

APPENDIX



**FAIRLEIGH
DICKINSON
UNIVERSITY**

Government and Community Affairs

MEMORANDUM

To: New Jersey Joint Committee on the Public Schools

Fr: Nicolas F. Parra and Brandon Barlow, Fairleigh Dickinson University

Date: January 17, 2017

Re: Recorded Testimony on School Funding Policy

Background on School Funding in New Jersey

In 1985, the New Jersey Supreme Court decided in the seminal *Abbott v. Burke* decision (Abbott I) that the State must revise its school funding formula in order to provide a thorough and efficient education for all students as mandated by the State's Constitution. Subsequent decisions, spanning over thirty years, have become a hallmark of New Jersey state law as they have reversed and upended the State's outdated, unconstitutional, and discriminatory school funding system.

As a result of the *Abbott* decisions, the State pioneered new efforts to address educational inequality. The new funding formula resulted in the reallocation of school resources, creation of *Abbott* districts, distribution of extra funding for districts that improved test scores, establishment of free preschool education for students in the *Abbott* districts. These policies served to stabilize a sharply inclining dropout rate in certain districts and even improved student health.

The Turning Point

In 2008, the New Jersey Legislature passed the School Funding and Reform Act ("SFRA"). The legislation recognized the struggles faced by poor students throughout the state, not only in the *Abbott* districts. As a result, the SFRA leveled school funding across the state with exceptions for the most at-risk districts. SFRA provided a uniform formula with money allocated based on the number of at risk and special education students. The intention was to have the money follow the child.

In 2010, the recession began to effect education funding in New Jersey. The State Treasury did not have the money to fulfill the requirements brought forth by the SFRA, which resulted in cutbacks in education spending. In 2011, the NJ Supreme Court once again ruled that the current educational formula was not meeting the Constitutional requirements and ordered payment to the *Abbott* districts.

Current State of School Funding

There is persisting and growing inequality between the State's suburban districts and its poorer districts, which include the former Abbott Districts and the rural so-called Bacon Districts. While the question of amending or even replacing the SFRA is one that will inevitably create serious debate within the branches of State government, leaders should examine policies that have proven to be successful in curbing educational inequalities.

New Jersey's existing free preschool program has been one of the major successes to come out of the Abbott initiative. Research has shown that a high-quality preschool experience can have a profound effect, not only on a child's educational outlook, but on total lifetime earnings as well. In 2014, the Executive Office of the White House published a report which shows a \$9,166 to \$30,851 increase after accounting for the cost of the program.ⁱ Moreover, the student is not the sole beneficiary, but the state and national economies as well. The report also demonstrates that, "expanding early learning initiatives would provide benefits to society of roughly \$8.60 for every \$1 spent, about half of which comes from increased earnings for children when they grow up."ⁱⁱ Universal preschool (or pre-k?) also has a multitude of other benefits including the reduction of high school dropout rates, teen pregnancy and arrests.

Based on 2014 figures, New Jersey spent \$600 million to educate 45,875 pre-k students or about \$13,318 per student.ⁱⁱⁱ The State provides this service to students from 40 districts across the State, including the 31 former Abbott Districts and various walks of life. The current program covers all three and four-year old children in these municipalities, along with those four-year olds whose families are up to 200% above the federal poverty level.

Recommendations

Expand Free Pre-Kindergarten Program:

We recommend that the State pass legislation to expand its existing preschool program to provide free preschool to all low-income preschoolers. The policy shift would involve the reallocation of existing funds and repurposing of new funding such as the proposed \$300 million state house renovation. Further, the current program has made great strides at reaching a large number of students given the State's budgetary constraints. However, the State can expand this initiative, while not suffering serious economic consequences. According to The National Center for Children in Poverty at Columbia University's Mailman School of Public Health and the 2015 New Jersey State census, 36,284 children under five years of age will qualify as low income. This figure is revealing as it demonstrates that at the State's 2014 spending levels of \$13,318 per pupil, the State could educate all low-income preschoolers for \$484 million as compared to \$611 million that was actually spent.

Increase Teacher Retention in At-Risk Districts

In addition, we recommend this committee order further research to examine methods to increase teacher retention in urban districts. Low income and urban districts present much different environments than middle-income and wealthy districts. Teachers within these districts often struggle with classroom management and their classes suffer from behavioral issues as a result. The teachers see their students as apathetic and unmotivated and they struggle to reach them.

Many teachers also report feeling isolated and a lack of peer support. These issues can be very exhausting for young teachers and cause many of them to leave the profession.

Urban districts report that they lose 20% of their staff every year, which is nearly double that of suburban districts.^{iv} The National Commission on Teaching and America's Future reported that the cost of hiring and training one new teacher is approximately \$17,800.^v This extremely high turnover rate affects both the school's budget as well as the performance of the students.

The students who struggle the most are getting rookie teachers year after year. The absence of veteran teachers only exacerbates behavioral and learning problems within low-income schools. High teacher turnover rates have proven to decrease student performance and waste valuable state resources.^{vi}

While the Abbott decisions increased funding to help low-income and urban districts, much of the money is wasted in administrative cost. Low-income schools suffer from the worst teacher retention rates and as a result much of their funding is spent hiring and training new staff that will likely leave within the next few years.

Montclair's Urban Education partnership with Newark schools is an exemplary program that gives future teachers first hand experience and exposure to the specific difficulties in urban schools. They form mentorships with current teachers and get benefits from both the college and the schools. Montclair and Newark formed this partnership over three decades ago and as recently as 2014 the college received a \$6.3 million federal grant to expand their program. The program provides professional development opportunities for the mentors and more resources for young teachers.

According to the NJ DOE teaching mentorships are now required as of May 2014. The current requirements include one-on-one meetings for at least the first four weeks and continued partnership for the next 30 weeks. Increasing support from experienced teachers and school administrators would further aid young teacher in their training. It is a necessity for teacher to be given the proper supports and resources so that they can succeed and continue teaching.

Conclusions

The issue of school funding is not only complex, but involves endless variables and political obstacles. New Jersey has made attempts to reach the Constitutional goal of providing all students a "through and efficient" education. We firmly believe that if the State expands its current free preschool program based on proposed guide lines, this will result in innumerable educational benefits, including a workforce better suited for America's growing and shifting economy. This suggestion will also provide for a much-needed investment in the State that in time will create jobs and prosperity for all.

We would like to take this moment to thank the committee, and especially Assemblywoman Jasey, for this incredible opportunity. We I hope that our work will be of value for the potential expansion of the State's preschool programs Additionally, we would like to commend the State Senate on passing of the SR100 to create the Senate Select Committee on School Funding Fairness and hope to see it implemented for further improvements on our State's educational System.

ⁱ Executive Office of the president of the United States, "The Economics of Early Childhood Investments." (Washington D.C.) Executive Office of the President of the United States, 2014.

ⁱⁱ Ibid

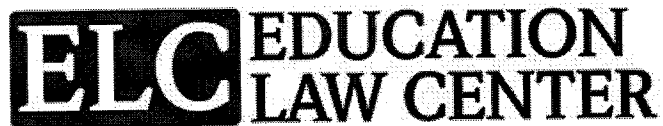
ⁱⁱⁱ Meir Rinde, "Putting The Garden State's Pre-K Education Programs In Perspective." *NJ Spotlight*. Last modified November 23, 2015.

<http://www.njspotlight.com/stories/15/11/23/putting-new-jersey-s-pre-k-education-programs-in-perspective/>

^{iv} NPR ED July 18, 2014

^v "Keeping the Teachers: The Problem of High Turnover in Urban Schools." December 2, 2015 Stienhardt NYU

^{vi} Center for Longitudinal Data in Education Research in TeacherMatch.org



TESTIMONY OF EDUCATION LAW CENTER
ON SCHOOL FUNDING
JOINT COMMITTEE ON THE PUBLIC SCHOOLS
JANUARY 17, 2017

Thank you, Assemblywoman Jasey, and members of the Joint Committee on the Public Schools for the opportunity to testify on behalf of the Education Law Center (ELC) on school funding. My name is Sharon Krengel, and I am ELC's Policy and Outreach Director.

New Jersey leads the nation in funding public education based not on available dollars or raw political considerations, but on the needs of students and schools. The School Funding Reform Act (SFRA) was rigorously researched and carefully developed over five years, and, when enacted in 2008, secured bipartisan support in the Legislature.

The SFRA provides school children with state aid based on assessments and judgments of NJ educators of the actual cost of educating them. The SFRA's base cost represents the resources all students require. This cost is enhanced by the cost of additional resources allocated for students living in poverty and English language learners, expressed as a "weight" based on the base cost. This is why the SFRA is a "weighted student funding formula," a model that ensures school districts have the funding necessary to provide all students a thorough and efficient education, as defined by the Core Curriculum Content Standards.

We have the most fair and equitable funding formula of any state, and the SFRA remains intact. Our problem is that Governor Christie, since he took office in 2010, has steadfastly refused to fund it, even at reduced levels. He also cut \$1.1 billion from the formula in his first budget, and that aid has yet to be restored for many districts across the state. NJ school districts should be – but are not – receiving an additional \$1 billion in state aid in the current school year.

Another consequence of the Governor's failure to fund the SFRA is that more school districts are now "below adequacy," and the gap between "adequacy" and the state and local revenue in district budgets has grown. Each district's "adequacy budget" is the heart of the SFRA; it represents the level of spending, based on weighted student enrollment, that districts must have to provide a thorough and efficient education.

Most importantly, the SFRA's chronic underfunding is taking its toll on the availability of teachers, support staff and programs in district schools. Many districts have no alternative but to cut essential resources, increase class sizes, and reduce or eliminate after-school, summer school and other interventions for at-risk students.

Unfortunately, it does not appear that the SFRA will be back on track in the FY18 State Budget. There is no indication that the Governor will, in his last budget, embrace the formula and work with legislators to begin appropriating additional state aid to districts that are far below adequacy.

Instead, the Governor has spent the past six months pitching his so-called "fairness formula" funding proposal, a radical plan to give every student the same amount of state aid, regardless of student, school and district need.

Even more troubling, there is talk that the Governor will attempt to foist his funding proposal on school districts in his proposed FY18 State Budget, bypassing the Legislature altogether. This unprecedented – and unconstitutional – step would cause immeasurable havoc on school districts, as they would be forced to put together budgets based on a monumental reallocation of state aid.

Let's consider for a moment the Governor's plan. Unlike the SFRA, it has no basis in research, best practice or the assessment of student and school need. Many districts – 143 to be exact – would see their state aid cut, with the poorest districts bearing the overwhelming brunt of the cuts. These low-wealth districts (78) would lose, on average, a staggering \$7,417 per pupil, or 40% of their operating budgets. In addition, state aid would drop in 56 middle-wealth districts by an average of \$1,494 per pupil, or 8% of their operating budgets.

In sharp contrast, 129 higher-wealth, higher spending districts with low student need would receive a huge influx of state aid transferred from the poorer districts. But these higher-wealth districts can't use this funding to educate their students. The Governor's plan earmarks this aid for property tax relief. The bottom line is this: the Governor wants to cut property taxes in more affluent communities, paid for with state aid taken from poor schools.

The Governor's plan would trigger educational chaos across the state. Higher poverty schools would experience enormous cuts in teachers and staff and a massive downsizing of their educational program. Districts adjacent to or near the impacted districts would be overwhelmed with families fleeing cities and towns devastated by the plan. The entire state would suffer from massive layoffs, impacting on local and regional economies.

It gets even worse. The Governor's plan would be the death knell of Abbott preschool, the nation's most successful early education program. And the proposal would nullify the SFRA's mandate to expand Abbott preschool to over 80 additional poor communities and all 3- and 4-year-old at-risk children in the state.

Make no mistake. The Governor's plan would turn the clock back 50 years, when educational opportunity in NJ was determined by household income and the wealth of the community where children reside. Thankfully, we've come a long way in reducing educational disparities and inequities. We simply can't let the Governor reverse that progress.

So let's keep our focus on the SFRA and what we can do to get districts on a path to adequacy through the formula. We can start with three simple steps:

- Beginning with the FY18 State Budget, implement a multi-year phase-in of new state aid through the SFRA formula, targeting the aid to districts that are most under adequacy and/or experiencing significant increases in student population.
- Gradually phase out hold harmless aid to districts that are over their SFRA adequacy budgets and to charter schools. Charter schools should also be required to adhere to the same 2% cap on excess fund balance as districts.
- Raise the 2% cap on increases in local property taxes for school budgets in districts under their adequacy budgets and where there is a sizeable gap between their local revenue level (local levy) and the local fair share under the SFRA.

ELC has stood at the forefront of the fight to secure education equity and fair school funding in NJ for over 40 years. We stand ready to work with this Committee to ensure a return to full implementation of the SFRA so the Garden State can retain its place as a national leader on high quality education and excellent outcomes for our 1.2 million public school children.

**Testimony of
Marie Blistan, NJEA Vice President
Joint Committee on the Public Schools
January 17, 2017**

Good morning. I am Marie Blistan and I am the vice president of the New Jersey Education Association. I am proud to represent over 200,000 active and retired school employees in New Jersey – school employees who are getting tired of doing more with less.

In 2008, Republicans and Democrats came together to pass the School Funding Reform Act. This funding formula not only had bi-partisan support, but was the product of informed input from education stakeholder groups and upheld by the New Jersey Supreme Court.

After the initial year of implementation in 2009, SFRA has been underfunded by approximately \$1 billion each year. This refusal to run the funding formula for seven years has led to gross inequities in school aid.

In the event of a budget shortfall, the state should use the mechanisms in the formula or implement a path towards full and equitable allocation of state aid in accord with the formula funds. But instead of actually following the law and fully funding SFRA, we are hearing about “fixes,” and substitutions, and a re-examination of every aspect of the SFRA.

The first comes from the governor. In addition to underfunding school districts by a billion dollars every year, the governor is promoting his so-called “Fairness Formula” which would further reduce aid to about 414,000 schoolchildren. Gov. Christie’s plan would do nothing more than provide tax breaks for our wealthiest residents at the expense of middle and lower income families and students. He wants to create a system of winners and losers which reduces school funding to the students who need it the most.

And while Sen. Sweeney says he is concerned about school funding, his proposal would reduce aid to about 715,000 students by almost \$685 million, or around \$960 per pupil on average. That is unacceptable.

Both of these proposals have one thing in common, they are divisive. Instead of working to remedy the \$1 billion funding gap, they aim to pit communities against each other.

NJEA has consistently supported the current school funding formula. We believe that considering New Jersey’s history with school funding, a formula that was agreed to by both houses of the Legislature and

signed into law after extensive discussions with, and input from, education experts and stakeholders and upheld as constitutional by the New Jersey Supreme Court, should be followed each year.

A report from September 2016 by the State Auditor concluded that if the funding formula was used to allocate school aid in FY 2016 without adding even \$1 dollar to the direct aid appropriation, 365 school districts would've received more school aid than they did under the FY 2016 Budget. We are shortchanging our students and it's time to make *all* students a priority, wherever they live and whatever their needs and circumstances.

There have been claims that some districts are overfunded due to adjustment aid. This is misleading, and eliminating or phasing out adjustment aid is no solution, and counterproductive in many cases. You cannot gauge the adequacy of funding levels until you actually follow the law. A district receiving adjustment aid may still be unable to provide adequate educational resources in accordance with the formula, or may be taxing its residents for more than their statutory "fair share." To blame adjustment aid for today's state aid discrepancies or anomalies are a diversion from the state's failure to follow the school funding law.

Additionally, it's imperative that the financial impact of charter schools on our traditional public schools be taken into account. The New Jersey Charter School Program Act took effect in 1996. Charter schools were intended as locally run operations, created and operated by community members, parents, teachers, and others, who were invested in the success of public education and the community.

This original vision assumed that these "laboratories of innovation" would inform instruction across the public education system. The lessons learned would enhance local school districts and the educational experience of all students.

While NJEA has supported the concept of public charter schools since the original charter law went into effect over 20 years ago it's time to adjust the law to reflect new challenges. The intent of the charter school law was not to create a separate school system. The intent was not to segregate students by race or ability. But in too many communities, that is the reality.

Charter schools must be held accountable to the communities they serve. Charter schools should be transparent in their reporting on the use of state funds, including their revenue, assets, and contract commitments.

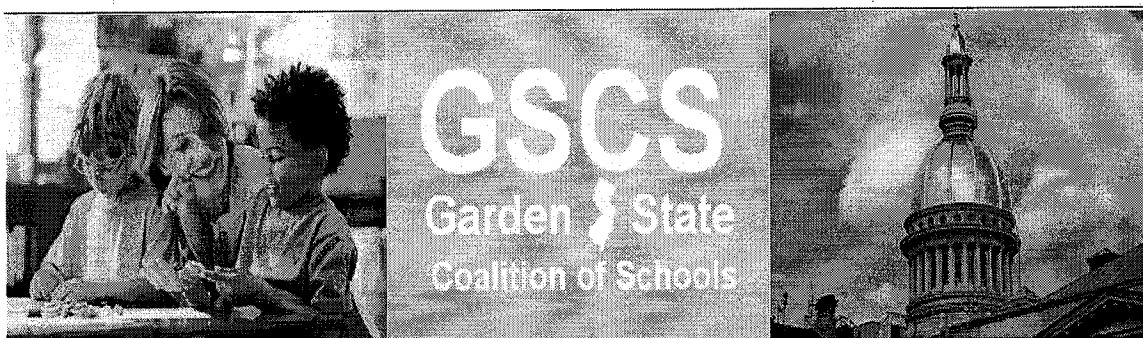
Further, NJEA believes that no new charters should be granted until the state fully funds SFRA.

NJEA believes that the process of school funding must be transparent. Any changes to SFRA should be done through a thorough legislative review process, just as the law was created. Funding must also be predictable, because uncertainty over funding forces districts to engage in defensive budgeting and spending, which runs counter to long-range planning and overall efficiency. That's why NJEA supports Assemblyman Prieto's proposal which would require legislative oversight and stakeholder input for any alterations or adjustments to the existing formula.

Education Week released its schools rankings and once again, New Jersey ranks at the top. Our graduation rate is second in the nation. We are making advances in closing the achievement gap. However we know there are pockets of disparity. Too many students live in communities plagued by poverty, homelessness, and crime. Too many students come to school hungry. Too many students come to school worried and fearful for their families and their futures.

This is not the time to turn our backs on those who need us most. Every child deserves a chance to succeed. NJEA believes that funding SFRA is an important first step in making success a reality.

Thank you.



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GSCS is grateful that the Committee has turned a bright public spotlight on school funding and pleased to have the opportunity to testify this morning. We will address this complex issue in the context of our member districts' experiences.

SFRA Background: One Formula for Everyone

Like many of the groups testifying today, GSCS helped with the creation of SFRA. Though the formula was not perfect at its inception, it was conceived as a way to bring the New Jersey public education community together by allocating funding according to student and community need. It was also engineered so that no district would suffer in the transition from the old formula to the new. Unfortunately SFRA arrived in 2008, at the same time as the Great Recession. Many of the subsequent funding issues flowed from that simple collision of circumstances. Our member districts were not immune to the economic hardships of the Great Recession and have not been immune to the hardships caused by the recurrent underfunding of the formula.

What Happened to the Formula After 2008?

Simply put, SFRA has only been fully funded once since its inception and it has not been carefully monitored in the intervening years. State revenues have never equaled the amounts needed to fully fund SFRA, resulting in funding categories being frozen, even as districts' costs rose. As time passed and economic and demographic circumstances changed, the formula also was not reviewed and reset to accommodate those changes. In the 2010-2011 school year, all districts faced a disastrous, state-imposed five percent cut in operating expenses. For some GSCS member districts, this meant a loss of most, or even all state aid. Budgets were remade in a period of ten days, resulting in major layoffs and program cut-backs in the majority of our districts. Now, in 2017, the consequences of that five percent cut, coupled with near flat funding since, have had a multiplier effect on district budgets. Most of us are not back to the aid levels of 2009.

The consequences of the Funding Crisis

Taxes have already gone up in all member districts, as administrators and boards of education raised budgets to the two percent cap and beyond (with the few allowable waivers) to try to maintain programs, comply with an avalanche of new mandates and deal with cost drivers beyond district control, like health care and special education, that continue to rise at rates far in excess of two percent. To minimize the damage, GSCS member districts, like most in the state, have done everything possible to control or offset costs: privatizing services when possible, sharing services, buying cooperatively, imposing athletic/activity fees, pooling resources and generating revenue through various entrepreneurial ventures. We have consistently complied with various imposed spending limits, including administrative spending caps.

As the years since 2008 have passed, we have also worked, both alone and in conjunction with other education advocates, to find innovative solutions to funding issues. The attached material, created by the Somerset County Superintendents Round Table, is typical of that work, offering both analysis and thoughtful suggestions to help reduce costs, strengthen local control of schools and maintain education quality.

