools in a way that it doesn't jeopardize the types of things that we are trying to put in place in the other public schools as well.

MR. ATKINS: And we have a cooperative relationship with the superintendent because we take a similar view that it's got to benefit all of the kids. And again, Assemblyman Stanley, I would really encourage you to come see our school, and we can talk a lot more about it.

ASSEMBLYMAN STANLEY: I'll be there.

MR. ATKINS: Great.

ASSEMBLYMAN WOLFE: Thank you.

My graduate advisor at Rutgers University was Dr. Samuel Proctor, so I have to listen very carefully to this next presentation.

So welcome, folks.

W. JUNITA JOINER: Good morning. My name is Junita Joiner. I am the President of the Board of Trustees for the Samuel DeWitt Proctor Academy. I must tell you that I have been a resident of the city of Trenton for approximately 30 years, and I have served on the Trenton Board of Education during that time period for approximately 8 years, 3 years as its president. I served with the New Jersey School Boards Association with your executive committee for 3 years, and I am now the President of the charter school. I say this to let you know that I understand the tension of some of these discussions, but I must also say that I don't necessarily agree with some of the things I am hearing, but I do understand.

The Samuel DeWitt Proctor Academy has the distinguished honor of being the first and, currently, the only public enrollment residential charter school in the nation. Our school is located on the Katzenbach campus, which is about 110 acres. We serve students from both the Trenton and the Ewing school districts. Much of our philosophy is indeed taken from the teachings and beliefs of Dr. Proctor, for whom the school is named.

Dr. Proctor, who passed away in this past May of 1997, was the Martin Luther King professor of Africana studies at Rutgers University. He was a distinguished scholar, theologian, and educator. Dr. Proctor believed that every child had the right to the very best education available, an education that would serve and meet the needs of the child and not the system. An

education that would be an integral part and not separate from a child's life and surrounding. That parents, teachers, community members, and others would participate in this process so that children would, in fact, be successful. We at Proctor, in fact, agree with this philosophy.

We are fortunate to have a very strong parent association at Proctor. We have had the opportunity to work with and to have the support of area local schools and colleges, Princeton University, The College of New Jersey, Rider University. We currently have 48 students, 24 in grades seven and eighth. Our plan is to add a grade each year to eventually accommodate grades seven through twelve. Next year we will be opening and operating grades seven, eight, and nine. Eventually we'll have approximately 144 students.

Students are chosen through an open lottery. All names are randomly pulled at a public forum. We currently have a waiting list of approximately 125 students, which would suggest to me that parents do in fact embrace both the Proctor Academy and the concept of a residential charter school.

Our Academy offers a safe, secure, and structured environment. Our college preparatory curriculum challenges our students to not only memorize, but to learn to analyze.

In closing, I would ask that we all recognize that the current debate over charter schools offers us a window of opportunity to discuss issues far greater than who gets the money. It, in fact, gives us an opportunity and a unique forum to discuss how we can best serve and prepare our young people as they enter the 21st century.

Thank you.

DALE CALDWELL: I, too, would like to thank the Committee for allowing us to speak before them this afternoon.

My name is Dale Caldwell. I am the Treasurer of the Board of Samuel DeWitt Proctor Academy. I am here to give a perspective that I haven't heard since I've been here -- as a businessperson. I am a national director of recruiting for Deloitte and Touche Consulting Group in East Brunswick. Prior to that, with Deloitte and Touche Consulting Group, I was a senior manager consulting to states, counties, and school districts around the country.

That really is one of the reasons that I signed on to join the Samuel DeWitt Proctor Academy as a board member. One of the things that I found is that innovation is essential in education. Proctor Academy is probably the best example of what charter legislation can do. As Junita mentioned, we are the first in the country. New Jersey should be proud that this residential education program started here as a public program. There are other residential public programs, but they are really on a judicial basis rather than college prep kind of a positive approach.

As we all know, not all students learn the same way. It pains me to say that many students do not live in an environment that is conducive to learning. Many students approach learning in a different way. Many students need a longer school day than 3:00. Without charter legislation, that did not happen. So with this new charter legislation, we are now entering a phase in which we are trying many, many, many new, different things.

I kind of liken it from a business perspective. If we were to put limits on companies like an Apple computer or a Microsoft or other corporations and didn't allow innovation and said you have to keep it the same way it was, where would we be today?

One of the other things that I want to talk about is the funding issue. I certainly understand where some of the public schools have come from, and many of the public schools that we've heard have done a tremendous job with many students. However, the public schools have not done a great job with all students. So I think we need to understand that everyone in the educational system needs to be accountable as if they were an organization, a corporation, or anything along those lines.

We've heard some testimony before saying that charter schools are not accountable. Well, in fact, we are accountable and that we will go away if we are not doing what we were chartered to do. However, that is not the same for many public schools. That there are many public schools that are failing, not all and not even most of them; however, they are not held to the same constraints that many of the charter schools are. So I implore you, as you are going through and hearing testimony, to keep that in mind.

GARY REECE: Good afternoon. My name is Gary Reece, and I have the privilege to be the Head of School of the Samuel DeWitt Proctor Academy charter school.

It has been interesting to listen to what has been presented to you as the issues, many of them fiscal, and I can understand that. Having come to this position from State government as the Assistant Commissioner of Education for the State's Standards and Assessment Program, I would like to

present you perhaps with a slightly different take rather than the arguments on funding or the arguments on accountability.

It seems to me that New Jersey has done many good things. It has attempted to talk in terms that the public can understand and that we can measure eventually as to what students should know and be able to do. It's attempted to deal with the equity issues regarding funding of children who are in different socioeconomic circumstances.

And I think, looking at charter legislation, which can always be improved, but looking at that as part of this mosaic of change in the state helps to put it as a piece of a larger puzzle rather than just standing by itself. Charter schools do have the benefit of starting from scratch, and they do have the benefit for our compassionately committed people who are willing, as in our case, to undertake a 230-day school year or to work -- we have school on Saturdays, to teach in the evenings, to have different amounts of time available to work with young people.

A public boarding school that's open enrollment, nonscreened, bumps up against the belief structure of a college preparatory school, which almost implies screening or somebody used the word creaming before. But we have youngsters who are across the gamut of ability, but our position is, as Sam Proctor said in his book, you take them in early adolescence-- You have six years to work with people. You get them, you deal with challenging the intellect, supporting their belief that they can do, and they can learn. This is a very different charter school admittedly, so it's kind of an outside case. About 40 percent of its funding comes publicly and about 60 percent of it has to be raised privately. So it is a different entity.

But I believe that it characterizes the same kind of creativity and passionate commitment that Norman was talking with you about at North Star Academy. It's an environment where teachers indeed can take the State's standards, develop, as in our case, a theme for the year, build in terms of three major trimester units. A picture of where everybody is trying to explore that theme in a particular way, build lessons underneath that, and kids see the connections across programs.

So we have the opportunity-- Yes, we have uniforms, and yes, there is two hours of mandatory study, and yes, there is Saturday school, and yes, there are families who are safe havens for our kids. It is a little bit different, but it just typifies what charter legislation allowed to happen: an opportunity to explore other ways of reaching kids so that the investment of public dollars, as well as in this case private dollars, pays off in student academic achievement, the bottom line -- the bottom line -- of accountability. We don't produce on that metric, we don't exist.

I know you have heard a lot. I want to thank you for the opportunity to tell you a little bit about the school.

ASSEMBLYMAN WOLFE: Thank you very much, Mr. Reece. Mr. Caldwell, are you in *New Jersey Monthly*?

MR. CALDWELL: Yes, yes.

ASSEMBLYMAN WOLFE: I'm reading a magazine I'm not supposed to, while I'm in my drugstore the other day. I'm killing time waiting for a prescription, and this issue of *New Jersey Monthly Magazine* has the 10 most influential or up-and-coming or altruistic people in the State of New

Jersey. Surprisingly, to my apology, Mr. Caldwell, you were mentioned very prominently as one of the recipients. Congratulations.

MR. CALDWELL: Thank you.

ASSEMBLYMAN WOLFE: I did read that magazine. It's *New Jersey Monthly*.

Thank you very much.

Okay, now we have Mr. Phil Esbrandt, who is a consultant from Drexel University, who will talk about the comparison of Delaware, New Jersey, Pennsylvania charter school legislation.

You're going to do that in five minutes?

PHILIP ESBRANDT: Well, probably less.

ASSEMBLYMAN WOLFE: Okay, thank you.

MR. ESBRANDT: Chairman Wolfe, thank you for calling me forward. It's an opportunity to speak to the Committee. I'm Phil Esbrandt, and I serve presently as Executive Director of the Drexel University FOUNDATIONS, which is a technical assistance center for public charter schools, with offices in New Jersey and Pennsylvania.

The superintendents of schools in both states of Pennsylvania and New Jersey, most recently, to last year at Cherry Hill, New Jersey, proposed a charter school formation in the Cherry Hill School District while I was superintendent. I didn't want anyone to not realize that I was supporting charter schools. And more recently have been working with a member of the editorial board of *The Philadelphia Inquirer* to do a comparative study of the legislation in Delaware, Pennsylvania, and New Jersey dealing with charter schools.