As the result of underfunding, class sizes have risen, so that in some member districts 26 first graders now share the same classroom for most of the day. Personnel have been cut, even in the wake of rising enrollments. Library and guidance positions have been eliminated. New, innovative programs, like the International Baccalaureate, have been put on hold because districts simply can't afford them. Capital projects have been deferred as we patch up our aging buildings for yet another year and hope that nothing catastrophic goes wrong. Communities with resources, including some GSCS districts, have turned to private funding for the technology and supplies that will help our students compete with their peers in the nation and world. Communities with fewer resources, a category that also includes some GSCS districts, often "do without".

Teachers--the lifeblood of every school--grow frustrated because districts are limited in the compensation that they can offer. A record number of districts are in mediation because the funding crisis has made it difficult to work out fair labor agreements. This is not the result of greed on anyone's part, but of economic--and sometimes political--circumstances beyond local control. Tight budgets, high taxes, hard choices and public outcry over those choices have made local school board service increasingly difficult, with the result that many qualified people choose not to run.

Each year, an increasing number of districts, including GSCS districts with high levels of community support, find that no candidates are interested in open board of education seats. According to the NJSBA, in 2015, more than half of open school board races in New Jersey were uncontested (805), and in an additional 130 cases, no candidates ran for open seats. When good people do not enter public service, the door is open for those whose commitment to the social contract that binds us all has been superseded by private agendas.

Concerns for the Future

Our member districts are extremely concerned about the prospects for the '17-'18 school budgets and beyond. Right now, as we plan our budgets, some of our districts—even those with enrollment growth—cannot hire new regular education teachers because they must hire special education teachers to fulfill state mandates and the requirements of students' Individual Education Plans (IEP's). Providing the right services for our special needs students is a very important part of public education, and being forced to make these kinds of choices polarizes our communities.

For many of our member districts, the advent of Chapter 78, mandating employee healthcare contributions, helped offset diminished state funding. Now, with districts in Tier 4, those offsets are gone and along with them the fiscal “breathing room” that some districts encountered.

We believe strongly in local elected officials' ability to tailor spending decisions to the economic, demographic and political realities of their individual communities. The current funding crisis, coupled with the restrictions tied to the two percent cap, has hindered that local control. In the absence of realistic school funding, our members will have to continue to raise taxes to the 2% limit, making our towns less affordable, driving out our seniors, limiting the options for young families and lessening the economic, age and cultural diversity of our communities. The property values that are the foundation of many GSCS communities will suffer. School districts everywhere, even in towns perceived as wealthy, are walking a razor's edge in an attempt to balance educational quality with a persistent lack of funds. If people abandon our towns because taxes are too high, educational quality too low and local control almost non-existent, some of New Jersey's brightest educational beacons will be dimmed.

GSCS Recommendations

GSCS continues to support SFRA, and hope that in the future, it will be used as it was designed—as a living, flexible formula that will be subject to regular oversight and changed as circumstances dictate

In a perfect world, the SFRA formula would be fully funded. Realistically, full funding is unlikely in the '17-'18 school year and, most likely, beyond. Until full funding becomes a reality, the formula should be run every year and the available aid pro-rated accordingly.

Special Education should also be reviewed and we recommend abandoning the current census-based approach to special education funding in favor of a more realistic way of apportioning aid. We also hope that a greater proportion of special education aid will be made categorical, rather than wealth determined. (Currently only 1/3 of special education aid is categorical, the other 2/3 is wealth-determined.) Finally, the percentages of extraordinary aid costs borne by the state should return to the levels of several years ago ((2012—77%, 2014—63%, 2016—58%).

After the Great Recession and six years of diminished funding, the desire to find easy solutions is understandable and even tempting. GSCS' position is that we must reject funding remedies that offer quick fixes for some districts while harming others. Formula adjustments should be made in a gradual, defined way, because at the end of the day, no one wants to impoverish innocent children in any district. When one part of the body of public education hurts, we all suffer.

GSCS believes that this hearing is a sign that legislators know that our children can't wait. Educators as a whole are skillful at making more out of less, but at some point reality sets in—even the best and the brightest of our educators can't make something out of nothing. We have a proud tradition of high quality public education in New Jersey, believe that it continues to be one of the hallmarks of a civilized society and understand that it is more necessary now than ever.

We appreciate the opportunity to testify today and will do all that we can to help you and your legislative colleagues find solutions to the funding crisis.

Elisabeth Ginsburg
Executive Director

Somerset County Association of School Administrators

Legislative Roundtable

Friday, May 6, 2016

2:00 – 3:30 pm

Somerset County Vocational and Technical Schools

Dear Legislators,

On behalf of the superintendents of Somerset County, we wish to express our appreciation for taking time out of your busy schedules to participate in a roundtable discussion concerning educational policy issues that impact the learning of over 52,000 children who attend schools in our county.

The purpose of today's conversation is to discuss how school funding decisions at the state and local levels affect the programs and services for the children of Somerset County. We would like to provide a historical perspective with specific data and evidence to support the fact that direct aid to schools is not being funded at a level that will allow for the sustainability of educational programs for our students (see Charts 1-3). School funding issues are additionally complicated by our local school boards' inability to manage expenses outside of the boards' control that exceed the 2% cap. As costs that are outside of the boards' control increase beyond 2%, superintendents are faced with the difficult task of reducing programs and teachers.

After the 2011 reduction of districts' operating expenses, superintendents have reduced staff, privatized large swaths of non-teaching positions, and created revenue generating programs. We have sought and achieved greater efficiencies and reduced costs in many budgetary areas. Chapter 78 passed insurance costs from the taxpayers to public employees, increasing contributions for the past four years. The additional revenue from our employees' healthcare contributions has now reached the last year of the four year phase-in period; as a result, no additional revenue will be realized to off-set the annual increases in healthcare costs in future years.

Special education costs are increasing throughout the state at a rate of 6-8% per year. As these costs continue to rise beyond the cap, resources will need to be reallocated from general education to special education programs. We have never been a state where we educate one child at the expense of another. We educate all children, regardless of ability or disability.

In sum, special education cost increases, flat state aid, and revenue caps have compromised our ability to sustain the quality of our educational programs for the long run. We are beginning to see a troubling trend in student achievement on the National Assessment of Educational Progress (NAEP) performance that may indicate that New Jersey is beginning to lose its standing as one of the top performing states in the nation (see Chart 4). The future will most likely find increases in property taxes and the reduction of programs for the children in our care unless we begin to consider alternatives to the current status quo.

As a group of superintendents, we appreciate the value of not only identifying a problem, but also providing possible solutions. We have three solutions that will require new legislation, in order to provide a sustainable pathway to protect the quality of the educational experience that the students and community have come to

expect from the public schools of Somerset County:

- Return Greater Control and Decision-Making to Local School Boards
Local school board members are publicly elected or appointed officials who represent and live in the communities they serve. They are the best people to determine taxation policy that balance the needs of the students with the community's ability pay. Each township, borough, village, and city is unique and has its own complexity and needs. Broad-brushing, one-size-fits-all policy from Trenton, fails to recognize and appreciate each community's unique situation. Policy-makers in Trenton are not held accountable in the same way that a local school board is held to account by their community. Any costs outside of a board's control that extends beyond the 2% property tax cap should be part of an automatic adjustment process as is done currently with the healthcare adjustment.
- Recognize Educational Service Commissions as an Alternative to Expensive Out-of-District Placements for Special Needs Children (see Chart 5)
Part of the mission of the Somerset County Educational Services Commission is to provide special services that are not available in local districts. Similar services are provided by private schools at a greater cost. It is important that equivalent services are provided in an effective and efficient manner. The attached document illustrates potential cost savings while providing equivalent services for our out-of-district special needs students.
- Explore the Ability to Require Related Services Expenses for Special Needs Children to be Claimed Against the Parents' Private Insurance Carrier and Have the School District Fund Any Out-of-Pocket Expenses
Currently, students who qualify for Medicaid and receive certain special education services qualify for a program (SEMI) that reimburses the local school district for specific special services. Similar to the SEMI program, parents of students with special needs could submit a claim to their private insurance carrier for services that are covered within their private plans. The school district would then cover any out-of-pocket expenses. Protections would need to be put in place to make certain that insurance carriers do not increase premiums for the parents of special needs children.

It is our hope that you would consider asking the Office of Legislative Services to draft language addressing the solutions listed above. It is our hope that we will be able to increase the boards' decision-making authority and control costs in a manner that allows the public schools in New Jersey to continue to enjoy the status of providing one of the best educational experiences for our students in the country.

Respectfully, with appreciation and on behalf of the superintendents of Somerset County,

Nick Markarian
President of the Somerset County Association of School Administrators
Superintendent of Bernards Township Public Schools

Jorden Schiff, Ed.D.
Vice President of the Somerset County Association of School Administrators
Superintendent of Hillsborough Township Public Schools

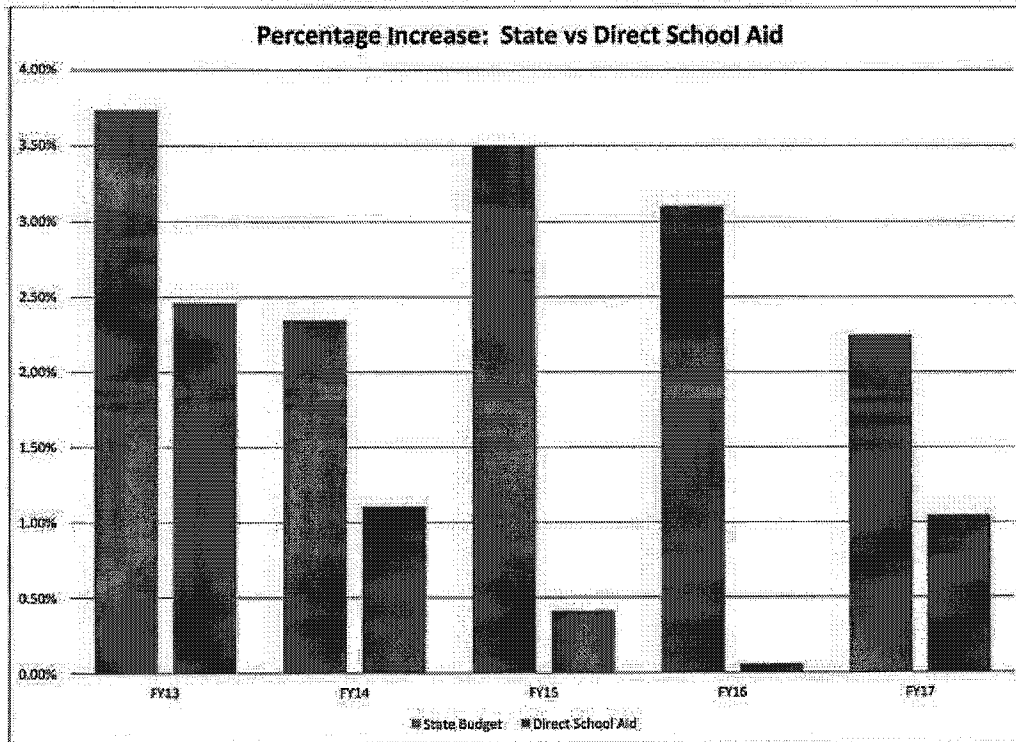


Chart 1

Percent increases in the State Budget have outpaced the percent increase of Direct School Aid for the past five years.

Data Source: NJ Budget Summaries FY13-FY17

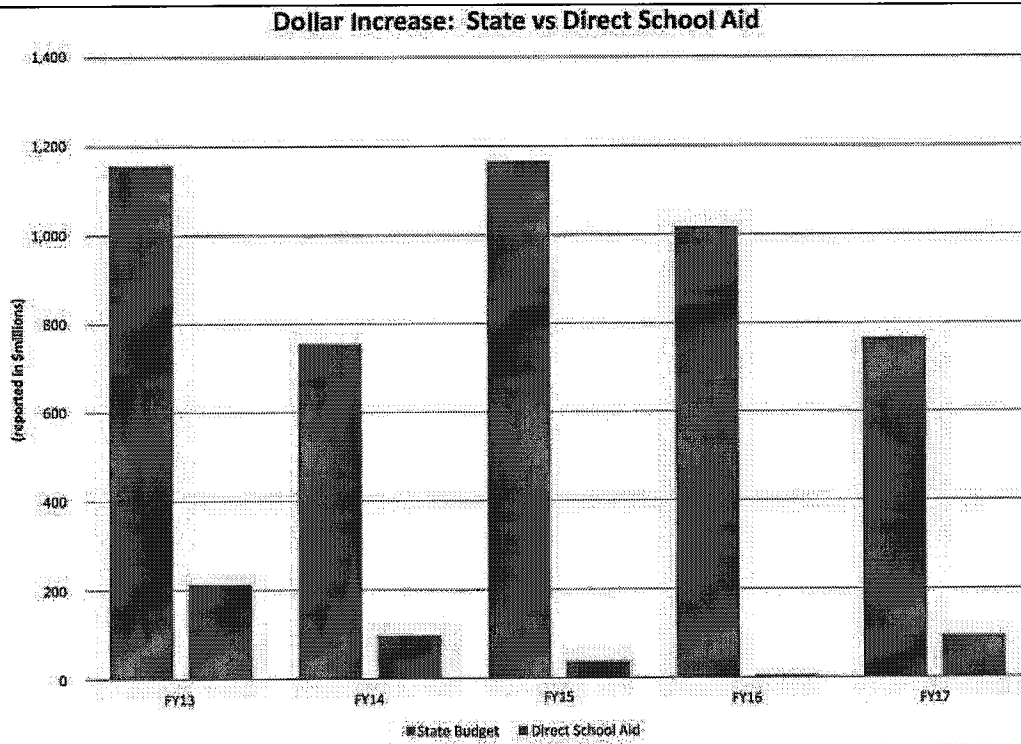


Chart 2

New spending in the State Budget for FY13, 15, and 16 were over a \$ billion each year. Direct School Aid was a fraction of those increases. Chart 3 shows the impact of state funding decisions on Hillsborough Public Schools.

Data Source: NJ Budget Summaries FY13-FY17

State Aid for 2009-2017

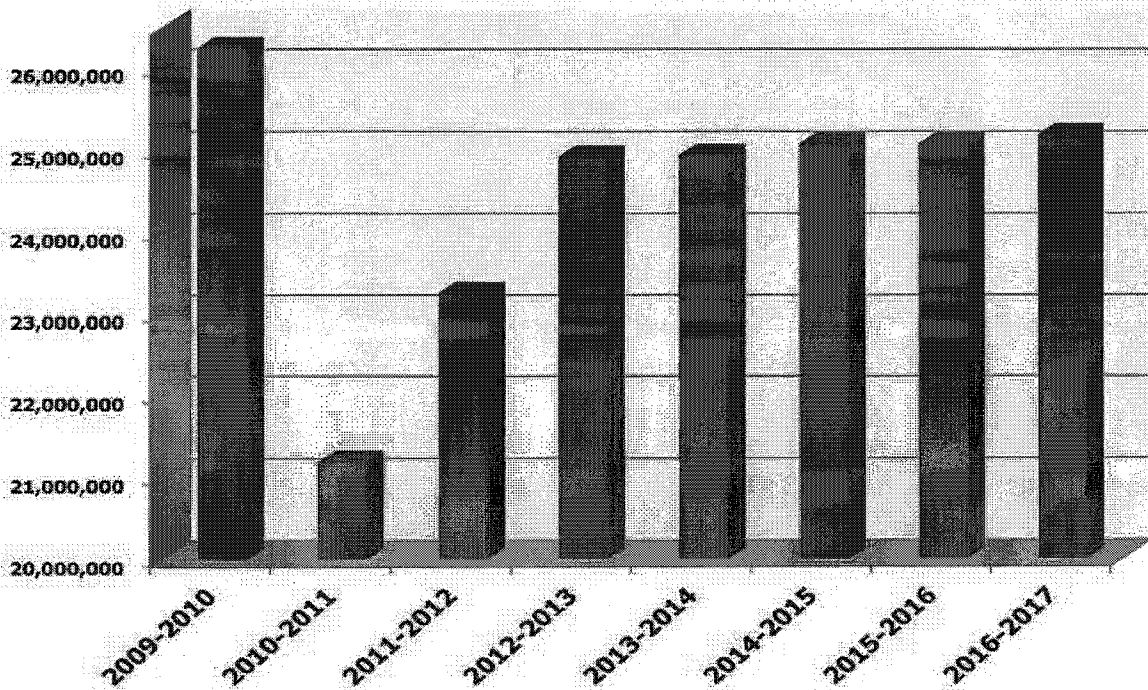


Chart 3

Hillsborough state aid allocation from FY10 to FY17 shows flat funding for five consecutive years. The drop in state aid for FY11 was due to the impact of the national recession.

Data Source: State Aid Summaries for Hillsborough Township Public Schools

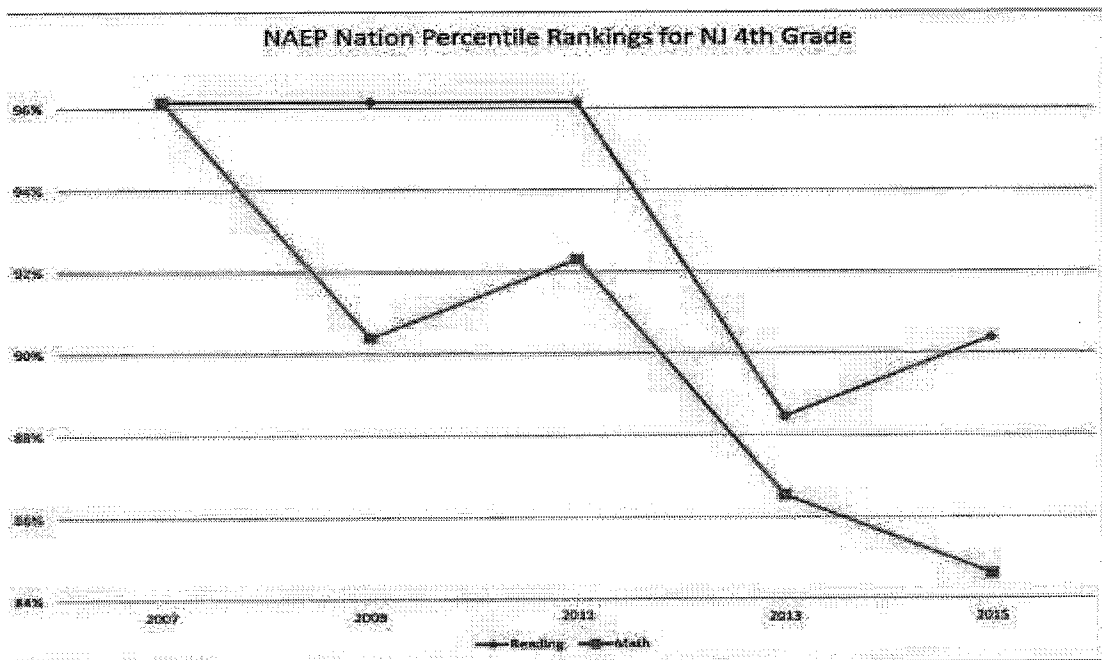


Chart 4

The National Assessment of Educational Progress (NAEP) compares state performance across various grades and content areas. NJ 4th grade results show a decline in both reading and math since 2011.

Data Source: Rankings converted to percentiles. <http://nces.ed.gov/nationsreportcard/statecomparisons/>

2016-2017 Tuition Rates- SCEESC vs. Private Schools for Students with Disabilities

*Based on Private Schools for Students with Disabilities Tentative Tuition Rates 2016-2017 information from NIDOE.

Private School	County	Their Tuition for 2016-2017	SCEESC Tuition for Academy 2016-2017	Cost Difference	SCEESC Tuition for Career Center 2017	Cost Difference
Honnie Bras School	Somerset	\$77,738	\$46,889	(\$30,849)	\$59,150	(\$18,588)
The Center School	Somerset	\$67,038	\$46,889	(\$20,149)	\$59,150	(\$7,888)
East Mountain School	Somerset	\$73,766	\$46,889	(\$26,877)	\$59,150	(\$11,616)
Green Brook Academy	Somerset	\$73,627	\$46,889	(\$26,738)	\$59,150	(\$14,477)
Honor Ridge (formerly Somerset Hills School)	Somerset	\$85,582	\$46,889	(\$38,693)	\$59,150	(\$5,543)
Lord Stirling School	Somerset	\$103,294	\$46,889	(\$56,405)	\$59,150	(\$44,144)
Montgomery School	Somerset	\$66,094	\$46,889	(\$19,205)	\$59,150	(\$36,944)
New Road School	Somerset	\$56,418	\$46,889	(\$9,529)	\$59,150	\$2,732
Rock Brook School	Somerset	\$74,785	\$46,889	(\$27,896)	\$59,150	(\$15,155)
Gateway School	Middlesex	\$62,057	\$46,889	(\$15,168)	\$59,150	(\$2,907)
New Road School	Middlesex	\$60,534	\$46,889	(\$13,645)	\$59,150	(\$1,384)
You and Me School	Middlesex	\$57,002	\$46,889	(\$10,113)	\$59,150	\$2,148
C.P.C. High Point	Monmouth	\$73,795	\$46,889	(\$26,906)	\$59,150	(\$14,645)
Coastal Learning Center	Monmouth	\$59,367	\$46,889	(\$12,478)	\$59,150	(\$3,17)
Collier	Monmouth	\$65,952	\$46,889	(\$19,063)	\$59,150	(\$6,802)
Hawkeswood School	Monmouth	\$75,301	\$46,889	(\$28,412)	\$59,150	(\$16,131)
Rugby School	Monmouth	\$78,918	\$46,889	(\$32,029)	\$59,150	(\$19,768)
Oakwood School	Monmouth	\$51,618	\$46,889	(\$4,729)	\$59,150	\$7,532
Alpha School	Ocean	\$64,690	\$46,889	(\$17,801)	\$59,150	(\$5,540)
The Education Academy	Ocean	\$60,024	\$46,889	(\$13,135)	\$59,150	(\$7,1)
Lehmann School	Ocean	\$72,023	\$46,889	(\$25,134)	\$59,150	(\$12,873)
New Road School	Ocean	\$60,051	\$46,889	(\$13,162)	\$59,150	(\$300)
Ocean Academy	Ocean	\$55,931	\$46,889	(\$9,042)	\$59,150	\$3,319
Deron School	Union	\$64,514	\$46,889	(\$17,625)	\$59,150	(\$5,304)
First Children's School	Union	\$80,037	\$46,889	(\$33,148)	\$59,150	(\$20,887)
Newmark High School	Union	\$59,376	\$46,889	(\$12,487)	\$59,150	(\$226)
Newmark School	Union	\$56,247	\$46,889	(\$9,358)	\$59,150	\$2,903

Chart 5

The chart above shows the Somerset County Educational Services Commission's out-of-district tuition rates for special needs students as compared with other private schools providing equivalent services. All costs indicated in red are savings to the local communities.

Data Source: SCEESC Office of the Superintendent

14XF



Funding Fairness?

The effects of underfunding and inequitable distribution of state aid on New Jersey taxpayers and school district budgets

Presentation to the Joint Committee on the Public Schools
January 17, 2017

Patrick J. Fletcher, Chief Education Officer, River Dell Regional School District
G. Kennedy Greene, Chief Education Officer, Newton Public Schools



Background

In 2008, the New Jersey Legislature enacted a new school funding formula called the School Funding Reform Act (SFRA).

The formula is driven by determinations of the cost of resources for all students to achieve the state's academic standards.

The formula delivers extra funding to school districts based on the number of economically disadvantaged students, limited English proficient students, and students with disabilities enrolled in the district.



Education Law Center (July 2014), Shortchanging New Jersey Students.

Background

The formula establishes an “adequacy budget” for each school district that reflects the size, grade configuration, and demographic characteristics of the student population based on weighted enrollment.

The adequacy budget is the cost of delivering academic standards to all district students based on the formula’s parameters.

The adequacy budget is funded through a combination of local taxes and state aid, based on calculations of a municipality’s ability to pay.



Education Law Center (July 2014), Shortchanging New Jersey Students.

Background

Unfortunately, the SFRA has been consistently underfunded.

In 2010, the Governor proposed, and the Legislature adopted, a budget for FY11 that cut over \$1.1 billion (nearly 15%) in state aid from the SFRA formula.

Subsequent budgets have failed to properly implement the school funding formula, providing minimal and unpredictable state aid increases that do not comply with the law.

Education Law Center (July 2014), Shortchanging New Jersey Students.



Two problems = \$2 billion

- ▶ The Underfunding Problem – SFRA, which is legislatively derived and judicially constitutional, is underfunded by approximately **\$1.4 billion**.
- ▶ The Inequitable Distribution Problem – About **\$600 million** was removed from SFRA funding to provide state aid outside the formula to keep every district at FY08 aid levels. *This overfunds some districts at the expense of others, largely in the form of Adjustment Aid.*



The Extent of Underfunding

- ▶ The State has never fully funded the formula, presently averaging about 85%.
- ▶ The cumulative effect is almost **\$10 billion** since the enactment of SFRA.
- ▶ A large percentage of state aid is devoted to non-instructional expenses like social security and debt service, thus **limiting direct aid to the classroom.**



The Effects of Underfunding

- ▶ It forces unfair decisions to meet ever-increasing statutory and regulatory mandates.
- ▶ Combined with growing income disparities, these **unfunded mandates** negatively impact students' readiness to learn.
- ▶ Student achievement stagnates, with pockets of improvement dependent upon where a child lives.



More Effects of Underfunding

- ▶ Districts are forced to look for efficiencies in their budgets, which is a good thing.
- ▶ However, there is a limit to the ability to find those efficiencies.
- ▶ After many years of underfunding, many districts have reached that limit and are forced to **cannibalize existing programs.**

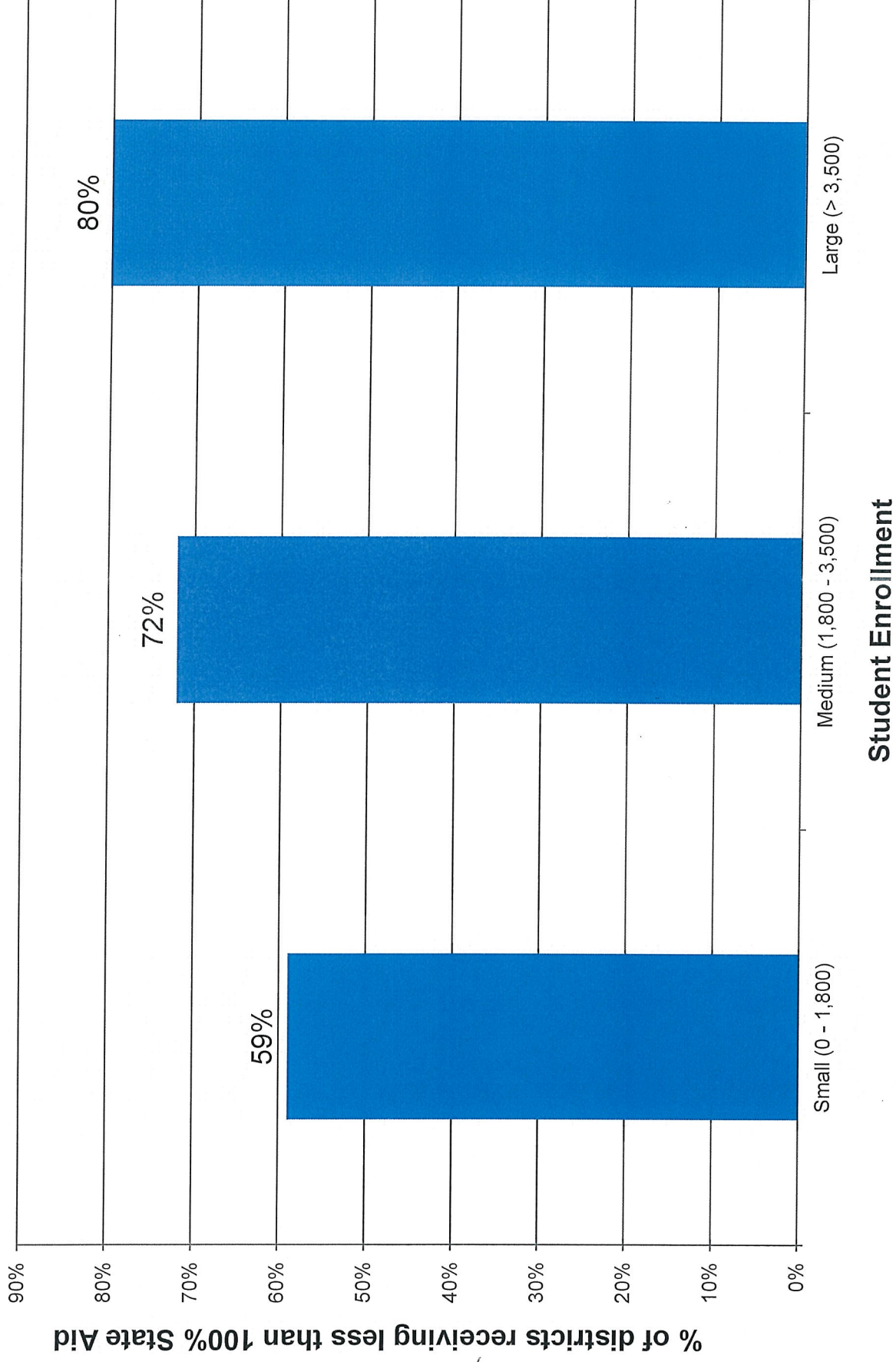


The Future Impact of Underfunding

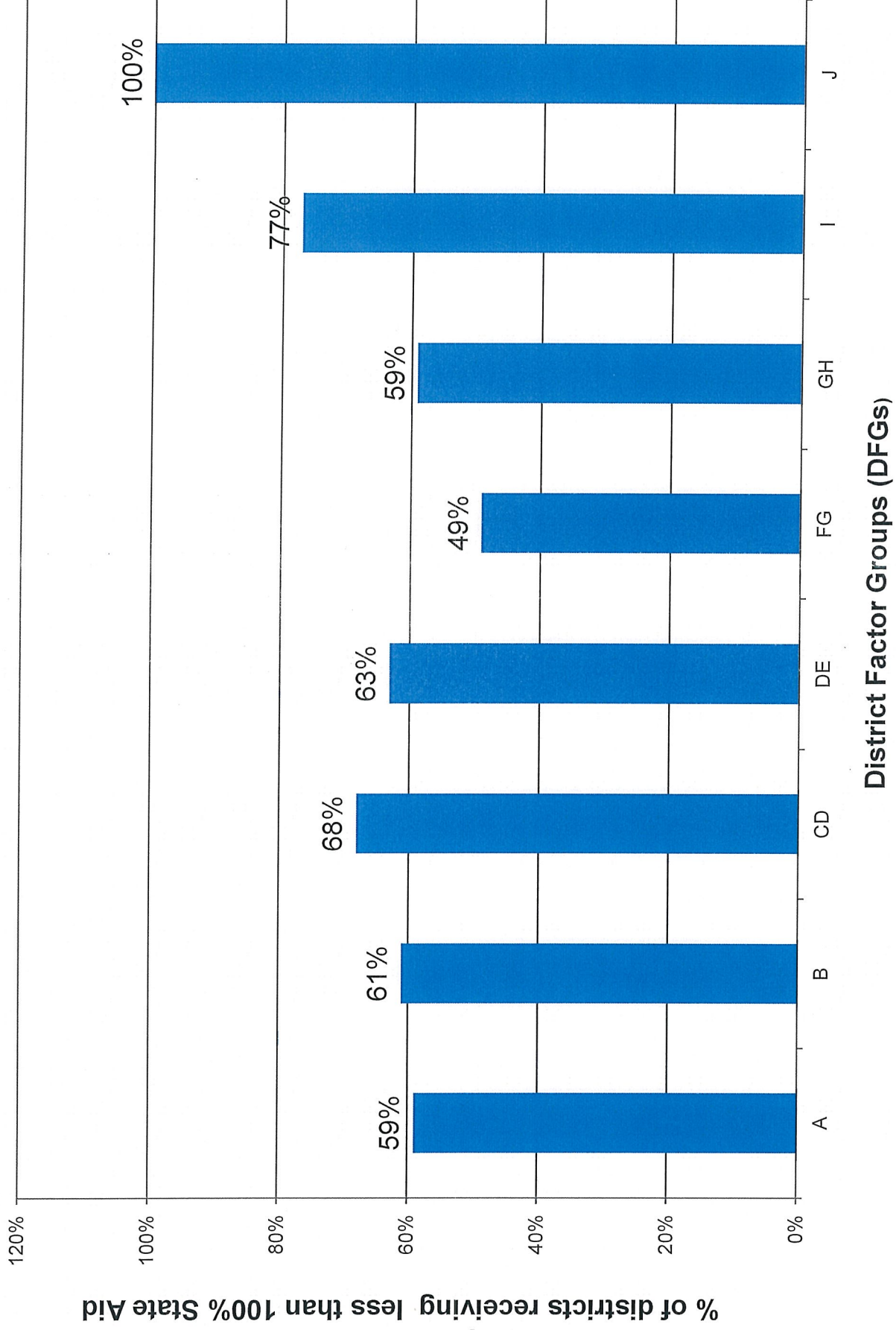
- ▶ Districts will face a widening gap between revenues and costs.
- ▶ State underfunding coupled with the 2% tax cap prevents districts from addressing increased costs due to wages, benefits, special education, etc.
- ▶ In short, the cost curve is exceeding the revenue curve.



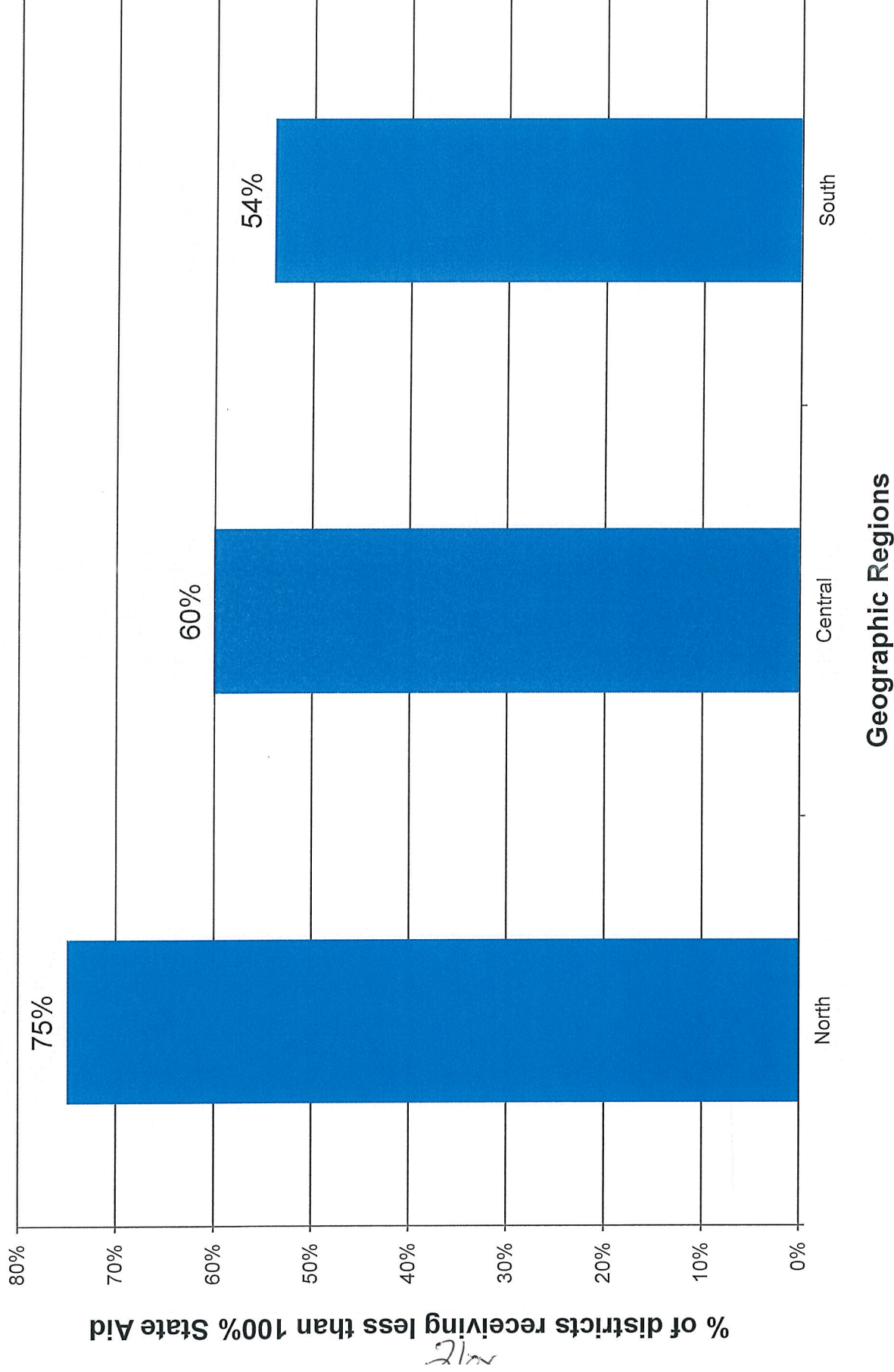
Underfunding is found at All Enrollment Levels



Underfunding is found in all Income Groups



Underfunding is found in all Geographic Regions



The Distribution Problem: Overfunding for Some

- ▶ Approximately \$600 million is removed every year from the formula to provide Adjustment Aid.
- ▶ In FY17, 212 districts receive more than 100% of their calculated state aid.
- ▶ This Adjustment Aid has continued the same way for 9 years with no adjustment to the state's economic realities or to changing demographic circumstances.



The Distribution Problem: Inequity for Others

- ▶ 379 school districts (64%) receive less than 100% of their formula funding.
- ▶ 239 school districts receive less than 70%...a useful definition of **severe underfunding**.
- ▶ The consequences for many districts is that they are forced to try to make up the difference by **raising local taxes well above their fair share**.



How does underfunded and inequitably distributed state aid impact on local taxes?

Grade	Percentage of local fair share contributed in FY17	Number of Districts
A+++++	> 130%	39
A++++	124-130%	24
A+++	116-123%	52
A++	108-115%	74
A+	100-107%	67
	Above 100%	256
A	93-100%	59
B	85-92%	69
C	77-84%	51
D	70-76%	33
F	<70%	123
	Below 100%	335

state median = 96%

How does underfunded and inequitably distributed state aid impact on budget adequacy?

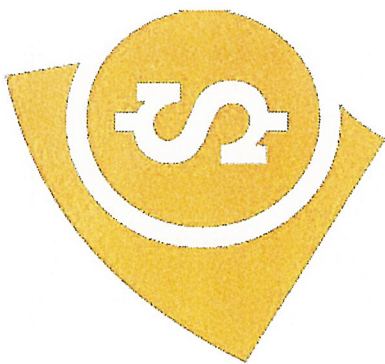
Grade	Percentage of budget adequacy spent in FY17	Number of Districts
A+++++	> 130%	121
A++++	124-130%	52
A+++	116-123%	54
A++	108-115%	72
A+	100-107%	87
	Above 100%	386
A	93-100%	64
B	85-92%	66
C	77-84%	32
D	70-76%	17
F	< 70%	26
	Below 100%	205

state median = 108%

How should New Jersey be graded for its funding and distribution of state aid?

Grade	Percentage of state aid received in FY17	Number of Districts
A+++++	> 130%	138
A++++	124-130%	17
A+++	116-123%	19
A++	108-115%	15
A+	100-107%	23
	Above 100%	212
A	93-100%	34
B	85-92%	30
C	77-84%	45
D	70-76%	31
F	<70%	239
	Below 100%	379

state median = 81%



Five myths and truths

about state aid to schools in New Jersey

32x



MYTH #1: This is mostly an issue in smaller districts, or ones with high poverty, or those in a particular region of the state.

TRUTH: State aid inequity affects districts in all enrollment levels, all income groups, and all geographic regions of the state.

33x



MYTH #2: The funding inequities are simply about the former Abbott districts vs. everyone else.

TRUTH: 17 of the 31 former Abbotts do not receive their full state aid.

Bridgeton	Elizabeth	Garfield
Harrison	Irvington	Long Branch
Neptune	New Brunswick	Newark
Orange	Passaic	Paterson
Perth Amboy	Plainfield	Trenton
Union City	West New York	



MYTH #3: State aid inequity is a result of the Economic Recession in 2008.

It is true that a slow recovery has made it difficult to get to full SFRA funding for all districts, but ...

TRUTH: Inequity has been a major issue in NJ school finance for over 40 years.

School funding was inequitable before the 1976 income tax and hasn't been corrected despite multiple formulas. Most underfunded districts have been forced to deal with their situations for **decades**.



MYTH #4: Funding inequities are bound to exist given the variety of student needs, unique communities, and local control in our state.

Local school districts do have discretion in terms of budget adequacy and local tax levies, but ...

TRUTH: The State can help local districts greatly by distributing aid to schools more equitably than it does now.

Blox

The percentage of SFRA aid the State distributes to school districts ranges from a low of **10%** to a high of **1,033%**.



MYTH #5: If state aid is redistributed to some districts, other districts would become losers.

TRUTH: No district that receives 100% of its SFRA aid can be considered a loser.

37x

212 NJ districts receive more than 100% of the aid they should according to the funding formula.

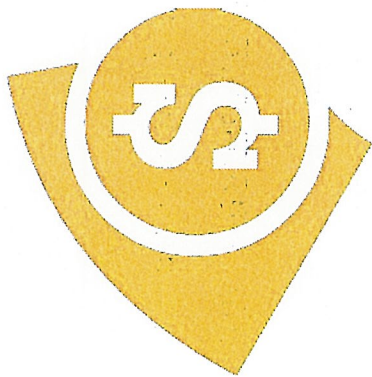
239 other districts receive less than 70% of their funding formula aid.



Key Takeaways

1. There are 2 major problems with state aid to schools in New Jersey: \$1.4 billion in **underfunding** and \$600 million in **inequitable distribution**.
2. Both of these problems impact **budget adequacy** and **local tax fairness**.
3. 212 school districts receive more than 100% of their state aid.
Why?
4. 379 others receive less than 100% of their state aid ... 239 of them get less than 70%. **We can do better!**





Questions?