Just very briefly, in Delaware, charter schools could be approved at the local school district level or at the state level. There are nine schools currently approved at the state level, one at the local level. As far as monitoring goes, if a school district approves a charter school locally, monitoring is done by the local district. If it's approved at the state level, it's monitored by the state level and at the state level.

Delaware is a little bit different than both Pennsylvania and New Jersey. Seventy percent of all district funding comes from the state, pretty evenly balanced. So the funding problems that are existent in both New Jersey and in Pennsylvania do not seem to be bothering the school districts in Delaware.

In Pennsylvania, charter schools can only be approved by the local school board, and that is true for the first two years. After the first two years, there is an appeal to an appeals board anchored in the department of education, chaired by the secretary of education, which is comparable to the Commissioner of Education in New Jersey.

Funding is very similar to New Jersey's funding in Pennsylvania. The funding is based on the per pupil cost allocation as calculated on the local school district's per pupil allocation on an average basis, not at elementary, middle, or high school levels, for instance, as was suggested today. It might be good for New Jersey to consider.

One aspect of the Pennsylvania law I think your group would be interested in is that there is a transition fund of money made available for local school districts for every student who moves to a charter school to ease the transition of the local school district. There is also transition aid for nonpublic

school students who transfer to a charter school from a nonpublic school but lives in that home school district. The amount in Pennsylvania for the transition aid of a public school student to a charter school is \$1800 for the first year. I've also argued in Pennsylvania that that's a little bit low and it's also short. It should be at least two years as a transition period. I would recommend the same for New Jersey.

How does this work? I think it's been easy to determine today that people have been upset that there is a rapid and very real change that has to be adopted quickly in the local school district for the loss of students. As a school superintendent who has gone through that and also the argument that the local expenditures and tax money raised is not the State's money, but local money, and having been told in Cherry Hill, when we lost \$10 million in State aid over a four-year period that that's State money going to the school districts -- and so I would assume that is still going to be State money in this area of decision making as well-- So what is needed, I believe, is some transition aid. It has to be adapted over a period of time to help a school district reflect that it does, in fact, lose few students per grade level and, therefore, cannot reduce staff right away. But it does give a local district a chance over a multiyear period to make plans and make adjustments.

Now, I've appeared before more public school boards in Pennsylvania. I've also appeared in Michigan, as well as Pennsylvania, in trying to adapt local law to educational use by charter schools. In Pennsylvania, the schools boards have not had a chance to deal with the issue of charter schools and the issue of competition for a very long period of time.

In fact, their legislation existed less time than that of New Jersey. It only passed in 1997.

And when I probed the boards at the public hearings defending charter schools, what are you thinking about? What are you trying to accomplish? The first reaction, of course, is to deny that they should adapt to the new legislation and to deal with charter schools as an entity. But over time-- I've had a chance to work with school boards over a period of time when an application was presented and denied, resubmitted, hearings held again, and reconsideration of the application a second and third time. What has happened from the first to the third times we've appeared before the board is a greater understanding by board members of how charter schools can be used as an improvement strategy for all students, and I think that's a strength of a charter school legislation over time. Looking at it short term doesn't give that perspective. Providing a financial transition from short term to intermediate term helps local boards see that they can make a transition and begin to develop the plans that provide good education for all students in the community, not just for those students in a public school or the charter. What really happens is that boards develop a philosophy that we are looking at ways to manage the educational program of all students even though we cannot control what may be going on in charter schools.

ASSEMBLYMAN WOLFE: We may invite you back again. Especially that transition process I think is very unique and very interesting.

MR. ESBRANDT: I'd be very happy to help.

ASSEMBLYMAN WOLFE: Okay, thank you very much.

Okay, now we have a number of people from the Morris School District. Dr. Dwight Pfennig, Dr. Dennis Clancy, and that's it. The two of you.

I thought you had a third guy in here with you.

DWIGHT R. PFENNIG, Ed.D.: Thank you very much. It's been a very interesting morning for us, and I think we have a bit of a different approach to things as we've looked at charter schools.

In listening and something that I didn't plan on, in which it probably makes it automatic that I don't read my text, is a bit of a comment about the gentleman, who has since left, from the North Star School in Newark. I was very pleased to hear of his successes, but I would agree with him that charter schools are not a panacea, but a way to introduce new programs. I think part of the problem that the Legislature is going to have to deal with is when those programs become duplicative of services offered by regular school district whether charter schools will receive charters. And I would like to spend the rest of the time, perhaps much more than my five minutes, defending all the wonderful programs and public schools. But it was my impression we weren't here for debate today, so I won't do that either.

The Morris School District, and I've given you the details of this, is really concerned with a few items in the current legislation that really need to be looked at. One of them deals with the financial contributions of resident and nonresident students to charter schools, conflicts in providing transportation for charter schools, and what we see as the unfairness in rules governing facilities approvals.

Before Michael Klavon, from the Matawan-Aberdeen School District, mentioned about the 90 percent of the local levy budget per pupil being the charge for students attending the charter school. The Morris School District is in a very unique situation because our charter school not only takes students from the Morris School District, but also from, from what we understand, outside the county but, as it's been prescribed, maybe two or three counties away. The local levy budget for students per pupil costs is far lower in other districts outside of the Morris School District. Therefore, the contribution of the other districts to the charter school within our district will be lower per pupil.

That, in effect, means that a lot of the residents of the Morris School District, and that takes in Morristown and Morris Township, will be paying more for their students to attend a charter school within the district than some of the district students who attend the same school. In our opinion then, the Morris School District will be subsidizing the education of nonresident students who attend the charter school. I think it is important that the State look at that as they review this legislation to make sure that everybody is paying their fair share and again the residents are not being taxed without representation.

The second item deals with transportation. We choose to transport a number of students in our district with courtesy busing. We have gone to great lengths to make sure that we are meeting the needs of all of the students in our district both in private and parochial schools. However, in building a kind of coalition throughout the town and township and involving those people in that discussion, we have found that we will not be permitted

to provide aid in lieu of funding for charter school students if we cannot reach an agreement on transportation. That has been verified by the charter school people in Trenton, and we have a great deal of concern about that because we have tried to work cooperatively, and while that's not working, and they have even offered to mediate the situation, the bottom line is that we may have to provide up to about \$100,000 -- \$90,000 to \$100,000, in additional funding for transportation of charter school students. That kind of flies in the face of the transportation efficiencies that have been put upon us by the State of New Jersey. We are not the most efficient district, but we also were not among those that were slated for penalties or an improvement plan. However, such a move might put us into such a plan in the future.

I think the school facilities approvals to us are troubling. We don't think the exemption should be any different for charter schools than they are for public schools, especially in light of the fact that the New Jersey Supreme Court surveyed-- It was mentioned in the paper this weekend. It is suggesting over \$2.4 billion of construction and renovation for the poorer school districts and really the poorer schools. There is a very distinct possibility that some charter schools, and not necessarily pointing to any specific one, may be housed in facilities with Code violations equal to those of concern by the Supreme Court -- those which don't necessarily violate student health and safety, but certainly violate the Codes that we have to go through for the same kind of approvals.

And I guess my last point would be that I would like to emphasize that I think there are many ethics issues that need to be monitored both by the Assembly and by all legislators as they move forward with charter schools. It

is my impression from reading the legislation that school officials have to comply with the School Ethics Act, even though some of the requirements are not the same as regular boards of education members. And yet I know of instances where members of charter school boards of trustees sit on town councils, they make decisions about financing within the district and also Code enforcement of the facilities that may be approved by. And also there was a pretty well-publicized item, at least in Morris County, where a member of the board of trustees brokered the deal for the facility. And I think that kind of flies in the face of what the Ethics Commission had set out to do in terms of conflicts of interest for board of trustee members.

I hope you look into these matters. We certainly have not made any statement against the Unity Charter School in the Morris School District, but we are extremely concerned that all of us play on a level playing field for all aspects of implementation.

Thank you.

DENNIS CLANCY, Ed.D.: Within the State of New Jersey, there are relatively few districts that are obliged or obligated to implement desegregation plans. And I think just to address that shortly, within the area, especially within Morris School District-- Morris School District is a result of a court-ordered merger of Morris Township and Morristown. I provided packets on the table over there of my statements, which I won't read, and also the plan for integration of the school system. We currently are balanced by grade and by school across the district. We are monitored for that and we are very proud of that. Districts like Montclair, Franklin Township run their own magnet schools. Parents do have choice within the district. It's kind of ironic

that the district has eliminated funding for desegregation cost. There is never funding magnet schools for public schools within the entire state even though, in fact, nine districts were awarded that money. That money never went to them, and now we are being asked, in many ways-- In the case of Morris, we are spending \$600,000 to fund a charter school.