A statewide funding database for FY17 can be found at
<http://newton.innersync.com/superintendent/School-Funding.cfm>





New Jersey School Boards Association

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TESTIMONY ON SCHOOL FUNDING

JOINT COMMITTEE ON PUBLIC SCHOOLS

JANUARY 17, 2017

The New Jersey School Boards Association (NJSBA) is a federation of the state's local boards of education and includes the majority of its charter schools as associate members. NJSBA provides training, advocacy and support to advance public education and promote the achievement of all students through effective governance. The Association's positions on school funding are derived from policies established by our members, who represent local boards of education throughout the state.

The NJSBA believes that New Jersey's system of financing public schools should enable all local school districts to provide equal opportunity for all children in New Jersey to receive a thorough and efficient education. Such a system must take into account two factors: the educational needs of students, and the ability of a community to financially support its schools.

The NJSBA believes that the state revenue raising system should embody the following characteristics:

- Guarantee sufficient revenue to consistently meet the state's constitutional and statutory funding obligations to the public schools;
- Be balanced with respect to the ability to expand and contract in response to economic conditions (elasticity) and the capacity to produce a stable flow of revenue (stability);
- Be balanced with respect to sources of revenue (individuals, businesses, property, sales, etc.); and
- Be designed to consider both an individual's and a community's ability to pay.

Furthermore, NJSBA believes that the state should fund 50 percent of the statewide total cost of providing a thorough and efficient education for all public elementary and secondary students so that pressures on local property taxes can be relieved. This will invariably require the state to rebalance its current funding sources: the income tax and the local property tax.

The Association supported the School Funding Reform Act (SFRA) when it was first enacted in the 2008-2009 school year as a constitutional remedy which met our basic criteria for a statewide funding mechanism to support the state's public school system.

Unfortunately, as a combined result of legislative tinkering and a severe economic downturn, the law was only fully funded in its first year. For the last eight years, the allocation of school aid through SFRA has included a provision stipulating that no district can receive less aid than it received previously, a legislative 'hold harmless' clause, that has constrained promised increases in funding to districts that have experienced increases in enrollment. The "hold harmless" clause, in addition to enrollment caps built into the formula that have been frozen since 2009, has mitigated the positive effect of SFRA for many districts, which would have received significant increases in aid because of enrollment growth since the inception of the SFRA.

Additionally, the SFRA further reduced aid to districts with special education students by wealth-equalization of a portion of this aid, which was previously disbursed on a categorical basis.

Lastly, the impact of the 2 percent tax levy cap, not anticipated by the SFRA, has further constrained local districts' ability to raise local revenue to offset what would have been provided through SFRA had it not been limited by restrictive budget language.

What happens if the state continues to refuse to apply or fund the formula? Local school districts will increasingly find themselves looking for cost-saving reductions that limit extra-curricular activities and perhaps even educational programming options, which they can no longer afford.



**NJPSA Testimony before the Joint Committee on the Public Schools
School Funding Discussion
January 17, 2017**

Good morning Mr. Chairman, Madam Chair and members of the Joint Committee. I am Debra Bradley, Director of Government Relations for the NJ Principals and Supervisors Association. I am here today representing the perspective of New Jersey's building based leadership, the principals, assistant principals and supervisory employees who lead in our public schools across New Jersey. Our association represents members in all type of school districts – former Abbotts, RIM districts, middle income districts and higher wealth communities. As such, as an organization, we support a funding formula and state budget that will meet the needs of ALL students no matter where they live and what unique educational needs they bring to the schoolhouse door.

I must begin by thanking the Joint Committee for its proactive leadership in being the first to consider a topic that is on the mind of every educator, board of education member, and parent in our state, particularly at this time of year - the state funding of our public schools. As we begin a new calendar year, educational leaders at the school and district level are well underway in their local budget processes and are anxiously awaiting word on their state aid figures for the 2017-18 fiscal year.

As building level leaders, we understand first-hand the critical importance of school funding as the foundational element for the quality and breadth of educational programs and services we can offer our students. Funding impacts all we do - from the attraction and retention of high quality staff, to the breadth of our curriculum and availability of advanced course offerings, to the size of our classes, to our students' access to technology, to the health and wellness options we can offer, and even the array of offered extracurricular activities which often serve as a unique learning setting and the motivation for students to stay in school.

We also understand that funding must be based upon the unique needs of the students we serve. Students who arrive at school not speaking our language require extra instructional supports and services to succeed. Students who live in poverty, similarly, bring a whole host of specialized needs that schools must address to help them succeed at learning. These can include things like the provision of meals or early learning opportunities or focused instructional supports in our classrooms. Students with disabilities also require individualized learning plans which detail their specific instructional supports needed for successful learning.

The SFRA Formula

Fortunately, New Jersey's school funding formula, the School Funding Reform Act (SFRA) was developed in recognition of this fact. The formula includes both a 'base cost' or the per pupil amount necessary to support the core curriculum program for every student regardless of need as well as extra funding to support programs for poor (at-risk) students, limited-English proficient (LEP) students, and students with disabilities, regardless of where those students live. These extra funds are calculated as a percentage of the base cost, called a "weight." Under the SFRA, every district has a "weighted student enrollment," where students are counted for purposes of generating state and local revenue using the base cost plus the weights reflecting unique student needs. This process helps ensure that every district's state funding is based on the individual needs of its students in conjunction with each local communities' economic status and ability to provide for its students.

The formula also established an "adequacy budget" or level of funding which reflects the core costs of providing the programs and services constitutionally mandated by our State Constitution to meet the educational needs of every student. The SFRA funding levels and weights were wisely developed in consultation with professional educators and experts, including our members, who provided input on exactly what resources and staffing were needed at all school levels to meet constitutional standards. The Court approved SFRA formula was also designed to address funding inequities and the corollary learning gaps that result, by provisions that seek to move all districts

toward an education “adequacy” level over time (statutorily over a five year period.) The impact of these provisions depended on a district’s status either above, at or below adequacy.

Specifically, in order to ease the transition for districts that would receive less state aid under the SFRA (because they were over adequacy), the formula included adjustment aid to hold districts harmless at pre-SFRA state aid levels. Under the law, districts receive adjustment aid if their 2008-09 SFRA state aid allocation was less than their state aid level in 2007-08. This was meant to ensure that these districts didn’t experience a huge drop off in funding as the State transitioned to the formula. But, adjustment aid was intended to steadily decrease over time (5 year period). Districts receiving adjustment aid would be flat-funded until their adequacy budgets grew to the point where regular/other aid replaced adjustment aid.

Funding Reality- SFRA Formula Ignored and Underfunded

In practice, the goals of the SFRA funding formula have not been met because the State has failed to fund schools according to the formula for the past 7 years. The first year following the Legislature’s 2008 enactment of the law is the only year the statute was fully funded. Since that time, schools have faced a \$1 billion cut in funding in 2010-11 (5% cut across all districts) and essentially flat funding in every fiscal year since.

Due to the fact that the formula has not been run or funded over the past 7 years, the SFRA categories through which districts receive traditional aid have been “frozen”. Given this issue, the number of districts who receive funding through adjustment aid has actually increased not decreased as intended. Additionally, demographic and enrollment shifts that would have been addressed by running the formula did not occur leaving some districts underfunded for the students they serve and others overfunded.

If the State had funded schools according to the SFRA formula, districts below adequacy would have had their funding levels rise to the adequacy level by now. Similarly, districts who spent above adequacy would have moved toward the adequacy funding level but been protected from dramatic funding drops through a temporary phase-out mechanism (adjustment aid).

Impact on Districts

So, what are the effects of the State’s failure to implement the SFRA?

1. Districts have been effectively “frozen in time” when it comes to their State funding levels, and in terms of their status in relationship to their adequacy budgets regardless of student enrollment changes, changes in community wealth, rising costs in nearly all aspects of school budgets and changing student needs. This fact has also led to a rising perception of unfairness among districts. Districts have taken significant steps to reduce costs wherever possible by sharing services, eliminating programs and postponing plans for important instructional programs like full day kindergarten.
2. Due to multiple years of flat funding, districts and local taxpayers have been forced to shoulder the burden of rising costs in education at the local level within the confines of a restricted ability to raise local revenues (the statutory 2 percent tax levy cap). The result has been a narrowing of programs offered and hiring restrictions in some districts, especially low wealth/low spending districts who are trapped by the tax levy cap at below adequacy levels. In about 200 districts, local taxpayers have borne the brunt of the state funding shortfall through higher property taxes in an effort to maintain quality programs. These outcomes have an impact not only on the quality of education we provide, but also on the economic life of New Jersey citizens.
3. If the current practice of underfunding continues, these issues will only grow with the end result a whittling away of school quality in New Jersey schools. In the view of New Jersey’s principals and supervisors, such a practice will lead to:

- A narrowing of our curriculum at a time when our world economy demands the best preparation of our students for college and career;
- A significant restriction in the ability of our public schools to attract the best and brightest to teach our students;
- A retraction, not expansion, of research-proven programs like early childhood learning opportunities for students at risk;
- A real reduction of much-needed health counseling and wellness programs in our schools;
- Class size increases; and
- New barriers to our members' ability to meet the unique learning needs of all of the students in their schools.

For these reasons, NJPSA welcomes the Legislature's attention to this critical issue. Although the term 'funding fairness' has been bandied about a lot lately, we know from practical experience that one size (or funding level) does not fit all when it comes to educating our students. NJPSA welcomes the conversations ahead and **supports the development of a plan to begin implementation of the SFRA, even on a phased in basis, to base state aid on the SFRA formula and allow it to work towards its statutory goals.**

We recognize that New Jersey is facing new revenue shortfalls and competing budget concerns. However, the time has come to commit to reliance on the Court-approved SFRA for funding distribution, to seek additional revenue sources, to loosen overly restrictive caps on districts to provide relief and to prioritize our children's education as a State investment in our future.

Thank you for your consideration and ongoing advocacy of behalf of all New Jersey children.



**TESTIMONY OF RICK PRESSLER
DIRECTOR OF SCHOOL SERVICES
NJ CHARTER SCHOOLS ASSOCIATION
JOINT COMMITTEE ON EDUCATION
JANUARY 17, 2017**

Good afternoon members of the Joint Committee. My name is Rick Pressler, and I am Director of School Services for the NJ Charter Schools Association, the membership organization of New Jersey's public charter schools. I am also a charter school founder, trustee, parent, and former school leader, as well as a former member of the Roosevelt, NJ, Board of Education. I appreciate this opportunity to testify on behalf of the 88 public charter schools in New Jersey, the nearly 50,000 students attending those schools, and the many thousands of families currently on waiting lists for public charter schools.

As the only charter-specific statewide association, we have an unparalleled access and insight into our schools' operations, and we have made it our business to collect comprehensive data about all public schools, including demographics, academic performance, financial data, and anecdotal information from families, teachers, leaders, and boards. While we strongly advocate for charter schools, we do so because we believe it is one of the best, most efficient, means to bring new educational opportunities to students who desperately need and want them. We hope you will include our organization and our perspective in your ongoing work.

Who Do Charter Schools Serve?

To understand the significance of charter schools in New Jersey, you have to consider who and where we serve.

Charters predominantly serve a group of students who are urban, disadvantaged, and of color. In 2016, 70% of charter school students qualified for free or reduced lunch—about twice the state average. In addition, more than 80% of charter students were Black or Latino. Almost 90% of charter school students live in urban school districts previously identified as “Abbott” districts.

Charter schools also serve a growing number of special education students and English Language Learners—the number of special education students in Newark charters has doubled from 5% to 10% since 2009, even as the number in the district is decreasing.

Charter schools provide the most accessible alternative public education opportunity for students who have traditionally been denied choice. They are closing the achievement gap between our different demographic groups and parents are noticing—the demand for charter schools in urban districts such as Newark, Camden, Paterson, Plainfield, Jersey City, Trenton, and New Brunswick is unabated. Thousands remain on waiting lists.

The growth of charters has been fueled by their successful outcomes—and by parents who see a valuable opportunity for their children.

School Funding Cannot Have Winners and Losers

All students deserve the resources to be successful. We cannot elevate one type of public school above another and expect to achieve an equitable result.

The system, as currently configured, disadvantages students in numerous school districts; and charter schools in some districts—charters in Jersey City, Hoboken, Asbury Park, and elsewhere—receive far less than the 90% per pupil funding they are promised in statute. In Jersey City, the number is closer to 50%. Many charter families have students in both district and charter schools—they see firsthand how disparities in funding arbitrarily and unfairly disadvantage their charter school children. It is simply not sustainable to continue funding any of schools—charter or district—at far less than the state-defined adequacy amount.

We understand there is no way to fix charter school funding without addressing the entire funding system. There is no way to treat every student equitably without fully funding SFRA and ensuring that state aid is apportioned progressively. This means there are tough political decisions ahead. This requires building consensus and, importantly, hearing those who often go unheard.

Collaboration: Charter and School Districts Working Together

New Jersey's charter schools are part of a broader system of public education that offers a range of options for students in addition to traditional, open enrollment district schools. These include:

- Districtwide magnet or special focus schools
- Interdistrict School Choice Program schools
- County CTE programs, including career academies, STEM schools, and Vo-Techs
- County Educational Services Commission schools
- Charter schools
- Renaissance schools

Each of these types of schools is enrolled and funded in slightly different ways. Some of the magnet and county programs are highly selective based on academic criteria; some specialized Commission schools serve exclusively special needs students; charter are enrolled through a lottery process without regard for a student's level of achievement or special needs. Our challenge is to ensure that ALL students, regardless of the type of public school they attend are fully supported with the resources to which they are entitled.

There is a growing trend towards collaboration and sharing between charters and their sending districts. A few notable examples:

- Universal Enrollment in Camden and Newark has provided families with easier access to all district and charter options within their community.

- The Newark Public Schools has contracted with North Star Academy and Great Oaks Legacy to operate district schools, leveraging the innovative and effective programs these schools have pioneered.
- The Camden School District has contracted with North Star Academy and TEAM Charter Schools to replicate their groundbreaking charter school programs in the form of Renaissance schools in Camden.
- Many charter schools purchase services from districts for everything from special education services to lunch programs.
- Charters both offer and benefit from professional development programs shared by districts and charters (most recently at Philip's Academy Charter School).
- This collaboration around professional development is growing: the Association and the New Jersey School Boards Association are currently planning a shared professional development program in which teachers from district and charter schools will share best practices

We facilitate sharing and collaboration by coming together. There is no more important place for this than in our efforts to improve how we fund our schools.

We know that there remain misconceptions about charter schools—who we serve and what we have accomplished. These misconceptions are often cited as reasons to stall the growth of charter schools and deny new students the opportunities that charter schools represent. We find this unconscionable as long as there are families stuck on charter school waiting lists, hoping and praying for access. Our efforts should be informed by the “fierce urgency of now”—we should not deny families access to educational opportunities while others debate these issues.

We must do our best to meet the needs of our families as we balance the perspectives of all the diverse public school options that are available to New Jersey families.

Charter Schools 20 Years In

New Jersey's original cohort of charter schools are now in their twentieth year of service, and there is an ample body of data and research to provide insights into their dramatic successes and their positive impacts on the lives of our children. Throughout New Jersey, but particularly in our larger urban centers such as Newark, Camden, Jersey City, Plainfield, Trenton, Paterson, and New Brunswick—cities where our largest concentrations of at-risk students reside—charters have helped tens of thousands of students rise towards their potential.

Over the past 20 years, we've also had the opportunity to study the evolution of public school funding, and how changes to budget language and other factors affect all our public school students. I believe one point on which all public school advocates agree is the need to fully fund SFRA and, in all cases, ensure that every student has the resources within their school to succeed.

This is necessary for every student, but we also can't help but focus on our most disadvantaged, most vulnerable students.

New Jersey charters, through their urban focus, overwhelmingly serve disadvantaged students of color. Charters have brought alternative public education opportunities to families and students who have traditionally been denied such choices. But beyond our cities, charters also flourish, in smaller numbers, in rural and suburban settings, offering programs and serving student needs that are not otherwise addressed.

Newark, NJ – A National Exemplar

New Jersey's charter school sector has become a model for the rest of the nation, with Newark's charter schools singled out as especially strong. A few examples from our Newark charters schools:

- **Best in the State:** Newark's KIPP and North Star schools are now 2 of the top 4 high schools in the entire state at sending African American students to college—sending 90% or more of their graduates to 4 year colleges.¹
- **Best in the Nation:** In a study by Stanford University researchers that looked at the 41 largest cities with charter schools, Newark's charter schools ranked best in the nation at boosting African-American student reading, and #2 in Math.² The study compared demographically identical district and charter students using an innovative “virtual twin” method.
- **Extraordinary Impact:** The same study found that the high performance of Newark's charters was the equivalent of charter students getting 150 additional days of learning in Reading, and 160 additional days of learning in Math.³
- **Newark's African American Students:** From 2006 to 2014, African American students in Newark were three times more likely to attend a school that is beating the state average in math and reading—nearly all of those new opportunities came from charter school expansion.
- **Charters are Closing the Achievement Gap:** African American students in Newark charter schools are now within 4 points of the state average in Reading and Math—a state average that includes some of the best public schools in the country.⁴
- **From 2011 to 2016,** charter school enrollment in Newark doubled and, contrary to this popular myth, this rapid growth did not result in the concentration of high poverty, high special needs students in the traditional district schools—in fact, the district's poverty and special education rates fell over that time.⁵

¹ Most recent NJ School Performance Report Data, SY 2014-15, available at <http://www.nj.gov/education/pr/1415/database.html>

² CREDO Urban Charter School Study (2015), available at <https://urbancharters.stanford.edu/download/Urban%20Charter%20School%20Study%20Report%20on%2041%20Regions.pdf>

³ CREDO Urban Charter School Study (2015), available at <https://urbancharters.stanford.edu/download/Urban%20Charter%20School%20Study%20Report%20on%2041%20Regions.pdf>

⁴ 49% of Newark's black charter students were proficient in literacy, compared to statewide average of 53%; 41% were proficient in math, compared to statewide average of 44%. Source: NJDOE 2015-16 PARCC reports, available at <http://www.nj.gov/education/schools/achievement/16/parcc/spring/>

⁵ District special education rates fell from 18% to 13%, and poverty rates fell from 87% to 78%. See NJDOE ENR Files, available at <http://www.nj.gov/education/data/enr/>; NJDOE Special Education Data, available at <http://www.nj.gov/education/specialed/data/2015.htm>

- Serving ALL Students: Newark charters have doubled their enrollment of special education student enrollment since 2009, growing from 5% to 10% of their student body.⁶
- Newark charters also provide wonderful examples of district/charter collaboration: NPS has twice tapped charter schools—North Star Academy and Great Oaks Legacy—to assume the operation and management of struggling district schools. These schools, employing the innovative approaches of the charters, have experienced dramatic turnarounds.

Beyond Newark – Diverse and Effective

Charter schools were established with two purposes:

- 1) To provide opportunities to students who need them
- 2) To drive innovation and become laboratories for educational practice

As we look out across the State, it is clear that charter schools have evolved and grown to meet the grassroots demand for new opportunities. New Jersey's charter networks—Uncommon, KIPP, iLearn, Camden Charter School Network, Philip's Education Partners, and so on are homegrown, each of them having expanded in response to the extraordinary demands of urban parents and by virtue of their strong outcomes.

Beyond the basic issue of expanding opportunity, there are also many examples of charter school innovation. These are just a few:

- Innovative educational programs at rural schools such as Ridge & Valley Charter School in Blairstown and Sussex Charter School of Technology in Sparta have attracted a high proportion of special needs students, offering parents unique programs in earth literacy and technology that enable their children to succeed in a general education setting.
- LEAP University Charter School in Camden, in partnership with Rutgers Camden, has excelled at parent and community engagement, offering wraparound services to families that enhance the academic success of their students.
- North Star Academy Charter School has long been at the vanguard of data-driven instruction and student engagement techniques; their founders have been instrumental in developing the Relay Graduate School of Education—an accredited and acclaimed graduate program that fosters excellence in instructional practice.
- In New Brunswick, the Greater Brunswick Charter School has implemented a K-5 bilingual education program to meet the needs of its growing ELL population. GBCS significantly outperforms the district average in PARCC even while serving a higher percentage of special education and ELL students than the district. It is one of several multi-lingual charters, each of which takes a different approach to language acquisition.
- Charter schools such as METS in Jersey City, STEMCivics in Trenton, and LEAP in Camden are among the State's high performing STEM charter high schools.

⁶ NJDOE ENR Files, available at <http://www.nj.gov/education/data/enr/>; NJDOE Special Education Data, available at <http://www.nj.gov/education/specialed/data/2015.htm>

- The Growing Cohort of Environmental Charters – ECO Charter School (one of highest performing in Camden), Unity Charter School (Morristown), Barack Obama Green Charter High School (Plainfield), Thomas Edison Energy Smart Charter Schools (Franklin Township), Ridge & Valley (Blairstown), and Philip’s Academy Charter School (Newark) all provide rigorous programs focused on environmental science and sustainability.
- Charters, such as Compass Charter School (Vineland) have pioneered innovative, research-based approaches to learning that rely on an advanced understanding of the human brain and how different learning strategies map to different learning dispositions.
- CharterTECH Charter High School (Somers Point) provides a unique CTE program that prepares students for careers in the Performing Arts.
- The Camden Charter School Network, which includes Camden’s Pride, Camden’s Promise, Camden Academy, and Katz Charter School has grown organically into a comprehensive K-12 program with a stellar record of guiding students into 4-year universities.

There are many others—many of their accomplishments and innovations largely unsung as they focus their attention on their communities of learners.

Towards Equitable, Efficient Funding for All Public Schools

This committee has a daunting challenge: to rethink public school funding in a way that is equitable, efficient, and effective. You do so on behalf of the entire State of New Jersey and, especially, all our children.

Charter schools have proven themselves as an effective way to reach our historically underserved communities, and they have pioneered practices that are now firmly a part of adopted instructional practice.

We will succeed in our efforts only if we come together around what is best for children; only if we allow all voices to be heard, including those of the minority. Charter schools may educate only about 3% of our State’s children overall, but their impact in our most disadvantaged communities is extraordinary. It is impossible to imagine a comprehensive funding solution that does not include the voices of charter schools and the families they represent.

I respectfully urge you to include the voices of charter school families, educators, and trustees in the ongoing discussion. And I respectfully urge you to include the New Jersey Charter Schools Association—the only statewide organization specifically focused on the charter school sector—within the working group that will be examining funding going forward.

Thank you for this opportunity to present my testimony, and thank you for your service to public education in our state.

Testimony to the Joint Committee on the Public Schools
By Paula L White, State Director
New Jersey Democrats for Education Reform

School Funding

January 17, 2017

Good morning to you, the Honorable Ron Rice, good morning Assemblywoman Mila Jasey, and good morning to all of the members of the Joint Committee on the Public Schools. I'm truly appreciative of the opportunity to come before you today regarding the topic of school funding. I am Paula L. White, New Jersey State Director for Democrats for Education Reform, or DFER.

As a founder of a charter school in Newark's Southward, I grappled with the issue of leveraging my school's budget to reap the most benefits for our school's scholars. And, as the former head of school turnaround and improvement in the state of New Jersey, I directed a team of over 70 employees who supported both traditional district leaders and traditional public school principals each year as they made tough decisions about where to spend their funds in order to educate students well, given the varied student profiles and needs that existed in their schools.

Since the legislature passed the School Funding Reform Act in 2008, many changes have occurred in our schools but school funding has not kept pace with these changes. My knowledge and experience has revealed that regardless of the public school setting, this has resulted in adequate funding becoming a very real problem in many of our schools. The fiscal juggling act that school district leaders, lead persons at charter schools and others must engage in detracts from the core of their most important work.

The school funding formula as it now stands, is nuanced in its approach to funding various kinds of public schools - vocational and technical schools; interdistrict choice schools, public charter schools and traditional district schools. However, while the enrollment calculations and funding processes may differ somewhat, there is no question that each school deserves to be funded in a manner that is equitable and just, to serve the student population in place.

The consequence of not fully funding the formula, and not correcting the flaws in the formula that exist are simple - the short changing of students. It is true that there are decisions in a school that are budget neutral, but the fact of the matter is that educators need resources in order to be effective and the state's share of school funding, particularly in our state's most cash-strapped areas, is a crucial part of the funding equation.

Flat funding that does not account for demographic shifts is problematic for some types of public schools just as funding that does not make provisions for facilities is problematic for others. The impact of these and other issues are felt on the ground and are best understood by those who

have direct experience with fiscal challenges in schools, or deep knowledge derived from careful study and access to well-documented facts.

Democrats for Education Reform has worked within our state and nationally to address the issues that impede student success. We are qualified and eager to serve as a knowledgeable resource for the committee, in pursuit of our mission to be the champions for ALL of our public school children in the state, regardless of their demographic profile or the type of public school they attend. Our organization recognizes that our children are not best served by a one-dimensional perspective on funding; they deserve varied informed stakeholders at the table advocating on their behalf so that none of their voices will be silenced.

In many instances, children in one household attend different public schools, and/or different types of public schools. Their parents want to make sure that the dollars needed to educate each of their children will follow them wherever they go and make it into their public school classrooms. These families do not want to be penalized for exercising public school choice and we concur that any such penalty would be inappropriate and unjust.

I look forward to working with this group and to seeing a wide array of stakeholders present and substantively involved in your deliberations, as our state wrestles with this issue.

Thank you.

Thank you for this opportunity to speak about the underfunding of Newark's schools.

Last Thursday, I had the unfortunate experience of having to visit several schools who were impacted by just the latest horrific shooting in Newark. One student dead, 3 more seriously injured. I saw the staffs at several schools come together to support the students and staff impacted directly and indirectly by this tragedy. A tragedy that happens far too often.

Why am I bringing this up when we are here to talk about school funding? Last year, in their latest round of budget cuts, the district laid off several guidance counselors. The very staff that are supposed to be here to help the students deal with these crises. This was the latest in a series of cuts that deeply impacted the ability of our students to cope with the horrible things that happen in our city. Parent Liaisons. Attendance Counselors. Substance Abuse Coordinators. Our students rely on these coping mechanisms just to get through the day, but when it comes to budget freezes and budget cuts, those vital positions are the very first to go.

In addition, we have also seen dramatic layoffs in support staff like aides and clerks over the last few years. Many of these aides and clerks are Newark residents and the parents of Newark students.

As educators, we find ourselves responsible for so much more than just teaching our students, and every day, we find ourselves with less staff and less resources to support our students through everything from crime, drugs, poverty, unemployment and parental incarceration. I don't care how great a teacher you are, your students are not going to care about long division when they are hungry or scared that they may end up shot dead walking home from school.

And that is all on top of the ways budget cuts directly impact classroom instruction. Overcrowded classrooms. Not enough desks. Not enough books. Not enough training for the staff. Schools having to go without substitutes for staff because they just aren't in the budget today.

Some people would say, "Well, staff should not be absent in the first place." But many of those staff are getting sick or hurt right in school. Because of budget cuts, repairs and maintenance are not happening in many of our schools. Every day we get reports of mold, rodents, broken elevators, unplowed parking lots, and on and on. And we are still unable to drink water in many of the schools which are still dealing with Flint, Michigan levels of lead in their water. The governor just announced a \$300 million overhaul of the state house for far less horrific conditions. But when it comes to schools, the state will cut the budget and tell the students and staff they have to fend for themselves.

Newark schools have already been cut to the bone. Over the last several years, questionable budgetary priorities have stripped away vital resources and staff from our students. Instead of fixing those skewed priorities, more budget cuts will only be taken out on the students and the staff that service our students. This is unconscionable.

Thank you for your time.

John M. Abeigon
President
Newark Teachers Union

NPS Consultant Costs

2011-2012	\$117,577,734
2012-2013	\$14,115,280
2013-2014	\$112,204,412
2014-2015	\$79,175,586

NPS CONTRACTS

Contract Award	Nature of Award	Vendor Name	Contract Begin Date	Contract End Date	Contract Amount
8589R1-A	Pre-Qualification Solicitation for Reading Materials	McGraw Hill Education	6/23/2016	6/22/2017	\$400,000.00
8589R1-B	Pre-Qualification Solicitation for Reading Materials	Houghton Mifflin	6/23/2016	6/22/2017	\$400,000.00
8662	Ambulance Services	UHNJ, EMS	9/1/2016	6/30/2017	\$17,500.00
8593R1-B	Pre-Qualification Solicitation for Web Based Services	Rethink	9/1/2016	6/30/2017	\$830,000.00
8687	Mental Health Service	Rutgers University Newark	7/1/2016	6/30/2017	\$380,000.00
	Feasibility Student to Generate New Revenue for Existing Assest				
8696	Arbitration Services	Axis Partners	8/30/2016	8/30/2017	\$50,000.00
8682A	Arbitration Services	Margaret Leibowitz	7/1/2016	6/30/2017	\$50,000.00
8682B	Arbitration Services	Gerald Restraino	7/1/2016	6/30/2017	\$50,000.00
8682C	Arbitration Services	James Mastriani	7/1/2016	6/30/2017	\$50,000.00
8682D	Arbitration Services	Michael J Pecklers, ESQ	7/1/2016	6/30/2017	\$50,000.00
8682E	Arbitration Services	Joel M. Weisblatt	7/1/2016	6/30/2017	\$50,000.00
8682F	Arbitration Services	Frank J. Cocuzza	7/1/2016	6/30/2017	\$50,000.00
8682G	Arbitration Services	Jeffrey Tener	7/1/2016	6/30/2017	\$50,000.00
8682H	Arbitration Services	Robert Glasson	7/1/2016	6/30/2017	\$50,000.00
8682I	Arbitration Services	Timothy Hundley	7/1/2016	6/30/2017	\$50,000.00
8682J	Arbitration Services	Thomas Hartigan	7/1/2016	6/30/2017	\$50,000.00
8682K	Arbitration Services	Other Arbitrators, as chosen	7/1/2016	6/30/2017	\$50,000.00
8700	Employee Assistance Program (EAP)	Charles Nechem Associates, Inc.	7/1/2016	6/30/2017	\$83,600.00

8711	Purchase of the College Board Tests	The College Board	7/1/2016	6/30/2017	\$170,000.00
8441A2	Social Services for Title I Students Attending Non-Public Schools	Catholic Charities of the archdiocese of Newark	9/1/2016	6/30/2017	\$289,555.20
8591R1-A	Pre-Qualification Solicitation for Testing Assessments and Training	Pearson	6/23/2016	6/22/2017	\$400,000.00
8591R1-A	Pre-Qualification Solicitation for Testing Assessments and Training	Houghton Mifflin Harcourt	6/23/2016	6/22/2017	\$400,000.00
8695	Gateway to College Program	Essex County College	9/1/2016	6/30/2017	\$400,000.00
8503R1-A	Pre-Qualification Solicitation for Arts Education	Educational Arts Team, Inc	5/26/2016	5/25/2017	\$10,000.00
8503R1-B	Pre-Qualification Solicitation for Arts Education	Glassroots, Inc	5/26/2016	5/25/2017	\$10,000.00
8503R1-C	Pre-Qualification Solicitation for Arts Education	Newark Museum	5/26/2016	5/25/2017	\$10,000.00
8503R1-D	Pre-Qualification Solicitation for Arts Education	Newark School of the Arts	5/26/2016	5/25/2017	\$10,000.00
8673-449A	Printer and Toner Cartridges	WB Mason	5/24/2016	5/23/2017	\$196,338.27
8673-449B	Printer and Toner Cartridges	The Tree House Inc	5/24/2016	5/23/2017	\$18,904.85
8673-449C	Printer and Toner Cartridges	MIRA International	5/24/2016	5/23/2017	\$13,155.35
8694A	Instructional Educational Services to Students in Non-Public Schools	ERESC	9/1/2016	6/30/2017	\$1,539,534.00

8694B	Instructional Educational Services to Students in Non-Public Schools	Catholic Charities	9/1/2016	6/30/2017	\$1,539,534.00
8694C	Instructional Educational Services to Students in Non-Public Schools	Catapault	9/1/2016	6/30/2017	\$1,539,534.00
8694D	Instructional Educational Services to Students in Non-Public Schools	Youth Development Clinic (YDC)	9/1/2016	6/30/2017	\$1,539,534.00
8290A2-A	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Aspira	9/24/2016	9/23/2018	\$700,000.00
8290A2-B	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Focus	9/24/2016	9/23/2018	\$700,000.00
8290A2-C	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Jazz House Kids	9/24/2016	9/23/2018	\$700,000.00
8290A2-D	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Pathways to College	9/24/2016	9/23/2018	\$700,000.00
8290A2-E	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Playwrights Theatre of NJ	9/24/2016	9/23/2018	\$700,000.00
8290A2-F	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Urban League of Essex County	9/24/2016	9/23/2018	\$700,000.00

8290A2-G	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Vendor Productions	9/24/2016	9/23/2018	\$700,000.00
8290A2-H	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Bell	9/24/2016	9/23/2018	\$700,000.00
8290A2-I	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Center for Support Schools	9/24/2016	9/23/2018	\$700,000.00
8290A2-K	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Kids Corporation	9/24/2016	9/23/2018	\$700,000.00
8290A2-L	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	La Case De Don	9/24/2016	9/23/2018	\$700,000.00
8290A2-M	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	PCCI	9/24/2016	9/23/2018	\$700,000.00
8290A2-H	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	YMCA of Newark & Vicinity	9/24/2016	9/23/2018	\$700,000.00
8290A2-N	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Big Brothers Big Sisters	9/24/2016	9/23/2018	\$700,000.00

8290A2-O	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Glassroots, Inc	9/24/2016	9/23/2018	\$700,000.00
8290A2-P	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Jenova Jired Outreach	9/24/2016	9/23/2018	\$700,000.00
8290A2-Q	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Liberty Science Center	9/24/2016	9/23/2018	\$700,000.00
8290A2-R	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Move This World	9/24/2016	9/23/2018	\$700,000.00
8290A2-S	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Newark Yoga Movement	9/24/2016	9/23/2018	\$700,000.00
8290A2-E	Pre-Qualification Solicitation for Partners to Provide Expanded Learning Time	Playwrights Theatre of NJ	9/24/2016	9/23/2018	\$700,000.00
8665=211	Recycling Pick-Up and Disposal	Giordano Company	6/24/2016	6/23/2018	\$500,000.00
8666-210	Bulk Waste Pick-Up and Disposal	Giordano Company	6/24/2016	6/23/2017	\$350,000.00
8707	Career Instruction and Training for Students	New Community Corporation	6/24/2016	6/23/2017	\$105,000.00

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8433A2-F Part II	Pre-qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Encyclopedia Britannica, Inc	10/27/2016	10/26/2017	\$700,000.00
8433A2-G Part II	Pre-qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Carnegie Learning	10/27/2016	10/26/2017	\$700,000.00
8433A2-H Part II	Pre-qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Scholastic Inc	10/27/2016	10/26/2017	\$700,000.00
8433A2-A Part I	Pre-qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Accelerated Learning	10/27/2016	10/26/2017	\$700,000.00
8433A2-C Part I	Pre-qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Houghton Mifflin Harcourt	10/27/2016	10/26/2017	\$700,000.00
8433A2-D Part I	Pre-qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Pearson Education	10/27/2016	10/26/2017	\$700,000.00

8433A2-E Part I	Pre-qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	SASC (Sangari Active Science)	10/27/2016	10/26/2017	\$700,000.00
8412R1-A	Pre-Qualification Solicitation for Supports for At Risk Middle and High School Students	Pearson Education	9/1/2016	8/31/2017	\$700,000.00
8412R1-B	Pre-Qualification Solicitation for Supports for At Risk Middle and High School Students	Independence: A Family of Service, Inc.	9/1/2016	8/31/2017	\$700,000.00
8412R1-C	Pre-Qualification Solicitation for Supports for At Risk Middle and High School Students	Big Brothers Big Sisters of Essex, Hudson, and Union Counties	9/1/2016	8/31/2017	\$700,000.00
8412R1-D	Pre-Qualification Solicitation for Supports for At Risk Middle and High School Students	Urban League of Essex County	9/1/2016	8/31/2017	\$700,000.00
8412R1-E	Pre-Qualification Solicitation for Supports for At Risk Middle and High School Students	Ramapo for Children Inc	9/1/2016	8/31/2017	\$700,000.00
8709	Technical and Operational Support	Acumen Solutions	5/24/2016	5/23/2017	\$125,000.00
8636R-427A	District Wide HVAC Air Filters and General Ventilation Products	Brothers Supply Corp	5/24/2016	5/23/2018	\$40,940.82
8636R-427B	District Wide HVAC Air Filters and General Ventilation Products	Jasonbelts.com LLC dba Central Mep Supply	5/24/2016	5/23/2018	\$33,813.86

8636R-427C	District Wide HVAC Air Filters and General Ventilation Products	National Air Filter Service Co of NJ	5/24/2016	5/23/2018	\$8,046.70
8674-385A	Multipurpose Paper/Joint Purchase Agreement	Paper Mart	5/24/2016	5/23/2018	\$464,298.32
8674-385B	Multipurpose Paper/Joint Purchase Agreement	WB Mason	5/24/2016	5/23/2018	\$153,962.40
8712	Purchase of ACT Tests	The Act. Inc.	7/1/2016	6/30/2017	\$110,000.00
8710A	Instructional Material and School Libraries	Barnes and Noble			\$100,000.00
8710B	Instructional Material and School Libraries	BMI Educational Services			\$100,000.00
8710C	Instructional Material and School Libraries	Cengage			\$200,000.00
8710D	Instructional Material and School Libraries	Curriculum Associates			\$100,000.00
8710E	Instructional Material and School Libraries	Follett			\$150,000.00
8710F	Instructional Material and School Libraries	Houghton Mifflin Harcourt, ELA			\$150,000.00
8710G	Instructional Material and School Libraries	Houghton Mifflin Harcourt, Math			\$1,000,000.00
8710H	Instructional Material and School Libraries	John Wiley and Sons			\$350,000.00
8710I	Instructional Material and School Libraries	McGraw Hill Education			\$150,000.00
8710J	Instructional Material and School Libraries	Pearson			\$175,000.00
8710K	Instructional Material and School Libraries	People's Education			\$50,000.00
8710L	Instructional Material and School Libraries	Scholastic Inc			\$100,000.00
8710M	Instructional Material and School Libraries	Wilson Language Training			\$200,000.00

8672-363A	Trophies and Awards - Set adles for small, minority, and women owned businesses	JEC Inc	5/24/2016	5/23/2018	\$70,000.00
8672-363B	Trophies and Awards - Set adles for small, minority, and women owned businesses	Ierro Enterprises	5/24/2016	5/23/2018	\$70,000.00
8233A2	Performance & Learning Management Data System	Bloomboard	7/1/2016	6/30/2018	\$210,000.00
8670A	Milk and Milk Products	Cream O Land Dairies	9/1/2016	8/31/2017	\$1,016,709.50
8670B	Milk and Milk Products	Farmland Fresh Dairies	9/1/2016	8/31/2017	\$306,429.24
8596	Physical Storage and Electronic Data Archives	File Bank	5/24/2016	5/23/2019	\$500,000.00
8715	Outbound Voice Extension	Verizon Business Services	7/1/2016	6/30/2017	\$40,000.00
8714	E-Rate Centrex Extension	Verizon Business Services	7/1/2016	6/30/2017	\$950,000.00
8615A	Environmental Investigation and management services throughout Newark Public School District	Whitman	5/24/2016	5/23/2018	\$888,888.00
8615A	Environmental Investigation and management services throughout Newark Public School District	TTI Environment Inc	5/24/2016	5/23/2018	\$888,888.00
8615A	Environmental Investigation and management services throughout Newark Public School District	Omega	5/24/2016	5/23/2018	\$888,888.00

8558A1	Technical and Operational Support - Amendment to Contract	Cherry Road Technologies	7/1/2015	6/30/2016	\$1,396,188.00
8684	Technical and Operational Support - Amendment to Contract	Cherry Road Technologies	7/1/2016	6/30/2017	\$1,200,000.00
8671-047A	HS Athletic Supplies and Equipment for Spring and Fall	Riddell	6/21/2016	6/20/2017	\$3,606.45
8671-047B	HS Athletic Supplies and Equipment for Spring and Fall	Levy's	6/21/2016	6/20/2017	\$1,595.50
8671-047C	HS Athletic Supplies and Equipment for Spring and Fall	Metuchen Center Inc	6/21/2016	6/20/2017	\$795.00
8671-047D	HS Athletic Supplies and Equipment for Spring and Fall	BSN Sports	6/21/2016	6/20/2017	\$25,917.75
8671-047E	HS Athletic Supplies and Equipment for Spring and Fall	R+R Trophy and Sporting Goods	6/21/2016	6/20/2017	\$20,144.90
8671-047F	HS Athletic Supplies and Equipment for Spring and Fall	Drew and Rogers	6/21/2016	6/20/2017	\$1,195.00
8671-047G	HS Athletic Supplies and Equipment for Spring and Fall	JLMP	6/21/2016	6/20/2017	\$119,424.47
8671-047H	HS Athletic Supplies and Equipment for Spring and Fall	Longstreth Sporting	6/21/2016	6/20/2017	\$647.50

8675A	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Activate Learning	6/21/1961	6/20/2019	\$700,000.00
8675B	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Benchmark	6/21/1961	6/20/2019	\$700,000.00
8675C	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Booksource	6/21/1961	6/20/2019	\$700,000.00
8675D	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Britannia Pathways Science	6/21/1961	6/20/2019	\$700,000.00
8675E	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Carolina Biological	6/21/1961	6/20/2019	\$700,000.00
8675F	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Continental Press	6/21/1961	6/20/2019	\$700,000.00