What is unique about that is the charter school may, in fact, draw students from enrollment areas that are not racially balanced. We require our parents -- and frankly they are very supportive of that. They get on buses, they go across town, which may not be the best thing, to integrate schools on the other side of town. Our concern is that once we balance classes, which we have already done-- These students will be enrolling in the spring and over the summer. Balanced classes that we've set up-- In fact, programs that we've set up to balance classes will have to be redone over the very summer when most of the people are, in fact, gone.

So when you assign students through schools for balance, getting the notice of kids of where they are and what school system and what their racial composition is, in a district that has a desegregation plan court ordered, it seems inherently unfair that taxpayer money would go to pay for an option within the district that does not have to be integrated. In fact, it seems unfair to the parents whose kids are riding the buses, who now elect to get on the bus and go across town, that other parents, who perhaps aren't as committed to integration of a school system, can elect to go to a school that is not held to the same standard.

What we suggest is that in a district, and especially this is probably more true in a suburban area, not so true in a very large urban area, but I think

it bears watching that the charter schools that are set up in suburban, diverse racially, and both ethnically diverse, communities that are under court order for desegregation -- it would seem that any charter school that sets up doors within that district should have to meet the same court-ordered mandate for desegregation; otherwise, perhaps, we will be creating problems for the public school system.

Thank you.

ASSEMBLYMAN WOLFE: Thank you very much.

Irene Hall and Dorothy Gardner with Discovery Charter School in Bloomfield.

I R E N E H A L L: Actually, the Discovery Charter School will be in Newark. Bloomfield is a temporary address.

ASSEMBLYMAN WOLFE: It will be where?

MS. HALL: It will be located in Newark.

ASSEMBLYMAN WOLFE: Okay, thank you.

MS. HALL: Good afternoon. I am Irene Hall, and this is Dorothy Gardner, and I am speaking for both of us today. We are representing the founders of the Discovery Charter School in Newark. I am a lifelong educator, and Dorothy is a Newark resident and parent of two elementary school-aged children.

Our school is expected to open in the fall of 1999, since we took a planning year. As a public educator for about 20 years and as an American education historian, I think the charter school movement is truly one of the most exciting innovations I've ever seen in education. It allows teachers, parents, and students to get out from under the stifling blanket of bureaucracy

and create schools that are community centered, mission driven, and reform minded.

Since charter schools are independent public schools, they allow more parents, like Dorothy, access to school choice, an opportunity that historically has been around for a long time but has only been available for those who could afford it.

Like the communities and populations they serve, charter schools are diverse. But despite what some others were saying here today, they are required to be accountable, probably more so than district schools. As also has been pointed out, their school could be shut down if they don't show student achievement.

As public schools, charter schools are required to accept all students, serve special needs students, administrate State-required standardized tests, and provide access to student support services. Yet, in New Jersey, charter schools are expected to do all of this with fewer dollars than the district schools.

Charter schools can become wonderful models of innovation for other schools. At the Discovery School, we plan to demonstrate the viability of multiaged grouping, to show how workplace readiness skills can be imbedded into the curriculum, to offer hands-on learning opportunities for all teachers, and to showcase our own teachers, classroom research that will help innumerable teachers not only in our district, but in the state. We also plan to be a model of collaboration.

One of our founders and coleaders, Barbara Weiland, has been a public school educator in Newark for 26 years. She is already working on

developing partnerships with our school, district schools, private schools, and other charter schools so that we can all share and learn together and create hope and energy that will lead to unique, enriched learning opportunities for New Jersey youth.

Our school's current challenge is acquiring the funding necessary for renovating our facility. The founders of the Discovery Charter School are very excited about the opportunities that the school offers. This has been a dream for many of us for many years.

Alice Dewey, wife of the better known educator and philosopher John Dewey, challenged all of us to not accept the answers in which we rest and work, but rather to open gates which let loose a flood of questions. We at the Discovery Charter School enthusiastically take on Alice Dewey's challenge. We look forward to developing new relationships with teachers and learners, asking questions, sharing ideas, and trying out new ideas so that all of our children can reach their full potential.

Thank you for your time.

ASSEMBLYMAN WOLFE: Thank you very much.

Gloria Smith and Stephanie Arrington of the East Orange Charter School.

And who are these two little kids over here who have been so well behaved all morning? I'll tell you, they don't need to go to charter school. They are okay. (laughter)

STEPHANIE ARRINGTON: Well, at the time that this was originally written, it said good morning, but nonetheless, good afternoon.

My name is Stephanie Arrington, and I am the School Administrator at the East Orange Community Charter School, and accompanying me is Ms. Gloria Smith who is currently home schooling her twins. One is asleep, and one has been exceptionally patient and was able not to go to sleep, but nonetheless.

They will be attending our charter school beginning Tuesday, September 8, 1998. Now, as delineated in our approved application, the mission of the East Orange Community Charter School is to promote excellence by providing all students with hands-on cognitive learning experiences that allow spontaneity, creativity, new and innovative practices and challenges that address the needs of each individual child, while enabling all students to reach their full potential and the East Orange Community Charter School's high standards.

The introduction of our 1998-1999 community charter school academic year paves the way for the residents of East Orange to exemplify the true meaning attributed to change agents who, through the initiate of this reform effort, will provide comprehensive educational services to 200 children and their families. Some of the key programmatic features that accentuate our independent public school offering for kindergarten and first-grade children includes an enriched integrated curriculum, art, music, drama, world language instruction, multicultural values instruction, young entrepreneurship program, science and math instruction, family-style breakfast, lunch, and snack, full-time instructional assistant in every classroom, parent community volunteers in every classroom, and computer technology, also in every classroom as well.

Now, all instruction is cultivated through interest activities which include dance, multiethnic storytelling, piano keyboard lessons, and arts and craft, just to name a few. These activities, we believe, will positively influence and effect not only the academic proficiencies of our children, but will also reflect a conceptual framework for perpetuating life-sustaining achievements for our children. The embodiment of these anticipated successes are rooted in the development and maintenance of interpersonal relationships between the child's home, the school, and the community. It is, therefore, imperative that the work that we begun be uninterrupted so that it is distinctively and unilaterally understood by all that failure is not an option for our children.

Furthermore, it is our undaunted and predisposed responsibility as adults to guide, guard, and protect the well-being of our children through a holistic approach to their educational, social, economic, cultural, mental, physical, and spiritual development. Simply put, this means that no one institution can singularly monopolize a structural formula for the provision of education and cast all others into a myriad pit of condensation. Conversely, the East Orange Community Charter School represents a definitive challenge to the community at large to be collaborating partners whose aim is to provide a world-class, premiere education for all of our children.

In closing, I encourage you to be the heroes and heroines who champion educational strategies that engage and embrace the concept frequently uttered by many, including our illustrious Governor who has witnessed the fact that it takes a whole village, all of us, to raise a child. This is not superfluous to education, which means that all public school entities, of which a charter school is legislatively run, come to a consensus that the largest

room in the world is the room of improvement and that no single individual, association, organization, nor institution should inhibit or attempt to prohibit the expansion of same.

Finally, let us remain cognizant that the history of our children determine the history of our communities, state, and nation. Therefore, let us conscientiously, aggressively, and without further procrastination collectively work to prepare them to be the astute leaders that we presume ourselves to be.

Thank you very much.

ASSEMBLYMAN WOLFE: Ms. Smith, do you have anything that you'd like to add?

G L O R I A S M I T H: No.

ASSEMBLYMAN WOLFE: No?

MS. SMITH: Not really.

I just think that the charter school program is a very good idea. It's what parents have been waiting for a long time. I lived in East Orange for almost 40 years now, in the same place. I've paid my taxes, and I think my children have a right to a great education, not just a mediocre one. They deserve to get the best that they can, and I think the charter school is now offering that in the city of East Orange.

ASSEMBLYMAN WOLFE: Thank you very much.

Dr. Philip Geiger, the Tessaract Schools.

J O S E P H M. A P P E L, Ed.D.: I'm here on his behalf, Dr. Joe Appel, Phil couldn't make it.

ASSEMBLYMAN WOLFE: Come on up.

Give us your name, please.

DR. APPEL: Dr. Joe Appel.

ASSEMBLYMAN WOLFE: Okay.

DR. APPEL: And let me say that we are with the Tesseract Group Incorporated, and we are a private entity, and I would like to, since we haven't heard much about private entities this morning, clarify the role of private entities and how I believe they can contribute to the whole charter school movement.

I might speak first to clarify, since I think there has been some misunderstanding about how private entities may function in the State of New Jersey. There has been some confusion, I think, even in the newspapers, about the role of private entities. The law is very clear. Private entities are controlled entirely by the school board. They are not allowed to have any control. They can't even serve as voting members. And the State Board of Education has been very clear about that. In the applications, when a private firm is asked to assist a group of citizens, as we are very often, their name can't even be mentioned in the application.

So any issue -- and I want to point that out to you as legislators, in particular. If you hear anything in regard to private entities trying to control a private school, it simply can't be done. We are simply just like offering legal services, services to school districts, or a vendor of services.

The second issue I think that's important is where private entities, I think, can be of assistance to charters. Our firm often receives many, many calls during the course of the year from groups of citizens who would like to start charter schools but don't have the slightest idea of how to go about it. And so our firm consists of people like myself-- Just to give you my own

experience, I served most of my career in public education. I have over 35 years of experience, the last 13 as a public school superintendent, 10 in California and 3 in New Jersey.