8675G	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Curriculum Associates	6/21/1961	6/20/2019	\$700,000.00
8675H	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Explore Learning	6/21/1961	6/20/2019	\$700,000.00
8675I	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Houghton Mifflin Harcourt	6/21/1961	6/20/2019	\$700,000.00
8675J	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Learning A-Z	6/21/1961	6/20/2019	\$700,000.00
8675K	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	McGraw Hill Education	6/21/1961	6/20/2019	\$700,000.00
8675L	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	PCG Education	6/21/1961	6/20/2019	\$700,000.00

8675M	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Santillana USA	6/21/1961	6/20/2019	\$700,000.00
8675N	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Scholastic Inc	6/21/1961	6/20/2019	\$700,000.00
8675O	Pre-Qualification Solicitation for Instructional Materials for Curriculum and Learning Environments	Teacher Created Material	6/21/1961	6/20/2019	\$700,000.00
8706-451A	Calculators for Classrooms	D+H Distributions Co	6/21/2016	6/22/2017	\$14,126.40
8706-451AB	Calculators for Classrooms	EAI Education	6/21/2016	6/22/2017	\$257,202.75
8706-451AC	Calculators for Classrooms	Fisher Scientific	6/21/2016	6/22/2017	\$37,466.18
8703-477A	Health Services (supplies)	Medco	6/21/2016	6/20/2018	\$16,540.35
8703-477B	Health Services (supplies)	School Health Corp	6/21/2016	6/20/2018	\$14,201.00
8703-477C	Health Services (supplies)	School Nurse	6/21/2016	6/20/2018	\$2,305.30
8669	Nursing Services for Non-Public Schools	Essex Regional Educational Services Commission	9/1/2016	6/30/2017	\$223,920.00
8702	Before and After School Program for Title 1 Students attending Nonpublic Schools	Essex County Educational Services Commission	9/1/2016	6/30/2017	\$97,120.00
8713-452A	Award of Contract - VCT Floor Tiles and Related supplies - Two Year Contract Solicitation	Best Value Rugs and Carpets	6/12/2016	6/20/2018	\$476,975.00

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8713-452B	Award of Contract - VCT Flor Tiles and Related supplies - Teo Year Contract Solicitation	Liberty Wood Materials dba Extech Building Materials	6/12/2016	6/20/2018	\$2,595.00
8713-452C	Award of Contract - VCT Flor Tiles and Related supplies - Teo Year Contract Solicitation	Continental Flooring CO	6/12/2016	6/20/2018	\$199,517.50
8725	Bread and Rolls	RP Baking LLC	9/1/2016	5/23/2019	\$999,000.00
8697A Part 2	Pre-Qualification for Pre-K Instructional Materials for Curriculum Learning Environments- Amendment	Teaching Strategies	5/24/2016	5/23/2016	\$1,800,000.00
8698A	Pre-K Professional Development for School Leaders and Teachers	Newark Museum	6/21/2016	6/20/2019	\$200,000.00
8698A	Pre-K Professional Development for School Leaders and Teachers	New Jersey Performing Arts	6/21/2016	6/20/2019	\$200,000.00
8698A	Pre-K Professional Development for School Leaders and Teachers	Innovative Education Program	6/21/2016	6/20/2019	\$200,000.00
8732A	Renewal Of Insurances	Well Fargo Insurance Services	7/1/2016	6/30/2017	
8732B	Renewal Of Insurances	Selective Fire and Casualty Insurance	7/1/2016	6/30/2017	\$225,524.00
8732C	Renewal Of Insurances	Lloyds of London, Excess Liability	7/1/2016	6/30/2017	\$325,600.00
8732D	Renewal Of Insurances	Travelrs Indemnity Company Property	7/1/2016	6/30/2017	\$1,271,457.00
8732E	Renewal Of Insurances	State National Insurance Co Excess Workers Compensation	7/1/2016	6/30/2017	\$385,552.00

8732F	Renewal Of Insurances	Gerber Life Insurance	7/1/2016	6/30/2017	\$690,000.00
8732G	Renewal Of Insurances	Hughes-Plummer Insurance Agency Crime Insurance	7/1/2016	6/30/2017	\$8,380.00
8732H	Renewal Of Insurances	Hughes-Plummer Insurance Agency Surety Bonds	7/1/2016	6/30/2017	\$3,750.00
8732	Student Transportation Services	Transporation Division of ERESC	9/1/2016	6/30/2017	\$29,000,000.00
8699	Electrical Distribution Upgrades at University High School	TSUJ Corporation	6/21/2016	6/20/2017	\$194,700.00
8720A	Cafeteria Paper and Plastic	Abaline Supply	6/21/2016	6/20/2017	\$258,473.25
8720B	Cafeteria Paper and Plastic	All Clean Janitorial Supply	6/21/2016	6/20/2017	\$141,755.00
8720C	Cafeteria Paper and Plastic	Appco Paper and Plastic	6/21/2016	6/20/2017	\$349,179.20
8720D	Cafeteria Paper and Plastic	Central Poly Corp	6/21/2016	6/20/2017	\$116,335.00
8720E	Cafeteria Paper and Plastic	Mooney-General Paper	6/21/2016	6/20/2017	\$2,562.75
8726A	Cafeteria Grocery Items	Driscoll Foods	8/1/2016	7/31/2017	\$99,846.70
8726B	Cafeteria Grocery Items	H Schrier	8/1/2016	7/31/2017	\$261,787.20
8726C	Cafeteria Grocery Items	Mivila	8/1/2016	7/31/2017	\$75,560.50
8727A	Portion Control Dry Items	Driscoll Foods	8/1/2016	7/31/2017	\$641,337.23
8727A	Portion Control Dry Items	H Schrier	8/1/2016	7/31/2017	\$1,427,460.50
8727A	Portion Control Dry Items	Mivila	8/1/2016	7/31/2017	\$881,825.00
8728A	Portion Control Frozen Items	Driscoll Foods	8/1/2016	7/31/2017	\$1,125,735.00
8728A	Portion Control Frozen Items	H Schrier	8/1/2016	7/31/2017	\$2,498,866.00
8728A	Portion Control Frozen Items	Mivila	8/1/2016	7/31/2017	\$317,500.00
8728A	Portion Control Frozen Items	Nardone Bros	8/1/2016	7/31/2017	\$489,285.00

8729	Catered Items	Jamac Frozen Food	8/1/2016	7/31/2017	\$570,280.00
8579A	Cafeteria Food Amendment	Cookies and More	6/22/2015	6/21/2016	\$533,045.40
8579B	Cafeteria Food Amendment	Driscoll Foods	6/22/2015	6/21/2016	\$795,391.82
8579C	Cafeteria Food Amendment	H Schrier	6/22/2015	6/21/2016	\$1,356,396.60
8579D	Cafeteria Food Amendment	Jamac Frozen Food	6/22/2015	6/21/2016	\$907,440.00
8579E	Cafeteria Food Amendment	Mivila	6/22/2015	6/21/2016	\$1,309,127.70
8579F	Cafeteria Food Amendment	Nardone Bros	6/22/2015	6/21/2016	\$9,137.34
8579G	Cafeteria Food Amendment	Sysco Metro New York	6/22/2015	6/21/2016	\$2,482,127.21
				TOTAL	\$108,026,828.75



Testimony on School Funding before the Joint Committee on the Public Schools

Judy Savage, Executive Director

January 17, 2017

Chairman Rice, Chairwoman Jasey, and members of the Joint Committee on the Public Schools:

Thank you for the opportunity to speak today on behalf of New Jersey's county vocational-technical school districts. The increasing focus on school funding by both houses of the Legislature is encouraging, and we welcome the growing recognition that continuing to level-fund public schools without recognizing enrollment changes or other aspects of the funding formula is unsustainable.

After some initial efforts to make up for deep cuts in state aid six years ago, aid for most school districts has remained essentially flat for four years. As a group, the 21 county vocational-technical school districts are receiving **3.3% less aid** this year than they received in FY 2010, the last year of full SFRA funding.

- 17 of the 21 districts are receiving **less aid** than they did seven years ago, and one received a nominal increase of \$2,000 over the seven-year span. Increases in the other three districts were minimal, ranging from 0.35% to 1.3 percent, over the same period.
- Eight counties are still receiving 5% or more **less aid** in 2017 than they received under SFRA seven years ago.
- Together, our 21 county vocational-technical school districts have lost almost \$5.9 million in state support since FY 2010.

At the same time, enrollment in county vocational-technical schools has increased significantly over the past seven years. Statewide, our **enrollment increased by over 14% since 2009-10:**

- 20 of 21 counties have experienced an enrollment increase since 2009.
- 11 of those counties have double-digit growth and one (Atlantic County Institute of Technology) has increased enrollment by over 150% through a conversion from part-time career programs to a full-time career and technical education high school.
- A similar transition is currently underway in Cumberland County, and it will be critical for the state aid formula to start recognizing those new full-time students.

As you know, educational and operational costs for all school districts continue to rise annually. In addition to salary and other costs that increase each year, schools have had to pay for new requirements during this period for teacher evaluation, PARCC testing, and school security. While districts found some savings with the introduction of mandatory health benefit

contributions under Chapter 78, those savings have now levelled off, while health premiums continue to rise.

It is becoming increasingly difficult for county vocational schools, and others, to serve more students with fewer state resources.

Of particular concern for county vocational schools is the cost of keeping career programs aligned with current and emerging workforce needs. This requires need sufficient resources to attract talented teachers from industry, and to keep technical equipment and curricula up to date with industry demands. We simply cannot prepare students for tomorrow's jobs if we are using outdated equipment and technology.

There is a growing demand for career and technical education programs throughout the State, and county vocational-technical schools are doing their best to meet this need.

With the support of the Legislature, Speaker Prieto sponsored a county vocational school grant program that has spurred the creation of many new high quality, high demand career programs launched in partnership with colleges, employers and local school districts.

But sustaining new career programs to address emerging needs like manufacturing, information technology and health sciences requires state aid to keep pace with growing enrollment.

And county vocational schools that have transitioned from part-time to full-time programs in response to high demand have not received additional aid to offset the large cost increase associated with adding academic programs and teachers, as well as support services, for a full-time high school.

While the Legislature recognized this need with the bi-partisan passage of legislation to recognize this specific type of explosive growth, the Governor vetoed the legislation citing budgetary concerns.

Along with stagnant state aid and growing enrollment, many county vocational-technical schools are also struggling with limited funding at the county level. Unlike local school districts, which may increase their local tax levy by two percent annually, county vocational schools have no taxing authority. Their local funding comes from county freeholders, who are generally feeling the same pinch of rising costs and their own tax levy cap.

Over the past seven years, eight county vocational districts have received flat or reduced county funding. Six additional districts received a cumulative seven-year increase of only 5% or less – which amounts to under 1% per year of tax levy growth.

Career and technical education helps to drive New Jersey's economic engine by giving students a well-rounded education with a strong focus on career readiness. Students can graduate ready for the workplace, or they can go on to college with a jump start on preparation for well-paying high-demand careers. Keeping career and technical education strong and viable is essential for

NJ employers, as well as for students who thrive in an engaging, career-focused school environment.

As the school funding debate moves forward, the Council appreciates the Legislature's efforts to carefully review the current school funding formula with the goal of restoring an equitable distribution of state aid. We respectfully ask that you consider the following:

- Adjustment aid should be reviewed carefully. The SFRA called for adjustment aid to be phased out for districts that were **losing enrollment**, but growing and stable districts – many spending below adequacy – would be harmed by elimination of this aid.
- Districts that might lose aid must be provided a mechanism to replace lost revenue from other sources, such as an increase in the tax levy cap. This will be extremely complex, and must address special situations like county vocational school districts, which are not funded through a local tax levy.
- Once enrollment-driven funding is restored, mechanisms must be provided to ensure that it will be sustained even in the face of limited resources.

Thank you for the opportunity to speak today on behalf of New Jersey's 21 county vocational-technical school districts and almost 33,000 secondary and over 4,000 adult students.



NAACP

A.

GOVERNOR WOULD DECIMATE BUDGETS, TRIGGER HUGE STAFF CUTS IN POOR DISTRICTS

Governor Chris Christie's so-called "Fairness" funding plan would cause staggering budget cuts in some of New Jersey's poorest districts, forcing as many as 14,000 teachers, guidance counselors and other support staff to be cut, an ELC analysis shows.

The Governor proposes to replace the current formula, which provides more funds to at-risk students, English language learners (ELL) and students with disabilities, with a new formula that would give districts a fixed amount of \$6,599 per pupil. The proposal simply ignores the vast differences in student need, racial isolation, district local property tax capacity, and New Jersey's decades-long effort to provide sufficient school funding to students in the state's poorest communities.

ELC analyzed the impact the Governor's proposal to distribute the same amount of state aid per pupil on districts across the state, grouped by community wealth. The analysis shows that, under the Governor's plan, 143 districts would have their budgets cut, with the poorest districts bearing the overwhelming brunt of the aid cuts. These 78 low wealth districts would lose, on average, a staggering \$7,417 per pupil, representing 40% of their total operating budgets. Fifty-six middle wealth districts would be cut an average of \$1,494 per pupil, or 8% of their operating budgets. In sharp contrast, all 129 high wealth districts – those with low student need – would not be cut but instead would receive a huge influx as state aid is transferred from the poorer districts.

Impact of "Fairness Formula" on Funding Statewide and by District Wealth

	All Districts (N=583)				Districts Facing Cuts (N=143)			
	# Districts	Resident Enrollment	Total Cut	Per Pupil Change	# Districts	Resident Enrollment	Per Pupil Change	% of Total Operating Budget
Statewide	583	1,348,422	\$2,727M	(\$2,023)	143	441,079	(\$6,184)	33%
Low	105	397,620	\$2,575M	(\$6,476)	78	347,191	(\$7,417)	40%
Middle	310	636,456	\$126M	(\$199)	56	84,845	(\$1,494)	8%
High	129	278,187	\$0	\$0	0	N/A	N/A	N/A

Source: NJDOE State Aid Notice, 2015-16

ELC also simulated the potential impact of the Governor's proposed budget cuts in low and middle wealth districts on staff levels and student-to-staff ratios. We estimate across-the-board cuts by reducing staff positions in proportion to each district's state aid cut as a percentage of their total operating budget. Wealthy districts, since they are insulated from any aid cuts, would not see any changes in current staffing levels or ratios per student.

In the 143 low and middle income districts whose budgets would be cut, ELC estimates these districts could layoff as many as 15,000 staff to balance their drastically reduced budgets. Low wealth districts could lose upwards of 14,000 staff. The largest seven low wealth districts account for about 47% of the total staff loss. Overall, low wealth districts would lose about 33% of their staff, and middle wealth districts would lose 1%. Of course, high wealth districts would not be affected.

ELC also simulated the potential impact of the Governor's proposal on student-to-staff ratios. Currently, staff levels are generally similar in all district wealth groups, but the Governor's plan would increase average pupil

to staff ratios in all low wealth districts to about 14.2 students per staff member, while high wealth districts would remain at 9.4. Not surprisingly, the low wealth districts forced to drastically reduce staff would see an even higher ratio at 15.3. Union City could reach a level of 22 students per staff member, while Elizabeth, Irvington and Passaic could reach 19, and East Orange and Trenton 18 – all more than double the ratios seen in high wealth districts.

Estimated Impact of "Fairness Formula" on Staff Statewide and by District Wealth

	All Districts		Districts Facing Cuts	
	Current Staff	Staff under "Fairness Formula"	Current Staff	Staff under "Fairness Formula"
		FTE		FTE
Statewide	138,775	124,525	44,376	30,126
Low	39,666	26,241	34,419	20,994
Middle	64,912	64,218	9,008	8,314
High	29,201	29,201	N/A	N/A
	Pupils: FTE	Pupils: FTE	Pupils: FTE	Pupils: FTE
Statewide	9.5	10.6	9.3	13.8
Low	9.4	14.2	9.3	15.3
Middle	9.8	9.9	9.3	10.0
High	9.4	9.4	N/A	N/A

Source: NJDOE Certificated Staff Files, 2014-15

ELC further examined what impact the Governor's proposal will have on specific school personnel, from classroom teachers to essential support staff, in the 143 districts whose budgets would be cut ("losers") compared to districts that would not be cut ("winners"). In the winning districts, the ratio of core classroom teacher to students would remain, on average, at 19:1, but the ratio could climb to 27:1 in the losing districts. For world language teachers, the ratio in winning districts would remain at 301:1, while in the losing districts the ratio could rise to 614:1. Guidance counselor to student ratios would be 367:1 for the winners, but increase to a whopping 548:1 in losing districts.

The current "weighted student formula" – the School Funding Reform Act (SFRA) – requires basic skills/remedial teachers, social workers, and other supplementary staff to address the needs of at-risk students. These staff in districts with the highest levels of at-risk students would be decimated under the Governor's proposal. "Winning" districts – those gaining state aid – would continue to have an average of one basic skills/remedial teacher for every 165 at-risk students, while the "losing" districts – those facing steep budget cuts – could be left with only one teacher for every 692 at-risk students. Bilingual programs would also suffer tremendously. The winning districts would maintain average ratios of 26 ELL students per bilingual teacher, while the losing low and middle wealth districts could be forced to increase ratios to 46 ELL students per bilingual teacher.

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Simulated Student to Staff Ratios under Governor Christie's "Fairness Formula"

		Districts with Proposed State Aid Cut	Districts with Proposed State Aid Increase
Leadership	Administrators	1,660 :1	942 :1
	Directors	2,246 :1	1,684 :1
	Non-Supervisory Coordinator	2,770 :1	7,587 :1
	Principals	428 :1	350 :1
	Supervisor	828 :1	590 :1
	Total	202 :1	158 :1
Classroom Instruction	Core Subjects	27 :1	19 :1
	World Language	614 :1	301 :1
	Other Classroom Instruction	190 :1	119 :1
	Total	23 :1	16 :1
Other Instruction	Arts	310 :1	193 :1
	Library	1,439 :1	852 :1
At Risk*	Basic Skills/Remedial	692 :1	165 :1
	Social Worker	460 :1	181 :1
	Supplementary Inst	438 :1	119 :1
	Total	169 :1	50 :1
Bilingual*	Bilingual	46 :1	26 :1
Resource Program	Resource Program	158 :1	100 :1
Educational Services	Counselor	548 :1	367 :1
	Educational Services	361 :1	198 :1
	Nurse	672 :1	530 :1
	Psychologist	1,089 :1	716 :1
	Total	143 :1	90 :1

* Ratios are calculated for specific subgroup, i.e. at-risk or LEP students.

Source: NJDOE Fall Survey Enrollments, 2015-16; Certificated Staff Files, 2014-15. Cuts simulated at the percentage decrease in Total Operating Budget resulting from state aid at \$6,599 per resident pupil.

Governor Christie's funding proposal is the antithesis of "fairness" for public school children. It would remove huge amounts of state aid from the budgets of New Jersey's poorest districts – those with the highest enrollments of at-risk students, ELL's and students with disabilities. These budget cuts would, in turn, force massive cuts in staff, cuts that could reach upwards of 15,000 teachers and support staff. The potential impact on classroom instruction and support is nothing short of an educational nightmare for students in high need schools: class sizes would balloon; courses and programs would be eliminated or curtailed; caseloads for counselors, child study teams and social workers would soar; remedial interventions for at-risk students would be nearly non-existent; bilingual programs would be dismantled; and mandated services for students with disabilities would be jeopardized.

The Governor's proposal is a direct assault on educational opportunity for the thousands of students in our poorest communities. There can be no doubt the Governor's plan would not only put an end to New Jersey's historic progress in improving those opportunities, but would roll back that progress and allow the opportunity and achievement gaps of the past to re-emerge.

B.

GOVERNOR OUT TO DISMANTLE ABBOTT PRESCHOOL – A NATIONAL MODEL

Governor Chris Christie appears to be on a mission to dismantle one of the most successful education programs for poor communities in the nation: New Jersey's high quality, full-day, public preschool program for three- and four-year-olds ordered by the State Supreme Court's landmark 1998 ruling in *Abbott v. Burke V.*

In 2008, the value and importance of the "Abbott Preschool Program" was recognized by NJ legislators when they included the program's expansion statewide in the new school funding formula – the School Funding Reform Act (SFRA). More recently, President Obama used the NJ model when proposing his initiative to support access to high quality preschool across the nation.

Now, through his radical plan to redistribute state school aid, Governor Christie would eliminate the targeted funding that supports implementation of high quality preschool. The Governor's so-called "Fairness Formula" would take all currently budgeted education dollars, including the over \$650 million earmarked for preschool, and divide them evenly across the state, regardless of student need or a school district's ability to raise local funds.

This plan would cause huge budget reductions in urban and other school districts currently providing universal preschool. These budget reductions, in turn, would necessitate draconian cuts in programs and services. Since districts would no longer receive preschool categorical aid, they would no doubt be unable to continue providing the program to thousands of at-risk three- and four-year-olds.

Current costs for Abbott preschool – provided through a mixed delivery system of Head Start, private preschool providers, and district-run programs – range from \$8,232 to \$14,898 per pupil. These amounts reflect the cost of delivering preschool under some of the most rigorous quality standards in the nation. The program is also entirely funded by the state. Footing the bill for preschool by raising local taxes would be impossible for districts, as they attempt to cope with the loss of significant K-12 funding under the Governor's proposal.

There are currently 48,967 three- and four-year-olds enrolled in high quality preschool across the state, with 24,865 students in private providers or Head Start, and 24,102 in in-district classrooms. The expansion mandated in the SFRA – which Governor Christie has refused to fund since taking office in 2010 – would boost NJ preschool enrollment by 50,000 eligible children in high need districts across the state.

The impacts of the high quality Abbott preschool program are well documented. In 2005-06, the National Institute for Early Education Research (NIEER) launched a study to measure the quality and benefits of Abbott preschool. The study, called the Abbott Preschool Program Longitudinal Effects Study (APPLES), follows students who spent two years in the full-time Abbott Preschool program, comparing them to their peers who participated in one year or did not attend preschool.

The most recent follow-up, completed in 2013, assessed the effects of preschool among 4th and 5th graders. The study found that two years of preschool closed the achievement gap between minority and white students by 20 to 40%. Children who participated in two years of Abbott Preschool had better NJASK results in all subjects than those who did not participate or who completed only one year.

The APPLES study follow-up also found that participation in Abbott Preschool decreased special education rates and student retention, thereby saving districts money in the long run. In analyzing these stunning results, NIEER concluded that the Abbott Preschool program had effects that far surpassed similar but "less well-funded programs with weaker standards" and recommended that the program be expanded to reach all at-risk children:

"Based on the results of the 5th grade follow-up we suggest that New Jersey would be wise to take additional steps to build on its success to date...plans should be developed to extend the opportunity for high-quality pre-K to all of the state's children."

Governor Christie's radical plan to dismantle Abbott Preschool is wrong-headed and just plain wrong for families, schools, communities, and, most importantly, our most vulnerable children. The Governor wants to sacrifice a powerful, research-proven and historic initiative that is closing early learning gaps for poor children simply to promote his political agenda of tax cuts for the wealthy. Of all the many reasons why the Governor's school funding plan is unfair, his proposal to dismantle one of the nation's best preschool programs tops the list.

C.

The Governor's Made-Up Number: "Total Spending Per Pupil"

In pitching his plan to dramatically reduce aid to NJ's poorest districts, Governor Christie trots out a number he calls "total spending per pupil." This measure was first concocted when he took office in 2010, but had never before been used by educators, legislators, school finance experts or anyone else to calculate spending on currently enrolled students. To support his fabricated narrative of high spending, the Governor includes in his numbers significant fixed and legacy costs that do not pay for the teachers, support staff, curricular materials, building maintenance or operation of the educational program for students enrolled in districts during the school year.

For example, the Governor lumps into his calculation of school spending the cost of pensions and social security payments made by the State to retirees, debt service on capital borrowing, and state payments for districts' share of debt service for school construction bonds issued by the NJ Schools Development Authority. The Governor also throws in other fixed costs that vary significantly among districts, such as transportation, food service, and capital outlay. By adding in these items, the Governor is able to "pump up" his claims of high spending even though these costs are not - and have never been - recognized as part of the actual amounts districts spend per pupil to educate current students.

On top of that, the Governor simply ignores the fact that the highest spending districts, even by his own inflated numbers, are not all former Abbott districts, as he often says. Of the 100 highest "total spending per pupil" districts, 25 are in low wealth communities, 38 are in middle wealth communities, and 23 are in the highest wealth communities. The remaining 14 are either unclassified by wealth (4), charters (2), or county vocational districts (8).

Actual District Spending: Budgetary Per Pupil Cost

Governor Christie uses his misleading "total spending per pupil" numbers to try to sell his plan to cut aid to needy students. But he ignores the NJ Department of Education's (NJDOE) more appropriate "budgetary per pupil cost," formerly called the "comparative cost per pupil." This measure has been used by NJDOE for years to make fair comparisons among districts by not including fixed debt service and pension legacy costs, and by excluding spending that varies significantly among districts. By leaving out spending categories such as transportation and capital expenses, this measure provides a more accurate calculation of the money spent by districts on educating currently enrolled students in any given school year. The NJDOE also groups districts by grade configuration and enrollment to create more "apples-to-apples" comparisons among like districts.

100 Highest Spending Districts by District Wealth

	Total Spending per Pupil		Budgetary Cost per Pupil	
	# districts	Average	# districts	Average
Low	26	\$24,389	20	\$18,707
Middle	39	\$24,523	43	\$18,634
High	23	\$24,806	24	\$19,026
Other	12	\$26,665	13	\$20,481

Note: Districts classified by NJDOE's District Factor Groups: Low = DFG A&B, Middle = DFG CD-GH, High=DFG I&J. Other category includes unclassified districts and vocational districts. Charter and special services districts are excluded from analysis.

D.

The Governor is just plain wrong. The facts show NJ's most disadvantaged students making substantial gains over the last 15 years, and studies have documented the positive connection between increased funding and improved student outcomes. For example:

- A study of the effects of the school funding reforms resulting from the Abbott Supreme Court orders found that the additional dollars directed to poor urban districts were largely spent on instruction and support services and resulted in a significant positive impact on 11th grade achievement.
- During the decade from 2003 to 2013, the percentage of NJ eighth-grade students eligible for national lunch programs who scored "proficient" and "advanced" on the reading test of the National Assessment of Educational Progress (NAEP) increased from 16% to 27%, while the percentage scoring "below basic" fell from 44% to 26%. The gap between Black and White students narrowed from 28 points to 20.
- From 2003 to 2009, Limited English Proficient (LEP) student performance in language arts literacy and math increased in grades 3, 4, 8, and 11. More than half of the state's LEP students attend school in the former Abbott districts.
- By fourth or fifth grade, children who attend two years of NJ high quality, full-day, "Abbott Preschool" are, on average, three-quarters of an academic year ahead of students who do not attend a quality preschool. That's enough to close about half of the achievement gap between low-income children and their more advantaged peers.
- In Union City, where three-quarters of students come from homes where only Spanish is spoken, and a quarter are estimated to be undocumented, students' achievement scores are close to state averages despite far higher percentages of LEP students and at-risk (poor) students.

Governor Christie likes to talk about low graduation rates when he says high need districts are not improving. But rising graduation rates are a big part of the success story the Governor never tells, especially given the extreme concentration of student poverty of these districts:

- NJ's 2014 graduation rate for at-risk, poor students – 80% – was nearly equal to the 82% national graduation rate for *all* students, including those from affluent families. The graduation rate in the former Abbott districts was close behind at 72%, rising to 77% in 2015, even though the concentration of low-income students in Abbott districts is more than 75%, compared to 50% nationally.
- Gaps in graduation rates have been closing in New Jersey. Between 2011 and 2014, the state's graduation rate for black students rose 9.9%. The graduation rate for Hispanic students rose 7.6%, more than twice the 3.5% increase for white students.
- Between 2001 and 2010, the high school graduation rate increased 12% in former Abbott districts, compared to an increase of 4% in non-Abbott districts.
- In 2014, three Abbott districts had graduation rates equal to or above NJ's overall graduation rate for all students, which is the third highest in the nation and by far the highest rate for states with diverse student populations.

The Governor never mentions that the districts where funding has been increased – the very same districts he wants to de-fund – are among those with the highest levels of student poverty and racial isolation in the nation.

Of course, there is certainly more work to do to improve student achievement in our poorest districts and in schools across the state. But it's time to tell the Governor to stop his false narrative of school failure and instead celebrate our unprecedented success while we roll up our sleeves to continue the hard work of building on that success for every student.

STUDY DOCUMENTS DRAMATIC GAINS FOR BLACK AND HISPANIC STUDENTS

Another research study has linked the additional funding provided to New Jersey's 31 urban school districts under the landmark *Abbott v. Burke* school funding case to improved student outcomes. The latest study, by Alexandra Resch at the University of Michigan, found that the additional dollars directed to the urban districts were largely spent on instruction and support services and resulted in "a significant positive impact on 11th grade achievement."

Dr. Resch's research further debunks the myth that the urban or "Abbott" districts have wasted taxpayer money. In reality, the funding has delivered long-overdue improvements in some of the poorest, most segregated school districts in the nation.

In the first part of her study, Dr. Resch analyzed data from a number of sources to determine how much of the additional money flowing to the Abbott districts actually made it to schools and students. She concluded that the increased spending was focused on K-12 expenditures, with about equal amounts going to instruction and supplemental services. She found that the Abbott districts hired more teachers, tutors and counselors than other districts.

To determine what impact the additional resources had on student achievement, Dr. Resch analyzed the only longitudinal assessment data that spanned a large period of the reform without dramatic change, the High School Proficiency Test (HSPT). She found that the Abbott reforms significantly increased math and reading performance for Black and Hispanic students.

Unfortunately, the NJ Department of Education has never conducted a systematic evaluation of the programs put in place in the Abbott districts, making it difficult to determine what had the most impact. As Dr. Resch concludes, "[t]he good news in this paper is that the money provided to disadvantaged districts in the Abbott case did largely go to schools, and it was spent on things that can be reasonably expected to improve student achievement: instruction and support services. The bad news is that the state has not evaluated these changes in a comprehensive or convincing way."

Even more alarming is the State's recent decision to discontinue the Abbott reforms altogether. These reforms directed funds to school based programs, staff and services, such as intensive early literacy initiatives, tutors, after school programs, and social and health services. In sharp contrast to Abbott, the new school funding law – the School Funding Reform Act of 2008 – has no requirements that high needs urban and other districts utilize funding for any particular program or reform designed to improve student achievement, and DOE is imposing minimal requirements through its regulations.

Educators, advocates and parents are expressing deep concern over the failure of the State Education Commissioner to propose and implement any reform strategy designed to sustain and advance the gains in student achievement made in recent years under the Abbott reforms.

E.

Impact of "Fairness Formula" on Funding Statewide and by District Wealth

	All Districts (N=583)				Districts Facing Cuts (N=143)			
	# Districts	Resident Enrollment	Per Pupil Total Cut	Change	# Districts	Resident Enrollment	Per Pupil Change	% of Total Operating Budget
Statewide	583	1,348,422	\$2,727M	(\$2,023)	143	441,079	(\$6,184)	33%
Low	105	397,620	\$2,575M	(\$6,476)	78	347,191	(\$7,417)	40%
Middle	310	636,456	\$126M	(\$199)	56	84,845	(\$1,494)	8%
High	129	278,187	\$0	\$0	0	N/A	N/A	N/A

Estimated Impact of "Fairness Formula" on Staff Statewide and by District Wealth

	All Districts		Districts Facing Cuts	
	Current Staff	Staff under "Fairness Formula"	Current Staff	Staff under "Fairness Formula"
	FTE	FTE	FTE	FTE
Statewide	138,775	124,525	44,376	30,126
Low	39,666	26,241	34,419	20,994
Middle	64,912	64,218	9,008	8,314
High	29,201	29,201	N/A	N/A
	Pupils: FTE	Pupils: FTE	Pupils: FTE	Pupils: FTE
Statewide	9.5	10.6	9.3	13.8
Low	9.4	14.2	9.3	15.3
Middle	9.8	9.9	9.3	10.0
High	9.4	9.4	N/A	N/A

E.

THE RIGHT WAY TO CALCULATE - AND COMPARE- DISTRICT FUNDING

The Governor is adept at manipulating the calculation of "per pupil" spending to serve his political agenda. He uses "total spending per pupil" as a way to falsely claim that high need districts spend excessively. The New Jersey Department of Education's (NJDOE) "budgetary cost per pupil" is a better calculation because it focuses on actual spending to educate current students enrolled in any given district. But it does not account for differences in student need among districts. The most accurate way to compare resources in NJ districts is using a calculation - "funding per weighted pupil" - that acknowledges that the cost of educating students is not the same, but varies based on the characteristics of a district's enrollment. The concept is simple and universally accepted in education finance: children at risk from family and community poverty, those who are learning English, and students with disabilities need additional supports and interventions, and districts need additional funds to pay for them. This principle is the cornerstone of NJ's school funding formula - the School Funding Reform Act (SFRA).

For at-risk students to succeed, districts must hire additional staff, such as literacy and math specialists, bilingual/ESL teachers, and special education specialists. Districts serving more students with special needs have higher costs than districts with fewer of these students. Spending comparisons are inaccurate and incomplete if they are not adjusted to account for the differences in student need, district by district.

The "funding per weighted pupil" measure makes this crucial adjustment by using the "weights" set in the SFRA funding formula. These "weights" represent the additional per pupil costs in the formula for at-risk (low-income), English language learner (ELL), and special education students. Without adjusting for student need, the 100 districts with the highest funding per pupil are spread across the state, with 17 in low wealth districts, 51 in middle, and 29 in high wealth.

When calculated by weighted per pupil funding, 44 of the top 100 districts are high wealth, and only four are low wealth. In fact, far from having "extravagant" funding as the Governor claims, 26 of the former Abbotts are in the bottom half of districts in the state when ranked by weighted per pupil funding. So the Governor's narrative is false: the districts with the highest revenues are far more likely to be middle or high wealth, spending a healthy amount to educate a less costly student population with far less need than in low wealth districts.

100 Highest Funded Districts by District Wealth

	Funding per Pupil		Funding per Weighted Pupil	
	# districts	Average	# districts	Average
Low	17	\$21,078	4	\$14,574
Middle	51	\$21,501	50	\$15,460
High	29	\$21,035	44	\$15,718
Other	3	\$24,936	2	\$16,668

Note: Districts classified by NJDOE's District Factor Groups: Low = DFG A&B, Middle = DFG CD-GH, High=DFG I&J. Other category includes unclassified districts and vocational districts. Special services districts are excluded from analysis.

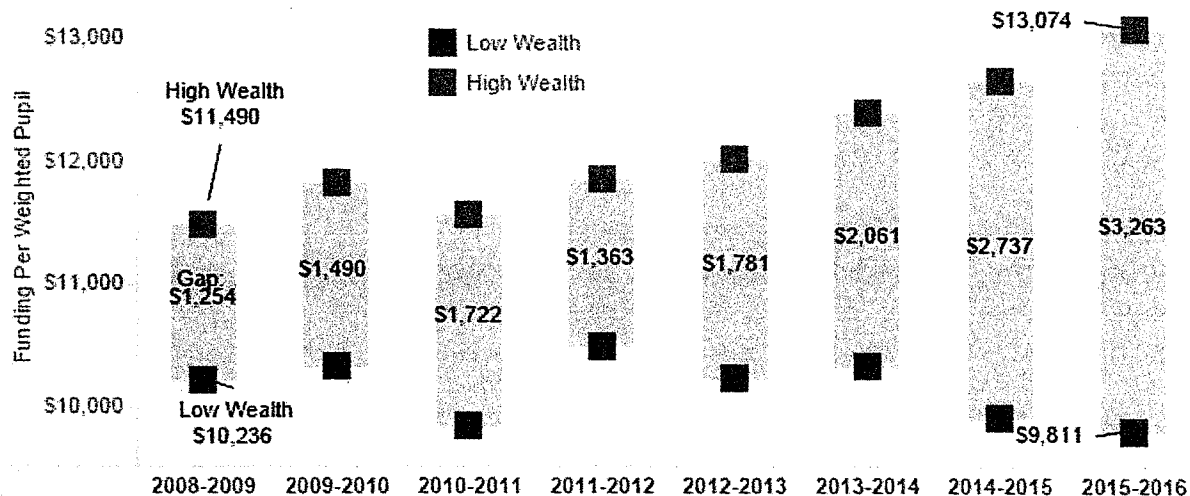
Growing Inequity under Governor Christie

The funding per weighted pupil measure shows how dramatically funding inequity has increased under Governor Christie's tenure. Using this measure, high wealth districts receive an average of \$13,074 in revenue for a student with no special needs, and low wealth districts are left with only \$9,811 after accounting for the extra costs required for low-income, ELL, and special education students.

Weighted per pupil funding increased by 14% in high wealth districts between 2008 and 2016, thanks largely to a 17% increase in local revenues. Low wealth districts have raised local revenues at a similar rate (16%), but because local funding is a smaller share of total funding those increases don't generate a comparable overall increase.

Due to growing enrollments, a needier student population, and largely flat state aid, weighted per pupil funding in low wealth districts actually declined by 4% in this same period. After seven years in which the Governor did not fund the SFRA formula, the gap in weighted per pupil funding between high and low wealth districts has grown from a \$1,254 advantage in wealthy districts in 2009, to \$3,263 in 2016. If the Governor's flat state aid plan were to be implemented, the inequity would climb to unimaginable levels.

Growing Gaps in Funding per Weighted Pupil by District Wealth



Given the very high levels of student need in NJ's low wealth districts – coupled with the Governor's refusal to properly fund the SFRA since he came into office in 2010 – teachers, support staff and other essential resources are eroding in many low wealth districts. Despite what the Governor may say, money does matter, and the highest wealth districts, including his own hometown, consistently show that it matters as they continue to raise local revenues and outspend their less affluent peers by even greater margins. Instead of scapegoating our highest need districts for a property tax burden the Governor has caused himself by not funding the SFRA formula, it's time for all New Jerseyans to stay focused on improving educational opportunity for all students across our state.

Hon. Ronald L. Rice Co-Chair (D)

District 28 - (Essex) Bloomfield, Glen Ridge, Irvington (\$64.4), Newark (\$389.1)(V.Tec-\$5.8), Nutley

Hon. Diane B. Allen (R)

District 7 - (Burlington) Beverly, Bordentown, Bordentown Township, Burlington, Burlington Township (\$7.7), Cinnaminson, Delanco, Delran, Edgewater Park, Fieldsboro, Florence, Moorestown, Mount Laurel, Palmyra, Riverside (\$2.6), Riverton, Willingboro (\$13.5)

Hon. James Beach (D)

District 6 - (Burlington and Camden) Berlin Township, Cherry Hill, Collingswood, Gibbsboro, Haddon, Haddonfield, Hi-Nella, Maple Shade, Merchantville, Oaklyn, Pennsauken, Somerdale, Stratford, Tavistock, Voorhees

Hon. Patrick J. Diegnan, Jr. (D)

District 18 - (Middlesex) East Brunswick, Edison, Helmetta, Highland Park, Metuchen, South Plainfield, South River

Hon. Samuel D. Thompson (R)

District 12 - (Burlington, Middlesex, Monmouth and Ocean) Allentown, Chesterfield, Englishtown, Jackson, Manalapan, Matawan, Millstone (Monmouth), New Hanover (\$ 800 k), North Hanover (\$4.5), Old Bridge, Plumsted, Roosevelt, Upper Freehold, Wrightstown

Assembly Hon. Mila M. Jasey Co-Chair (D)

District 27 - (Essex and Morris) Caldwell, Chatham Township, East Hanover, Essex Fells, Florham, Park, Hanover, Harding, Livingston, Madison, Maplewood, Millburn, Roseland, South Orange, West Orange

Hon. Ralph R. Caputo (D)

District 28 - (Essex) Bloomfield, Glen Ridge, Irvington (\$64.4), Newark (\$389.1)(V.Tec-\$5.8), Nutley

Hon. Betty Lou DeCroce (R)

District 26 - (Essex, Morris and Passaic) Butler, Fairfield (Essex), Jefferson, Kinnelon, Lincoln Park, Montville, Morris Plains, North Caldwell, Parsippany-Troy Hills, Rockaway Township, Verona, West Caldwell, West Milford

Hon. Sheila Y. Oliver (D)

District 34 - (Essex and Passaic) Clifton, East Orange (\$113.1), Montclair, Orange (\$39.6

Hon. David P. Rible (R)

District 30 - (Monmouth and Ocean) Avon-by-the-Sea, Belmar, Bradley Beach, Brielle, Farmingdale, Howell, Lake Como, Lakewood, Manasquan, Point Pleasant, Sea Girt, Spring Lake, Spring Lake Heights, Wall

Hon. Benjie E. Wimberly (D)

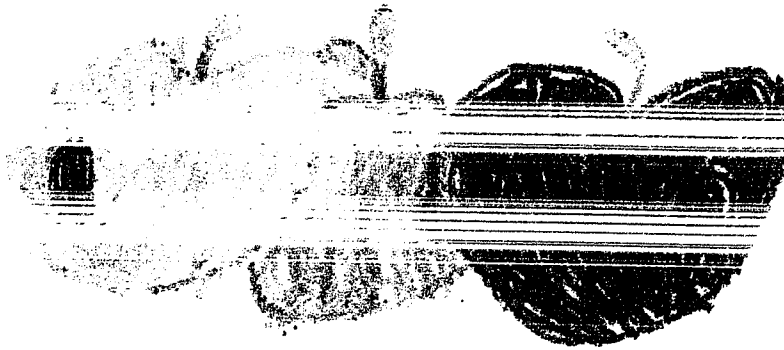
District 35 - (Bergen and Passaic) Elmwood Park, Garfield(\$23.9), Haledon, North Haledon, Paterson (\$218.2), Prospect Park (\$2)

Hon. David W. Wolfe (R)

District 10 - (Ocean) Bay Head, Brick, Island Heights, Lakehurst (\$2.8), Lavallette, Manchester, Mantoloking, Point Pleasant Beach, Seaside Heights, Toms River