We get calls basically in two areas where charter schools throughout the United States are having difficulty. One is in the securing of a facility. As you may know, if you, just as a citizen, go out and want to find a building or rent a building or buy a building it is no easy task. And people often who are involved in charter schools have a great deal of difficulty in finding a facility, leasing one. Our firm, and firms like us, often is able to assist in that regard. We can either lease a firm -- or lease a building ourselves and then release it to charter schools, which aren't permitted, by the way, to build schools, as you know. They really are looking for places to rent or somebody to donate a building. And we've been in service in that area, and we continue to be of service.

So throughout the country you will find that where charter schools have had a great deal of difficulty and, in many cases, have failed is just in that very initial aspect of just getting a facility. It's very difficult to do so, and fortunately, we have the cash resources very often where we can assist.

The second major area where firms have had difficulty, or charter schools have had difficulty, is in the whole business of organization and management and getting started. I would ask you just to take a look, if you have had the opportunity, of the New Jersey charter school application. It is quite a task to fill out that application, and unless you have in your group of people who are starting out somebody with a degree of sophistication about mission statements and the New Jersey core content standards, and the High

School Proficiency Test, or the Early Warning Test, all those kinds of things would be difficult even to complete the application.

But then the other thing I think where private entities can be very helpful is, what happens once you get approved as a charter school? Then there is the whole business of advertising and personnel selection and recruitment. All of these things, I think, are very important for where charter schools need assistance and again have fallen down, and unfortunately, in many cases, failed -- because they have not had the money. Even in New Jersey, you don't get a penny until July, for example. Your charter school gets approved in January.

I would certainly like to commend the gentleman who spoke before me and said perhaps transition money, and so forth, would be very helpful not only for the school districts, but for charter schools as well because they are stuck between January and July, and yet, they have to advertise, they have to let people know that they have a charter school, they have to develop applications, they have to recruit teachers. They have any number of tasks to perform, and they literally have no money to do that. So again we as a private firm are able to assist in all that way.

I really wanted to kind of just allow the Legislature to know -- number one, to dispel any rumor that private entities can exercise any kind of control whatsoever. They can't by law. There is no way they can do so. We happen to get some bad publicity in Pleasantville that we were controlling the board. That is absolutely untrue. We have no affiliation with that group right now. On the other hand, if they wanted us to assist, we are still willing to do so.

The second thing I wanted you to know that I think there is a very clear definite role for private entities, and you don't, as in all of this discussion, and I think one of the expressions was used, don't throw away the baby with the bathwater. I think what I have heard today about charter schools is not so much an opposition to charter schools; although, there were a few people on that league. It was largely with the funding mechanism, and I hope you will remember that as legislators.

I didn't here a lot of people up hear saying, "Please throw away charter schools. We don't think they are any good." What I did hear is a lot of districts saying, "We are having a lot of funding problems with them. Can you help us out? Can you do something along those lines such as transition money?" I would say the same thing would be true of private entities as well. If you hear conflicts, let's not throw away the baby with the bathwater. Say let's not allow private entities to have any involvement in this -- that would be a sad mistake, too. If there are some things that need to be changed, although I can't imagine what since school boards have total control in these situations, let's not, because there are some problems raised by people, throw away the baby with the bathwater.

I'd be glad to answer any questions about the role of private entities, how they function, how they can be helpful to the process.

ASSEMBLYMAN WOLFE: Thank you very much.

Kimberly Brock, the Academy Charter High School.

KIMBERLY BROCK: Good afternoon. I'm here representing Academy Charter High School, which is a charter school with a region of residents that covers Asbury Park and its sending districts. It will be a high

school opening this September. Our actual location will be in South Belmar. We will start with grades nine and ten and eventually work up to grades nine through twelve.

I am both a founder and I'm also kind of with the opposition because I presently teach at Asbury Park High School, which is the same school that is served by the towns that the charter school would represent. Our charter school has a lot of things that's different from the current high school, including things like a longer school year, a longer school day, and integrated curriculum. We have both mentoring and interdisciplinary work built into the weekly schedule. We also employ the governance and philosophy of Dr. James Comer's School Development Program, from Yale, in the Child Study Center there.

I guess one of the things I'd really like to say is that the Charter School Act was really an opportunity. I've been teaching in Asbury Park, which is special needs district, for 21 years. I love the kids that I teach, and I notice that in a small comprehensive high school, the best kids there are programs for, and the kids at the opposite end of the spectrum there are programs for, and the kids in the middle have a tendency to get lost. Basically over the 21 years, I have served on a lot of committees, we visited other schools, we tried to implement different changes, and I've always felt like the old talk in the teachers room of, if we were in charge, we could do this or we could do that. And it's kind of like the Charter School Act gave us the possibility to take a lot of things that may go on in a private school and offer them in a public school setting to the same kind of kids that I've been teaching

and enjoy teaching. It's kind of just making sure that the kids who are in the middle of the road get their fair share, too.

It's been very awkward sitting here today because listening to some of the remarks about some school districts are perfectly well and it's taxation without representation and they don't really need this. I've given everything I've got to Asbury Park Public Schools for the past 21 years, but that doesn't mean that the school district is perfect, and it doesn't mean that there aren't things that could be helped. And some of the changes you can't really make because it takes a lot to change the status quo. And with the charter school you can go in and you can change things, and then when people see that yes, they work, and yes, they can work with these students in this type of an area, then maybe the public school will adopt them also. But without a charter school it's never going to happen, barring some cataclysmic change that I don't anticipate happening in my lifetime. We just have the opportunity to try things that public schools can't or won't.

I guess that's the biggest thing about the charter schools that I'd like you to remember. It's not a perfect thing, but it allows you to try things, and it also means that you are challenging the traditional public school to be the best that they can be so that they can't just automatically take for granted that their students are going to be there. In a wealthy district, if a parent decides that the school isn't doing what it ought to, they can take their child and send them to a private or parochial school. The parents in Asbury Park aren't in a position to do that, overwhelmingly, and the charter school allows them an option, and that's why I'm here.

Thank you.

ASSEMBLYMAN WISNIEWSKI: Thank you, Ms. Brock. Thank you for your testimony.

Gerry Klaus.

Gerry, you are the cofounder of Charter Technical High School for the Performing Arts.

GERALD KLAUS: Correct.

Thank you.

Gerry Klaus, cofounder of Charter Tech High School for the Performing Arts in Ocean City.

My Aunt Ren (phonetic spelling), who went on to a great reward a couple of months ago, used to have a saying that there is three sides to every story: mine, yours, and the truth. And I think, when you trying to work with people it's a good idea to try to get to the middle as best you can and see things through other people's eyes.

I've heard a lot of things here today that were just grossly inaccurate. I've heard things and I have been subject to many things that have been said about me personally, that charter schools are only for an elite group of people, only for rich people, and generally, people who are involved in charter schools are in some way or another isolationists who don't care about the public school system in general. They only have their own personal axe to grind, their own personal goals that they are trying to achieve for their children.

In our particular instance, we started a high school for the performing arts, and we were quite surprised to find out that we received

applications and enrollments from 25 different school districts. We have children coming from as far away as Manahawkin and Cape May.

There you go, sounds pretty good now. (referring to PA microphone)

I've heard things today about funding and how money is being taken away. And in our particular instance-- As a matter of fact, the President of the Ocean City Education Association was here today and bemoaned the fact that we are getting \$300,000 out of the budget this year -- 400,000 -- and he neglected to say that this year's raises for salaries and benefits in Ocean City District is \$700,000, that next year's raises and benefits are \$700,000. Now, at a certain point, this is very much less about education and more about control and money.

When I hear that people bemoaned the money -- and I understand that-- At the same token if you take children out of these-- If you take a few kids out of a class, somebody had to adapt to that. In our particular district, the average salary is \$62,000 a year before benefits. In our particular case, the paradigm that we've set up is we have 12 teachers, and we have acquired who we found and want to be in our school. They are working nine-hour days, they are going to work 11-month years, they are getting paid 35,000, and the expectation is that they are not allowed to accept failure.

Now, when you apply that-- If you take that same paradigm and applied it against any of the districts who have been moaning the loss of their money, I think very quickly you would find that there is plenty of money and plenty of resources to go around. And that's really what this is about. The fight is about this. I didn't hear anybody say anything is bad about education

in the charter schools. I've heard people complain about the money, and we've lost focus on where that money goes.

In our particular district, 80 percent of the money goes to salaries and benefits. Now, it's easy to say that. Now, what do you do about it? The system that you have set up does not allow for cooperation between districts and charter schools. I was on a school board for three years. I was on the Ocean City School Board, and I can imagine the terrible problems that you have not knowing what kids are coming, how much money is coming, where the kids are coming from. We had districts that had no indication that we were going to have children come from because we didn't know we were going nine kids from Pleasantville or eight kids from Egg Harbor Township, and there is no way to plan for that.

We started with our school board 13 months before our charter was granted and went to them and said, "We are going to do this; we would like to work with you." We were stonewalled. We went with them 6 months continuously for this. Finally, our charter was granted, and we then went to the teachers and said, "How can we keep some of this money in the district? How can we share services? How can we pony up to your special service person or your school nurse?" As a matter of fact, the school board -- our particular school board -- finally, at one point, decided, "Okay, we will have a presentation from you to see how we could cooperate." And before we had that presentation, on that night, our school board voted to not only not cooperate with us, but to do the minimal allowable by law and then said to us, "By the way, why are you here again this evening?"

So this is just the way it is, and it's about control and it's about money. My suggestion to you would be this. You should not have four-year charters granted. You should have five-year charters granted. You should have a mandatory year for developing the charter between the districts and the charter school. You should make it mandatory that the existing school board, wherever the region of residence is, meet down and prescribe manners and to develop areas where they can cooperate. If you can't cooperate after you try, that's fine.

But the way it is set up right now it's impossible for people to work together because there are too many surprises. This is something I think you should strongly consider. The long and short of it is, if this was fixable within the existing system, you guys would have already fixed it. We have been talking about it for a long time. It's not like there isn't any money; there is plenty of money. You all know the statistics. And if the teachers union could have fixed it and the school board associations could have fixed it and the administrators could fix it, it would be fixed.

The fact that there are so many people on waiting lists and the fact that people denounce teachers, student choice, or parent choice--

Know the only people whose kids have choices in the State of New Jersey are teachers' kids. They can go to different districts. They can go to the district they live in or the district their parent teaches in. So the rest of us want to have those choices that are applicable and appropriate for our children, and that's what the charter school is about.

And, yes, we are the sharp edge of the wedge. But we are the sharp edge of the wedge because we can succeed. In our particular instance -- I'll end

with this -- we had 12 teaching positions, and we have very stringent requirements on our teachers. We had 335 applications for those 12 teaching positions, all certified New Jersey teachers. That is the entrepreneurial spirit, and those are the things that are going to save resources for our children. They are not my resources, they are not your resources, and whether it's a State money or a local taxpayer money, it's taxpayers money. It's all going to come from someplace, and you can't just say it's not-for-the-kids money because it is the money we, as a society, set aside to educate our children to make us a better society. That's what public education is about, and if anybody in this room who has left it or has been here before thinks it can't be better, then they are clearly asleep at the wheel. And it's time for it to get better, and charter schools really want to do that.

I thank you for your time, and I appreciate it.

ASSEMBLYMAN WISNIEWSKI: One question, Mr. Klaus.

MR. KLAUS: Sure.

ASSEMBLYMAN WISNIEWSKI: You said 12 teachers hired at \$35,000 for the charter school?

MR. KLAUS: Yes. Our average pay is \$35,000 and -- actually, I guess it's about \$38,000 and then benefits on top of that.

ASSEMBLYMAN WISNIEWSKI: And the statistic you cited on the Ocean City School District was \$62,000?

MR. KLAUS: Ocean City's average teacher salary before benefits is \$62,000, K through 12.

ASSEMBLYMAN WISNIEWSKI: The teachers that you have coming into the charter school, have they been with another district? Are they taking a pay cut to come into the charter school district?

MR. KLAUS: Some of them are taking pay cuts. Some of them have asked for-- Yes, a lot of them have taken pay cuts. Some of them are new. Some of them-- By and large, every teacher that we found, when they read our application, said, just as the lady before me had said, "I've been looking for opportunities like this for years and years and years, and you can't get there from within the existing system. This is like I wrote this application." Empowerment of teachers, telling them to develop the curriculum, telling them to coordinate the curriculum, making them responsible for the kids, making them responsible for the mentoring of the children -- these are all things that you can't really do, or you run against the union.

ASSEMBLYMAN WISNIEWSKI: Any of those 12 new teachers?

MR. KLAUS: One of them, I believe, and she is a part-time teacher.

ASSEMBLYMAN WISNIEWSKI: Thank you.

MR. KLAUS: Thank you very much.

ASSEMBLYMAN WISNIEWSKI: Next, Meryl Frank and Diane Weinberg.

MERYL FRANK: Well, I don't know where to begin. I'm not going to read my testimony, I promise, because I want to go home, too. But I think that that man's aunt was right, and there are three sides to every story.

UNIDENTIFIED SPEAKER FROM AUDIENCE: Can you say where you're from?

MS. FRANK: Oh, I'm sorry. I'm a member of the Highland Park Board of Education. I'm a mom of four small kids, and I'm here to talk from both perspectives today. I ran last year for the Board of Education in Highland Park on a platform of school reform, and I won by historic proportions. I applaud all of the good work that these people in the charter schools are doing. However, districts in this state, as districts all over the country, are very, very different.

In Highland Park we are a district that embraces change. We are a district that has worked very hard, and sometimes it's difficult. He's right, it's not perfect, but we are working very hard to do that. It's a district that is made up of 40 percent minority. One-quarter of our students are free or assisted lunch. It's a diverse population. We sort of see ourselves as that baby that is being washed away with the bathwater, that about six people have talked about. We are a district that funds our own schools. We fund 80 percent through local property taxes, and we are a district that does not believe that we need a charter school right now. Not only do we believe we don't need it, we can't afford it. It's a very heavily taxed district. We have very few rateables.

My own taxes are close to \$9000 a year. And because of the charter school, each and every household has a property tax rise of \$61. That's every single household in Highland Park will pay \$61 more in their property taxes to pay for 25 children to go to New Brunswick to the charter school.

Now I want to make something very clear. It seems that in many districts, education reform may have to be forced. In Highland Park, we are a district that is very close to Rutgers University. We are a district where our

students have the highest SAT scores in the county and are among the highest in the state. We have about 12 percent of our students win National Merit Scholarships every year. We are a community where we put an emphasis on innovation. We have inclusive education. We do focus on-- It's our philosophy to focus on the learning styles of individual children. We do the things that these charter schools are talking about, changing education today, and I'd like to have them come visit Highland Park to see it work.

Now, we do have people in Highland Park that want to go to the charter school. We are always asked, "Well, what is the problem? Why are these people leaving?" And I can tell you personally I don't know all of the 25, but I know most of them. Now, I told you our school is 40 percent minority. I don't know any minority people that are going to the charter school. I told you our school is 22 percent free and assisted lunch. From what charter school people have told me, they have zero members from Highland Park who are free or assisted lunch. The people that are going to the charter school are people who are looking for something more for their child, and I, too, would love to have a classroom with a one-to-ten ratio. But in Highland Park, we do second best. We have a one to twenty-one ratio. That is one teacher to twenty-one students, and that's pretty good.

But I think that what we are talking about is we are looking at people that are looking for a better education for their child, but the one in Highland Park is superior to start with. Now, what happens in Highland Park, though, is that we are losing between \$200,000 and \$250,000 this year. So what do we do? We either cut services -- well, we did that. We cut \$200,000 from our budget this year. But in addition to that, in order to pay for 25

students to go to the charter school, we've also had to raise income tax -- not income taxes, we don't raise those -- local property taxes by \$61 a household.

Now, I wanted to go into just a few points that were made here by some other people. First of all, the funding is unique in New Jersey. You have my testimony there. My friend Diane and I went on the Internet, and we went to the site of our visitor from Washington, the Center for Education Reform, and a few others, and you will see it in your packet in the back. What we looked at was a few things. We went through every single state that has charter school legislation. We looked at two things -- actually more than two things. We looked at funding and we looked at local approval. Yes, in fact, she is correct. The way that the money gets to the schools is not unique in New Jersey. In some states, it goes from the state directly to the school. In some states, it goes from the district, and others there is a combination. She is right.

What's different about New Jersey and what's unique about New Jersey is every other state has some sort of local approval. Either the district approves the charter school and they pay for it or the state pays for it, or the state grants the charter school but with district approval, or there is a vote of some sort. But in one way or another the locality has something to say about it. So, yes, she is right. It's funded in many of the same ways, but people have a choice. And what we are saying is we don't have a choice, and that's the fundamental difference.

Now, if in New Jersey the law was amended to allow charter schools in districts that want them, that approve in one way or another, charter schools would still thrive. Charter schools are thriving throughout the nation,

and there will be more charter schools, but charter schools are thriving in Pennsylvania and I think she mentioned Colorado because the people in the districts want them.

In Highland Park, if we chose to have a charter school -- and that's not beyond an imagination. If we chose to have a charter school, we would choose to have it to meet our needs, not the needs of a small group of parents. In Highland Park, we might choose to have a charter school to reach our at-risk children. But in New Jersey, unlike other states, these charter schools don't have to focus on at-risk populations or at-risk districts.

We also included in our chart here that one-third of the states do have provisions for focusing on at-risk populations. One-third of the states also have racial balance. New Jersey has neither, and that's how we ended up with the charter school, in our case, which is essentially the cream of the crop. And I know that they don't like that saying, but in fact, if you look at the numbers, it's true.

Just a few more remarks that I would like to make.

ASSEMBLYMAN WISNIEWSKI: If you could be a little briefer, you've gone through--

MS. FRANK: I know.

ASSEMBLYMAN WISNIEWSKI: --a lot of time.

MS. FRANK: You know what? I'm going to let Diane talk, and she can pick up on anything that I have left out.

ASSEMBLYMAN WISNIEWSKI: Let me just ask one question. You said the Highland Park Board had cut \$200,000 from the budget.

MS. FRANK: Yes, we did.

ASSEMBLYMAN WISNIEWSKI: What area did you cut that in?

MS. FRANK: We cut it in--

Vinny?

He's not here. We cut \$200,000--

ASSEMBLYMAN WISNIEWSKI: If you could supply that information--

MS. FRANK: --out of the budget. We consolidated some programs, we did some more sharing of services.

ASSEMBLYMAN WISNIEWSKI: Well, if you could supply that information to the Committee, I'd appreciate that.

MS. FRANK: Yes.

We cut the \$200,000, and then we also had to raise taxes, just for the charter school alone. And I'm saying we raised it \$61 per household. That's an estimate just to cover the cost of the charter school students, and in addition to that we have to pay for the busing.

ASSEMBLYMAN WISNIEWSKI: Thank you, Ms. Frank.

Ms. Weinberg.

DIANE WEINBERG: Hi, Diane Weinberg. I'm the mother of four children in Highland Park. Three of my children are currently enrolled in Highland Park Public Schools.

I've thrown my testimony away because I believe my friends and neighbors from Highland Park summed it all up beautifully. I've heard a lot of testimony here today which focused on intentions and goals, what ifs. And I think the one thing I can lend here today is a shot of reality. I can let you

know what it was like in Highland Park when our school budget was up for vote.

As Meryl stated, our taxes were raised, on the average \$140,000 property, \$61. So that means that some people's taxes went up more than \$61. We knew that we faced a terrible decision in Highland Park. And that was either to vote a budget that would raise taxes that would put a severe burden on our large community of seniors and also families who aren't as fortunate-- We have 22 percent -- I think Meryl mentioned this -- of our students are on assisted lunch or free lunch. So what were we to do? Did we burden our taxpayers even more, or did we compromise an excellent school system and cut programs?

It was a horrible choice to make, and our community is a very close community, and people were committed to working together and making sure that neither of these scenarios happen, where people are forced to move out of our community because they cannot afford the taxes or our students are forced to suffer through program cuts. I worked very hard in getting our school budget passed. I was out in the community every day talking to seniors, talking to young families who moved to Highland Park because someday they want their children to go to school there.

The response was overwhelming. No one even wanted to talk about the budget. Everyone wanted to talk about the tax burden that the charter school had imposed on our community. I think the thing that outraged people the most was the fact that they had no voter control, there was no voter say. People would say, "Can I vote the budget down, and then we'll save the money?" And, again, we had to repeatedly explain to people, if you vote down

the budget, the Greater Brunswick Charter School will receive its money, but the public school, Highland Park Public School, will have budget cuts. Our budget would then have been sent to our borough council. Our borough council would have been making decisions concerning our children's education. It was a very frightening situation.

We passed the budget this year. Our community got behind our public schools, and they passed the budget. But there was an overwhelming request. And that request was that we fight in New Jersey for fair charter school laws. And when I say fair, I mean laws that do not create an additional tax burden on the community and, in addition, laws that will protect our good public schools and not undermine what we've worked so hard to achieve.

One point that wasn't raised here today on behalf of the Highland Park community is the fact that Greater Brunswick Charter School is not at its full capacity for enrollment. So next year it's likely that our bill will double. We will be going back to our taxpayers and saying it's not \$61 anymore, it's over \$120. If this happens, we will not pass our school budget next year, and we will suffer program cuts.

In the name of reform, in the name of innovation, I beg our legislators not to sacrifice our existing public schools, not to create an excess burden on an overly taxed population -- that would be my main request -- and return some control back to -- democratic control over our school back to our community as all other states now have.

ASSEMBLYMAN WISNIEWSKI: Thank you, Ms. Weinberg, we appreciate your testimony.

MS. WEINBERG: Thank you.

ASSEMBLYMAN WISNIEWSKI: Ms. Frank, thank you for your testimony.

MS. FRANK: Thank you.

ASSEMBLYMAN WISNIEWSKI: Next, I'd like to call Marie Hakim from the Clifton Board of Education.

Marie? (no response)

Kiwan Fitch, Caryn Rogoff, Kathleen Druman.

ROBERT PERRY: I'm representing Ms. Rogoff. Ms. Rogoff is one of the founding members of the charter school, and this is Ms. Fitch.

ASSEMBLYMAN WISNIEWSKI: Is Robert Perry here as well?

MR. PERRY: I'm Robert Perry.

ASSEMBLYMAN WISNIEWSKI: Okay, thank you.

MR. PERRY: We will leave for you the testimony of Ms. Rogoff.

I'm on the trustees of the board of the Learning Community Charter School in Jersey City, former board member of the Jersey City Public Schools, and a parent of five children either presently in or have graduated from Jersey City Public School System.

I'm going to introduce Ms. Fitch in a minute. She is just going to share her story of her child and what the school has done over the last eight months for him. But one of the things that I think, and one of the points that Assemblyman Craig Stanley raised, is what transfers. One of the things I've seen as my commitment of the school and the schooling of the children of Jersey City is I've seen in a charter school a new energy, an energy that I think was anticipated by the legislation. Energy that has community people involved

to have either local newspapers, and so forth, involved in public education like there hadn't been before.

But the most powerful thing, and that's why I'm going to just turn over to Ms. Fitch, is I see a level of parent involvement, that will transfer not only to our school system, and the level of teacher involvement, of what is going on, that we hope, in the years to come, will allow us to collaborate with the teaching forces so that all of our children benefit. But the parent energy is the key energy. Parents help to build things in classrooms and help to construct and do, and they really feel like it's part of it. And that energy, I think, they will carry wherever they go within the system if their children leave from a charter school to go into a public school system. And I think that is part of the positive energy.

But I have Ms. Fitch to share her story. You have the testimony that summarizes everything that's been said today.

Thank you very much.

ASSEMBLYMAN WISNIEWSKI: Thank you, Mr. Perry.

KIWAN FITCH: Hi.

ASSEMBLYMAN WISNIEWSKI: Hi, Ms. Fitch.

MS. FITCH: Good afternoon.

First, I wanted to say is that my mother is a Jersey City Public School teacher, and she chose to send us to private school. I don't live in Highland Park. I live in Jersey City where our school system is run basically by the State because our schools are terrible.

My son spent his first three weeks of kindergarten in the public school in my district where I didn't have a choice but to send him. And believe

me, it was horrifying for him as much it was-- It was horrifying for me as much as it was for him. These children, especially born in the '90s, are not children like myself or like my mother, and the school system is not-- There are 19-year teachers who are still teaching with that 19-year mentality, and it doesn't work for these children. There needs to be an alternative approach.

I enjoy being able to get up on Saturday morning to go to work and my son is saying, "Mom, there is school today, can I go to school?" And he wants to go. And for a young black child in Jersey City to have self-esteem and to feel that it's important and want to be in school, I commend the charter school. I feel like I have no other choice. There aren't any choices. The selection of public schools in Jersey City is sour; it's really bad. And for my mother to be a teacher in the Jersey City Public School System and be glad that her son knows in kindergarten -- knows his alphabet in sign language. And his teacher-- They just don't do finger painting, but he knows about Picasso and van Gogh. He's analyzing, he's dissecting, and he's doing things that are not being taught in the public school around the corner from my house.

And I am just glad that he is there and to be a parent who is involved with this-- I mean-- My mother comes home from parent's night and says no one showed up, two parents, and I got two notes saying I'll be there tomorrow. It doesn't happen there. The parents are involved. We are there because it's a community-based school, and we want our children -- not just our children, but all the children in the community to get a part of this.

We are based in the Jersey City Boys and Girls Club, which means that he has so many different things around him that keeps him motivated.

There are counselors, there is outreach, there is so many things going on that keeps these children wanting to go to school, and that's the most important thing.

Thank you.

ASSEMBLYMAN WISNIEWSKI: Thank you, Ms. Fitch.

Just one question. You mention the Jersey City Public Schools and the State takeover. Your child had attended kindergarten for three weeks?

MS. FITCH: Yes.

ASSEMBLYMAN WISNIEWSKI: Since the State has taken over the school district, has there been any improvement from what you have observed?

MS. FITCH: From what I have observed, no there hasn't. The State has taken over years ago. This didn't happen just this school year, it happened years ago. And I tell you no lie it was a horrible incident when I went to get him. I had gone to the charter school, seen it, and I was very enthusiastic. I came to pick my son up. It was 2:00 in the afternoon, and the teacher says to me, "You're going to have to do something with him. If his behavior doesn't improve, I'm going to have to put it on his report card." This was-- First, he started this five days into the school year -- five days into the school year. And when she says to me that my son was picking at his nose and the other kids don't want to be bothered with him and she is really having a horrible time with him, it was all I could do to just get him out of there and take him to some place where his teacher--

Yes, he doesn't sit in his seat. What five-year-old does? Okay, so instead of expecting these children to sit in a desk in a row and to listen to one

teacher at a blackboard in kindergarten-- To move the chairs, let them stand up and do what they have to do -- it's just totally a new approach because these kids are not learning like we did. It's different. It's traditionally-- It's just different. And to be able to encourage him to continue to enjoy school and for me--

The thought that it's finances that is going to keep him from being able to learn and grow in that nurturing environment where his teacher can touch him and say, "Brandon, you are doing great today"-- That's what I mean, and if money is what is going to keep him from doing that-- I can't afford to move to Highland Park where he can get a great public school education. It's not going to work. Jersey City is a district that needs the charter schools for sure.

ASSEMBLYMAN WISNIEWSKI: Thank you, Ms. Fitch and Mr. Perry.

Next, we have Carmen Rivera, LEAP Academy Charter Schools.
(no response)

And we have our Chairman back.

ASSEMBLYMAN WOLFE: How are we doing? Okay? Hanging in there all right?

MR. EWING: We can't hear you.

ASSEMBLYMAN WOLFE: Okay.

Terri Fredericks, Family Alliance Charter School of Delran.

TERRI FREDERICKS: Yes, my name is Terri Fredericks, and I'm a resident of Burlington Township, New Jersey. I want to thank you for this opportunity to come to speak with you today.

Before I enter into my testimony, I just want to just address a couple of different issues. One is there has been a lot of talk about the funding formula for charter schools, and some of the information provided was incorrect, and I really encourage you to go and seek this information from the Department of Education. Pat Austin is very knowledgeable about the funding formula for charter schools.

Basically, some history about the funding. When the charter school law was passed, it was passed but that charter schools would receive 90 percent of the per pupil expenditure from their local school districts. There was a Code that was passed last May that said that the charter schools would receive 90 percent of the T and E amount. Since then, the charter school Code has been changed, and it's now -- I don't know whether it's been approved yet or not.

UNIDENTIFIED SPEAKER FROM AUDIENCE: Yes.

MS. FREDERICKS: It has?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Yes.

MS. FREDERICKS: It has been approved that it's back to the 90 percent of the per pupil expenditure from the district.

The second issue that hasn't really been mentioned from the charter schools is that -- but it was mentioned by Joe Peile (phonetic spelling), who is the for-profit representative here today -- charter schools don't have the same access to funding for facilities needs. And we are at a start-up position, and we are seeking outside funds to provide for our costs between the time we are approved for our charter through the time that we actually open.

We have been lucky to be awarded -- one of the nine charter schools approved for State start-up funding. There were twenty-three charter schools approved this year. Here, again, I think the State needs to look at-- If they are going to approve twenty-three charter schools in a year, they need to help support these charter schools and get them off the road on a good start.

I represent the Family Alliance Charter School. We call ourselves FACS. We were approved in January 1999, and we are planning to open in the year-- I'm sorry, we were approved in January of 1998, and we were planning on opening in September of 1999, so we have a planning year.

The school is already benefiting from support from several community organizations including Burlington County College, Perkin's Center for the Arts in Morristown, the Hispanic Social Services in Willingboro, the Masonic Homes in Burlington Township, and the Westminster Choir College. The interest in offerings of these organizations tell us that we are on track and that public school choice is a community concern.

There has been testimony given here today from Highland Park that the charter school choice issue is camouflaging the real reasons why charter schools are being organized. I believe this is false. This is why I'm here. I'm here to provide a choice for my child and my neighbors.

Those familiar with western Burlington County know that the four districts comprising the FACS region of residents, Burlington Township, Delran, Morristown, and Willingboro, provide a wonderful mix of social and economic diversity among its students population. As stated in our school mission statement, it is the hope of the FACS founders that this regional

diversity will provide public dialogue in an environment for children to learn empathy, tolerance, and respect for others.

The charter school movement also provides a unique opportunity to allow families, regardless of economic status, a choice for their child's education. Parents and students are given the option to choose the right public environment for their children. This concept of public school choice is why our founders have pursued this endeavor.

This is not to say charter schools should be the only place where school choice should happen. Recently, I was fortunate to visit an elementary school in Montclair, New Jersey. In this school district, for nearly 20 years, parents have been able to attend a school fair and choose the best school environment for their child. Among their choices are a Montessori-based school, an arts and technology school, and a gifted and talented school. What a great model for New Jersey school districts. Obviously, public school choice has proven to be successful in the past.

In recent months, there have been a lot of controversy surrounding charter schools, particularly from the resident districts and as demonstrated by the large number of appeals this year made against preapproved charter schools. FACS is not under appeal and is fortunate to have four superintendents who are willing to work with us. As an outsider to the appeals environment, there seems to be tremendous amount of negative energy spent fighting over issues where the main focus should be on the education of the children.

One of the Matawan people that gave testimony this morning had mentioned that they did a vote from their students and found out that the

majority ruled that the charter school was not a good idea. Should we go back to not listening to minority voices? Charter schools are in the minority, but does that mean that they necessarily have a wrong issue?

Taking off my charter school hat and putting on my taxpayer hat: If I were a taxpayer in an appealing town, I would have a hard time digesting the fact that my school district was spending thousands of dollars to pay legal fees in fighting the arrival of charter schools. At least the funding following a child to a charter school is being spent as the school tax money was intended, for the education of our children. Maybe school districts should be required to find private sources of money for these legal fees, just like charter schools; then -- maybe then -- they won't be so quick to appeal.

While individual school districts may view the charter school movement in terms of funding losses, the overall public school system is realizing a net gain. The New Jersey Charter School Act has opened a valve to release a flow of thousands of volunteer hours and previously untapped private financial resources. This is coming directly into the public school system and gives testimony to the movement.

As you know, New Jersey charter schools are public schools started by individuals dedicated to education of the youth in New Jersey. As a founder of FACS, I have been volunteering between 30 and 40 hours a week and donating thousands of dollars to the success of our school. I am working with almost a dozen others who have made similar commitments.

It is with this kind of personal dedication and sacrifice that charter schools are being created. Some call the charter school movement an experiment. As a former engineer, I define it -- an experiment -- as a test with

a specified beginning and end and having the objective of answering a question, or a set of questions. If I thought for a moment that FACS was an experiment, I would not be working on this school. I don't think charter school founders go in with the idea that this is going to come to an end. Just like an entrepreneur does not go into a new business venture thinking that the business is going to fold.

I have put an enormous amount of time and energy to get FACS to this point, and I am committed to seeing it through its fruition. I think it's important for you to know that for many charter school developers this is not a job, but a passion. The commitment by the Department of Education over the past few years for the betterment of public education should be commended, particularly, the development of the core curriculum content standards and its support for innovation in the public school system. Now the challenge for all of us involved is to work together in addressing the needs of our children by thinking outside the traditional box and infusing new ideas.

Yes, charter schools are new. Yes, charter schools mean change, and change is hard. Change can also be frightening at times. But change usually brings innovation, a new array of concepts and ideas. Change is necessary in the ongoing evaluation and accountability of public education, and if change is used as a vehicle for revising and building up on successful processes, then change can ultimately strengthen the public school system.

I applaud the efforts of the legislators who have had the foresight to see the benefits charter schools could bring to the public school system, and I thank them for providing me with the opportunity to pursue my passion of providing an innovative public school choice for my family and neighbors.

Thank you.

ASSEMBLYMAN WOLFE: Thank you very much.

John Pocsaji of Matawan. (no response)

Gregory Fenichel, Ocean City New Jersey.

GEORGINA FENICHEL: Georgina.

ASSEMBLYMAN WOLFE: Oh, Georgina. I thought it was Gregory.

MS. FENICHEL: Thank you very much for allowing us to speak before you today. My name is Georgina Fenichel, and I live in Ocean City in New Jersey, and I'm cofounder of the group called Child Advocates for a New Public Education, and it was founded because of the charter school movement in our community. Like the previous speaker, we are passionate, we are commensurate, we are totally dedicated to getting equal, high-quality education for every child and not just a few.

Today it has been real interesting. I would love to have had an arrangement where we could have all sat around and actually discussed some of these points because there were so many. I started off with my typed thing, but now I think what is written down is irrelevant. Jeanne Allen from Washington talked in very glowing terms about the charter movements succeeding all over the country. But I think you really have to look seriously at some of the districts involved all over the country, and a lot of them are failing. And when a charter school fails, people talk about accountability. We are accountable. I heard somebody say today we are accountable because if it doesn't work we close down. But what I think is lost in all of this is the

children. What happens to the child who spent a year or two in the charter school? Is that child bumped back into the public system?

Also, if you are really interested in pursuing it, there is an excellent book called *Giving Kids the Business* by Alex Molnar. He is a professor in University of Wisconsin, and he does an (indiscernible) of the charter schools. I think the Charter School Act of 1995 is an intermediate step to the dismemberment of public education. A lot of people have said that there is no money involved and no profit involved, but I think that the next step will involve profit. The next step is what happened in Milwaukee. Tommy Thompson is the Governor for Wisconsin, and he started with the charter school movement in Milwaukee, and he started with charters, and now they have vouchers. Unfortunately, for a good school that costs \$15,000 maybe a year and vouchers are worth \$1000, so who makes up the difference?

So I am very, very deeply concerned about what is going to happen with this very incomplete law that we have in New Jersey. And it is not chartered oriented, it's politically oriented and there are many-- If you look at the law very carefully, there are many indications as to why it is politically and more on the interest of politics than the child. And the board of trustees is going to take your taxpayers money. These are anybody off the street who the founders pick to be the board of trustees, and then they have the authority to decide matters related to operations of the school including budget and curriculum and operating procedures. They should have the authority to employ, discharge, and contract with the necessary teachers and nonlicensed employees. This is all without any consent or any input from the people who are paying the money for the schooling for the (indiscernible).

The Commissioner of Education is appointed as a political appointee and he alone, throughout the law, can decide if charter is granted or if it's rescinded. He has absolute control with regards to charter schools.

Mr. Klaus spoke before me about Ocean City. And he said that the average salary -- and I'm not going to get into he said this or that, but I just want to give you a balance. The average salary for teachers in Ocean City is \$62,000, but what do you do if these teachers have been there for 25 years and 30 years? They are very deeply committed to education, and what do we do at the end of a career or life? We just say, "Well, you've become too expensive and I'm sorry. You know you have to go, and we want to get somebody cheaper."

We've seen this a lot in the corporate world with AT&T downsizing and people in their middle years, because they have reached a certain salary, having to go. And I think public education is a little bit different. I'm an indigenous person of Ireland, and my great-grandfather was what's called a head schoolmaster. We were not allowed to be educated because we were colonized by the British. The only way we got an education was if there were brave teachers who went from village to village and held classes under ditches or hedges. And if he was caught, he would have been killed by the British.

So to me, in my ancestral memory, I have a very, very, very deep commitment to the children and to education. I feel that this country is not strong because of its military might. It is strong because of its education and an even playing field. And I think, with this law, what's going to happen is it's going to be an unequal education, and unfortunately, I think you have to cast

a wider (indiscernible) as members of this Committee and look at the total funding of public education in this state.

Why should it be that a poor child who lives in a poorer area, where property values are low, have an unequal education when they are determined who really need a better education? And how come that if a person lives in a middle-class, upper-middle-class community, they get a very good education? In this country, that's built on equality and justice, I feel that you have to really take a good look at that and not just look at the charter schools.

Mr. Klaus, I'll give you an example of some of the issues. We have a very good public school system in Ocean City, and we have a very good art program in the high school. We have music; we have a lot of technology; we have distance learning. We are very satisfied with the educational system that we have. There could be improvements and there could be more flexibility, that is true. But to establish another institution within the community and to take monies away from the well-established, sound educational system is completely unconstitutional and completely unfair.

I can understand the desperation of communities like Camden or Newark or Trenton, here, who are really the children are not getting a good education -- I can see them looking for anything to improve it. But I feel that with this law, it is allowing a group of private individuals to have a flavor of the month. It could be Afro-centric, it could be Irish-centric, it could be Hebrew-centric and there should be no restrictions whatsoever, and they are not accountable to any of us as taxpayers. I just want you to know that there may be silence from people here on the grassroots level, but there is a lot more work

to be done. Tomorrow we are meeting with 14 districts who have charter schools in their areas. We are going to have separate committees on what we can do and how can we can fight this unjust law. So there is a lot of activity on the base level. And I think that eventually the pressure would have to be put to change the law, to make it more accountable.

Just in specific, this year we had 35 people -- kids enroll in the charter school in Ocean City -- those \$350,000 or \$400,000 of the funds that follow them. It cost \$10,000 to educate a child in Ocean City. No matter what other programs were lost, this \$400,000 had to be kept for the charter school. It ended up with an increase in property tax of \$48 per \$100,000 homes. Next year, if it goes up to 100 students are enrolled, it will be a million dollars, and we can't keep going to the (indiscernible) and asking for more and more property tax increases.

Some of the strangeness of the charter law -- I can just relate it to Mr. Klaus and the other founder. They have a charter for ninth- to twelfth-grade high school but then also asked for one eighth-grade class for one year only, and that has been granted. I am a parent and an intervener on behalf of the parents and the children in this matter. We feel that to take children from eighth grade and remove children and teachers out of the eight grade for one year only and then reinstate that class the next year at the public school is outrageous. If I were (indiscernible) person, I would wonder why both kids are in the eighth-grade class are going into that eighth-grade class for that year. This is what the charter law allows to do and allows to happen.

And I think you people are very good people. You have been very patient and you are committed to public service. I really trust that you will

look at the whole system of funding public education because we wouldn't be where we are if it wasn't for public education and why deprive the next generation of the advantages that we have had.

I want to thank you very much.

ASSEMBLYMAN WOLFE: Thank you.

Thank you, Ms. Fenichel.

William Moore, Red Bank Charter School.

WILLIAM MICHAEL MOORE: Good day, Chairman, and good day to members of the Committee.

My name is William Moore. I am from the Red Bank Charter School Association who-- I am also a cofounder of the charter school. I come to you today in testimony, which is highly revised at this point, and forgiving that situation, I'll forward my changes in the testimony in the next day or two for your review.

What I'd like to bring to you is I come to the table not just as a founder of the charter school, but I am also a taxpayer. I'm a parent of four children that go to public school, and I'm also a by-product of public school. So what I bring to the table, also, is I'm also a government employee for 25 years. I am very familiar with bureaucracy and a lot of the manipulation that goes on in government or around government. But what I am trying to bring to the table today is I believe charter schools represent opportunity, and that is really the gist of what this is all about.

The concern of fiscal concerns seems to be at the table at the highest. But in a two-year evaluation of what is going on here, I believe it's much more than just fiscal. I believe the concern of a lot of the public schools

is also fear. When I talk about fear is, when you take a charter school incentive that has high restrictions and is restricted to how much money it can spend and it cannot increase the taxes of the public, then you have a concern from the school districts that say, if these people are successful, then that is going to bring accountability to us -- why we have been overspending in all of these districts.

And I really want to put emphasis on that. I believe there are a lot of public schools that are doing very well and they are probably very efficient. But the reason I came to charter schools originally and became a founder is because I was not satisfied -- I was an unsatisfied customer of public schools, even though I was a by-product of one. I was happy at that time, but for my own children I was unsatisfied. Also, as a taxpayer I was unsatisfied. I am paying over \$6000 in taxes in my community and a by-product of what our community is getting is not good. So that was one of the other reasons I came forward as a founder of a charter school. I saw the opportunity for change and I want to be a part of it.

They say that parents of the charter school should become more involved with their public schools to effect change. Well, I did that also. My wife and I were well involved with the public schools for 10 years trying to effect change. Well, the product did not change for us, so we decided to go out and take advantage of the legislation that was presented by our legislators, and we decided to go ahead and move forward and initiate the opportunity for educational excellence. We are not just looking for efficient education, we want the opportunity for excellence in education.

And as far as accountability in public schools, we've heard discussions of takeovers in schools, Jersey City being one of them. But my question is, what are the takeovers from the State from? Are they only fiscal bounded or is per academic failure? I have not seen one school taken over because of academic failure. It all seems to be fiscal responsibility. If you put the same restrictions on charter school -- I'm sorry, the same restrictions and accountability to public schools as you do charter schools, more than 50 percent of them probably in the state will close down next year.

So you are asking us, what do we need for education? We definitely need to come to the table today, without a doubt. But I think what we need to do is put responsibility all across the board. Do we welcome high scrutiny in the charter schools? Yes, we do. Do we welcome the accountability? Yes, we do. We have to produce or else we are not doing our job. And we are willing to close our doors if we can't meet your expectations.

But, also, we do ask for fair funding. Initially, the funding was going to allow a 30 percent difference in our district opposed to the public school. That's not fair. The new legislation -- or the changes in the legislation will allow for us to get 90 percent rather than a 30 percent differential or within a 10 percent differential amount. I do applaud for those changes. However, what else needs to be welcomed is this continued opportunity for change and the opportunity for choice. Choice in our districts--

A lot of our districts have never been there. Whatever mechanism comes through choice, which is one of the fundamentals of our country is choice, how can we sit here and say no choice for you? We have to have choice. I'm sure that there is some of them that are very selfish, but if

everyone was selfish and brought their own desires for their own children, and we all have this selfishness, we would be highly successful in public schools. Unfortunately, that selfishness is not shared across the board. Well, let's bring it. Let's bring it together. Let's be selfish for all of the children, and let's educate our children.

I thank you for the opportunity to speak.

ASSEMBLYMAN WOLFE: Thank you, Mr. Moore.

Anyone else wish to speak? (no response)

I want to thank you all for sticking around until the very end. I just want to assure you that these issues will be looked at by the Legislature, and we will be considering possible changes to the charter school legislation.

Thank you very much.

(HEARING CONCLUDED)