**THE ABBOTT PRESCHOOL PROGRAM LONGITUDINAL EFFECTS STUDY
(APPLES)**

June 2007



APPLS

of 1997

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National Institute for Early Education Research

**Estimated Funding and Staff Reductions under Governor Christie's "Fairness Formula":
Districts with Proposed State Aid Cut**

		Funding				Staff (FTE)	
	Resident Enrollment	15-16 State Aid	"Fairness Formula" State Aid	State Aid Cut	State Aid Cut as % of Total Operating Budget	14-15 Staff	Simulated Staff Cuts
Atlantic							
Buena Regional	1776	\$19,404,322	\$11,719,824	(\$7,684,498)	21%	212	(46)
Egg Harbor City	480	\$5,201,112	\$3,167,520	(\$2,033,592)	25%	60	(15)
Estell Manor City	212	\$2,125,160	\$1,398,988	(\$726,172)	17%	19	(4)
Folsom Boro	475	\$5,570,108	\$3,134,525	(\$2,435,583)	30%	47	(14)
Galloway Twp	3275	\$23,639,348	\$21,611,725	(\$2,027,623)	3%	367	(13)
Greater Egg Harbor Reg	3329	\$31,229,240	\$21,968,071	(\$9,261,169)	14%	340	(61)
Hamilton Twp	2934	\$22,755,139	\$19,361,466	(\$3,393,673)	8%	300	(25)
Mullica Twp	672	\$5,366,179	\$4,434,528	(\$931,651)	9%	75	(8)
Pleasantville City	3575	\$64,837,599	\$23,591,425	(\$41,246,174)	54%	448	(255)
Weymouth Twp	220	\$2,371,540	\$1,451,780	(\$919,760)	20%	24	(5)
Bergen							
Garfield City	4850	\$55,908,626	\$32,005,150	(\$23,903,476)	27%	527	(144)
Burlington							
Bass River Twp	106	\$885,669	\$699,494	(\$186,175)	8%	18	(2)
Beverly City	301	\$3,718,301	\$1,986,299	(\$1,732,002)	25%	42	(10)
Burlington City	1366	\$16,797,657	\$9,014,234	(\$7,783,423)	23%	220	(63)
Burlington Co Vocational	2062	\$14,506,026	\$13,607,138	(\$898,888)	2%	194	(5)
Eastampton Twp	608	\$4,641,777	\$4,012,192	(\$629,585)	7%	62	(6)
Edgewater Park Twp	1000	\$6,619,235	\$6,599,000	(\$20,235)	0%	87	(0)
Mount Holly Twp	946	\$10,005,259	\$6,242,654	(\$3,762,605)	20%	115	(25)
New Hanover Twp	232	\$2,401,887	\$1,530,968	(\$870,919)	15%	29	(5)
North Hanover Twp	1067	\$11,440,688	\$7,041,133	(\$4,399,555)	20%	140	(28)
Pemberton Twp	4331	\$83,481,225	\$28,580,269	(\$54,900,956)	53%	561	(297)
Rancocas Valley Regional	2082	\$16,008,477	\$13,739,118	(\$2,269,359)	6%	163	(10)
Riverside Twp	1250	\$10,849,800	\$8,248,750	(\$2,601,050)	12%	141	(20)
Tabernacle Twp	735	\$5,466,194	\$4,850,265	(\$615,929)	5%	81	(4)
Washington Twp	93	\$672,074	\$613,707	(\$58,367)	2%	5	(0)
Willingboro Twp	3762	\$38,413,730	\$24,825,438	(\$13,588,292)	19%	361	(71)

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Source: NJDOE Fall Survey Enrollments, 2015-16; Certificated Staff Files, 2014-15. Cuts simulated at the percentage decrease in Total Operating Budget resulting from state aid at \$6,599 per resident pupil.

**Estimated Funding and Staff Reductions under Governor Christie's "Fairness Formula":
Districts with Proposed State Aid Cut**

		Funding				Staff (FTE)	
	Resident Enrollment	15-16 State Aid	"Fairness Formula" State Aid	State Aid Cut	State Aid Cut as % of Total Operating Budget	14-15 Staff	Simulated Staff Cuts
Camden							
Berlin Twp	818	\$5,591,872	\$5,397,982	(\$193,890)	1%	79	(1)
Black Horse Pike Regional	3775	\$33,380,107	\$24,911,225	(\$8,468,882)	12%	344	(55)
Brooklawn Boro	369	\$4,371,742	\$2,435,031	(\$1,936,711)	32%	35	(14)
Camden City	15308	\$279,847,597	\$101,017,492	(\$178,830,105)	60%	1284	(777)
Camden County Vocational	2077	\$22,332,661	\$13,706,123	(\$8,626,538)	20%	250	(53)
Clementon Boro	558	\$6,362,243	\$3,682,242	(\$2,680,001)	24%	57	(14)
Gloucester City	1857	\$30,074,492	\$12,254,343	(\$17,820,149)	44%	259	(113)
Gloucester Twp	6578	\$50,849,479	\$43,408,222	(\$7,441,257)	7%	641	(47)
Lawnside Boro	412	\$3,721,485	\$2,718,788	(\$1,002,697)	12%	31	(4)
Lindenwold Boro	2627	\$24,546,306	\$17,335,573	(\$7,210,733)	19%	267	(51)
Magnolia Boro	413	\$3,058,381	\$2,725,387	(\$332,994)	4%	43	(2)
Pennsauken Twp	5249	\$48,134,029	\$34,638,151	(\$13,495,878)	14%	477	(72)
Pine Hill Boro	1615	\$16,292,748	\$10,657,385	(\$5,635,363)	16%	219	(42)
Sterling High School Dist	852	\$6,831,315	\$5,622,348	(\$1,208,967)	7%	96	(8)
Waterford Twp	1603.5	\$12,574,896	\$10,581,497	(\$1,993,400)	7%	95	(7)
Winslow Twp	4709	\$44,125,936	\$31,074,691	(\$13,051,245)	12%	559	(74)
Woodlynn Boro	578	\$6,938,821	\$3,814,222	(\$3,124,599)	31%	36	(11)
Cape May							
Dennis Twp	647.5	\$6,161,005	\$4,272,853	(\$1,888,153)	12%	69	(10)
Lower Cape May Regional	1408	\$9,763,644	\$9,291,392	(\$472,252)	2%	166	(3)
West Cape May Boro	62	\$508,018	\$409,138	(\$98,880)	6%	10	(1)
Wildwood City	762	\$5,185,220	\$5,028,438	(\$156,782)	1%	114	(1)
Woodbine Boro	233.5	\$2,969,115	\$1,540,867	(\$1,428,249)	32%	27	(11)
Cumberland							
Bridgeton City	5554.5	\$79,952,446	\$36,654,146	(\$43,298,301)	46%	623	(295)
Commercial Twp	780	\$10,238,670	\$5,147,220	(\$5,091,450)	41%	56	(24)
Cumberland Co Vocational	258.5	\$3,925,903	\$1,705,842	(\$2,220,062)	25%	40	(10)
Cumberland Regional	1287	\$12,145,935	\$8,492,913	(\$3,653,022)	17%	111	(21)

Source: NDOE Fall Survey Enrollments, 2015-16; Certificated Staff Files, 2014-15. Cuts simulated at the percentage decrease in Total Operating Budget resulting from state aid at \$6,599 per resident pupil.

94X

**Estimated Funding and Staff Reductions under Governor Christie's "Fairness Formula":
Districts with Proposed State Aid Cut**

		Funding				Staff (FTE)	
		Resident Enrollment	15-16 State Aid	"Fairness Formula" State Aid	State Aid Cut as % of Total Operating Budget	14-15 Staff	Simulated Staff Cuts
Deerfield Twp	321	\$2,492,401	\$2,118,279	(\$374,122)	7%	38	(3)
Downe Twp	182	\$1,855,926	\$1,201,018	(\$654,908)	18%	20	(5)
Fairfield Twp	557	\$6,003,352	\$3,675,643	(\$2,327,709)	32%	63	(20)
Greenwich Twp	60	\$428,348	\$395,940	(\$32,408)	3%	19	(1)
Hopewell Twp	436	\$3,414,818	\$2,877,164	(\$537,654)	7%	48	(5)
Lawrence Twp	589.5	\$6,056,628	\$3,890,111	(\$2,166,518)	25%	50	(14)
Maurice River Twp	516	\$4,719,314	\$3,405,084	(\$1,314,230)	17%	39	(7)
Millville City	4932	\$67,959,813	\$32,546,268	(\$35,413,545)	39%	612	(245)
Stow Creek Twp	111	\$832,248	\$732,489	(\$99,759)	5%	26	(2)
Upper Deerfield Twp	856	\$6,282,322	\$5,648,744	(\$633,578)	5%	90	(6)
Vineyard City	10045.5	\$136,686,610	\$66,290,255	(\$70,396,356)	41%	1031	(516)
Essex							
City Of Orange Twp	5120.5	\$73,454,820	\$33,790,180	(\$39,664,641)	44%	598	(278)
East Orange	9857	\$178,156,410	\$65,046,343	(\$113,110,067)	54%	1124	(621)
Essex Co Voc-Tech	2235	\$20,629,708	\$14,748,765	(\$5,880,943)	14%	234	(34)
Irvington Township	7265	\$112,373,117	\$47,941,735	(\$64,431,382)	47%	656	(307)
Newark City	49419	\$715,271,519	\$326,115,981	(\$389,155,538)	46%	3870	(1,781)
Gloucester							
Clayton Boro	1361	\$9,844,658	\$8,981,239	(\$863,419)	4%	144	(6)
Delsea Regional H.S. Dist.	1532	\$13,957,749	\$10,109,668	(\$3,848,081)	11%	163	(19)
Elk Twp	309	\$2,554,913	\$2,039,091	(\$515,822)	9%	41	(5)
Franklin Twp	1316	\$8,728,582	\$8,684,284	(\$44,298)	0%	138	(0)
Gateway Regional	960.5	\$7,471,284	\$6,338,340	(\$1,132,945)	6%	110	(10)
Glassboro	2063.5	\$16,453,397	\$13,617,037	(\$2,836,361)	8%	195	(16)
National Park Boro	245	\$2,077,854	\$1,616,755	(\$461,099)	11%	30	(5)
Paulsboro Boro	1057	\$12,135,584	\$6,975,143	(\$5,160,441)	24%	135	(42)
Pitman Boro	1373	\$9,827,865	\$9,060,427	(\$767,438)	3%	173	(6)
Washington Twp	7448	\$50,044,915	\$49,149,352	(\$895,563)	1%	814	(7)
Westville Boro	317	\$2,472,098	\$2,091,883	(\$380,215)	7%	40	(5)

Source: NJDOE Fall Survey Enrollments, 2015-16; Certificated Staff Files, 2014-15. Cuts simulated at the percentage decrease in Total Operating Budget resulting from state aid at \$6,599 per resident pupil.

**Estimated Funding and Staff Reductions under Governor Christie's "Fairness Formula":
Districts with Proposed State Aid Cut**

		Funding				Staff (FTE)	
	Resident Enrollment	15-16 State Aid	"Fairness Formula" State Aid	State Aid Cut State Aid Cut	State Aid Cut as % of Total Operating Budget	14-15 Staff	Simulated Staff Cuts
Woodbury City	1407	\$12,005,409	\$9,284,793	(\$2,720,616)	10%	165	(26)
Hudson							
East Newark Boro	395	\$3,395,757	\$2,606,605	(\$789,152)	15%	27	(5)
Harrison Town	2067	\$25,383,780	\$13,640,133	(\$11,743,647)	30%	214	(82)
Hudson County Vocational	2162	\$21,109,363	\$14,267,038	(\$6,842,325)	14%	216	(36)
Jersey City	30574.5	\$418,471,290	\$201,761,126	(\$216,710,165)	38%	2929	(1,119)
North Bergen Twp	7387	\$56,603,083	\$48,746,813	(\$7,856,270)	7%	675	(54)
Union City	11932	\$177,818,679	\$78,739,268	(\$99,079,411)	45%	952	(424)
West New York Town	7421	\$93,312,984	\$48,971,179	(\$44,341,805)	40%	715	(285)
Hunterdon							
Bloomsbury Boro	173	\$1,292,655	\$1,141,627	(\$151,028)	5%	4	(1)
Hampton Boro	101	\$896,297	\$666,499	(\$229,798)	8%	19	(3)
Mercer							
Trenton City	14147	\$228,081,033	\$93,356,053	(\$134,724,980)	52%	1276	(669)
Middlesex							
Carteret Boro	3670.5	\$26,844,138	\$24,221,630	(\$2,622,509)	5%	335	(20)
New Brunswick City	9276	\$122,777,268	\$61,212,324	(\$61,564,944)	37%	890	(357)
Perth Amboy City	9996.5	\$159,990,923	\$65,966,904	(\$94,024,020)	31%	1023	(348)
Monmouth							
Asbury Park City	2294	\$55,407,010	\$15,138,106	(\$40,268,904)	61%	319	(204)
Deal Boro	168.5	\$2,083,568	\$1,111,932	(\$971,637)	22%	17	(5)
Keansburg Boro	1369.5	\$27,334,659	\$9,037,331	(\$18,297,329)	53%	251	(134)
Long Branch City	4997.5	\$42,188,021	\$32,978,503	(\$9,209,519)	11%	610	(68)
Neptune Twp	3705.5	\$32,710,089	\$24,452,595	(\$8,257,495)	11%	464	(49)
Roosevelt Boro	109.5	\$980,268	\$722,591	(\$257,678)	10%	14	(2)
Union Beach	838	\$8,348,950	\$5,529,962	(\$2,818,988)	17%	70	(13)
Morris							
Dover Town	2774	\$24,486,599	\$18,305,626	(\$6,180,973)	16%	262	(46)
Ocean							

Source: NJDOE Fall Survey Enrollments, 2015-16; Certificated Staff Files, 2014-15. Cuts simulated at the percentage decrease in Total Operating Budget resulting from state aid at \$6,599 per resident pupil.

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**Estimated Funding and Staff Reductions under Governor Christie's "Fairness Formula":
Districts with Proposed State Aid Cut**

	Resident Enrollment	Funding				Staff (FTE)	
		15-16 State Aid	"Fairness Formula" State Aid	State Aid Cut	State Aid Cut as % of Total Operating Budget	14-15 Staff	Simulated Staff Cuts
Lakehurst Boro	479	\$6,046,168	\$3,160,921	(\$2,885,247)	34%	41	(18)
Little Egg Harbor Twp	1312	\$9,677,667	\$8,657,888	(\$1,019,779)	5%	192	(9)
Ocean Gate Boro	126	\$929,226	\$831,474	(\$97,752)	3%	20	(1)
Ocean Twp	904	\$6,934,480	\$5,965,496	(\$968,984)	5%	64	(4)
Pinelands Regional	1577	\$11,367,875	\$10,406,623	(\$961,252)	3%	209	(9)
Plumsted Twp	1373.5	\$11,531,250	\$9,063,727	(\$2,467,524)	10%	175	(25)
Tuckerton Boro	301	\$2,257,265	\$1,986,299	(\$270,966)	5%	36	(2)
Passaic							
Haledon Boro	1018	\$6,806,166	\$6,717,782	(\$88,384)	1%	119	(1)
Passaic City	13826	\$228,314,704	\$91,237,774	(\$137,076,930)	48%	1347	(790)
Passaic Co Manchester Reg	885	\$6,486,069	\$5,840,115	(\$645,954)	4%	81	(4)
Paterson City	27515.5	\$399,834,019	\$181,574,785	(\$218,259,235)	46%	2839	(1,349)
Prospect Park Boro	878	\$7,889,464	\$5,793,922	(\$2,095,542)	18%	84	(17)
Salem							
Alloway Twp	500.5	\$3,719,711	\$3,302,800	(\$416,912)	5%	38	(3)
Elisiboro Twp	144	\$1,004,511	\$950,256	(\$54,255)	2%	16	(0)
Penns Grv-Carney's Pt Reg	2044	\$21,328,565	\$13,488,356	(\$7,840,209)	23%	235	(58)
Pittsgrove Twp	1458	\$13,534,382	\$9,621,342	(\$3,913,040)	14%	172	(34)
Quinton Twp	377.5	\$3,400,194	\$2,491,123	(\$909,072)	15%	34	(6)
Salem City	965	\$16,384,640	\$6,368,035	(\$10,016,605)	47%	152	(71)
Upper Pittsgrove Twp	455.5	\$3,502,043	\$3,005,845	(\$496,199)	6%	38	(3)
Somerset							
North Plainfield Boro	3294	\$24,652,565	\$21,737,106	(\$2,915,459)	5%	365	(19)
Sussex							
Franklin Boro	477	\$3,262,204	\$3,147,723	(\$114,481)	1%	56	(1)
High Point Regional	952	\$6,400,454	\$6,282,248	(\$118,206)	0%	122	(1)
Hopatcong	1666	\$11,383,175	\$10,993,934	(\$389,241)	1%	201	(3)
Montague Twp	368	\$2,699,116	\$2,428,432	(\$270,684)	3%	36	(1)
Ogdensburg Boro	258	\$2,289,350	\$1,702,542	(\$586,808)	13%	34	(6)

Source: NJDOE Fall Survey Enrollments, 2015-16; Certificated Staff Files, 2014-15. Cuts simulated at the percentage decrease in Total Operating Budget resulting from state aid at \$6,599 per resident pupil.

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**Estimated Funding and Staff Reductions under Governor Christie's "Fairness Formula":
Districts with Proposed State Aid Cut.**

	Resident Enrollment	Funding				Staff (FTE)	
		15-16 State Aid	"Fairness Formula" State Aid	State Aid Cut	State Aid Cut as % of Total Operating Budget	14-15 Staff	Simulated Staff Cuts
Sussex-Wantage Regional	1110	\$7,809,249	\$7,324,890	(\$484,359)	2%	141	(3)
Vernon Twp	3208	\$25,062,223	\$21,169,592	(\$3,892,631)	6%	380	(22)
Wallkill Valley Regional	695	\$4,707,210	\$4,586,305	(\$120,905)	1%	74	(1)
Union							
Elizabeth City	24310.5	\$363,945,958	\$160,424,990	(\$203,520,969)	47%	2513	(1,170)
Hillside Twp	3037	\$21,179,669	\$20,041,163	(\$1,138,506)	2%	332	(8)
Plainfield City	9180.5	\$121,397,680	\$60,582,120	(\$60,815,561)	39%	744	(291)
Roselle Boro	2698	\$23,616,110	\$17,804,102	(\$5,812,008)	11%	336	(38)
Winfield Twp	164	\$1,660,574	\$1,082,236	(\$578,338)	18%	19	(4)
Warren							
Belvidere Town	401	\$2,834,517	\$2,646,199	(\$188,318)	2%	93	(2)
Knowlton Twp	199	\$1,384,951	\$1,313,201	(\$71,750)	2%	34	(1)
Oxford Twp	383	\$2,559,906	\$2,527,417	(\$32,489)	0%	38	(0)
Phillipsburg Town	2516	\$37,441,412	\$16,603,084	(\$20,838,328)	31%	404	(137)

Source: NJDOE Fall Survey Enrollments, 2015-16; Certificated Staff Files, 2014-15. Cuts simulated at the percentage decrease in Total Operating Budget resulting from state aid at \$6,599 per resident pupil.

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District Comparison of per Pupil Spending and Funding Measures

County	District	DFG	Total Spending Per Pupil	Budgetary Per Pupil Cost	Funding Per Pupil	Funding Per Weighted Pupil
Camden	Voorhees Twp	I	\$17,829	\$13,765	\$17,210	\$13,366
	Waterford Twp	DE	\$17,383	\$14,148	\$15,289	\$10,746
	Winslow Twp	CD	\$21,229	\$14,753	\$19,233	\$11,907
	Woodlynne Boro	B	\$16,216	\$10,370	\$15,218	\$8,034
Cape May	Avalon Boro	FG	\$63,786	\$57,388	\$51,671	\$40,409
	Cape May City	CD	\$20,715	\$17,428	\$15,374	\$10,433
	Cape May Co Vocational	V	\$24,373	\$19,037	\$13,485	\$7,878
	Dennis Twp	CD	\$24,697	\$17,696	\$21,605	\$14,939
	Lower Cape May Regional	B	\$22,852	\$16,370	\$20,218	\$11,345
	Lower Twp	B	\$17,003	\$13,503	\$15,776	\$9,833
	Middle Twp	B	\$18,976	\$13,067	\$16,634	\$10,341
	North Wildwood City	A	\$25,811	\$20,442	\$21,930	\$12,999
	Ocean City	DE	\$21,780	\$15,717	\$18,728	\$13,536
	Stone Harbor Boro	FG	\$36,913	\$34,168	\$70,001	\$58,334
	Upper Twp	FG	\$17,581	\$13,745	\$17,159	\$12,866
	West Cape May Boro	DE	\$18,975	\$13,960	\$16,274	\$11,072
	Wildwood City	A	\$23,643	\$17,625	\$20,304	\$10,668
	Wildwood Crest Boro	B	\$29,351	\$22,502	\$29,337	\$19,247
	Woodbine Boro	A	\$22,253	\$14,908	\$19,529	\$10,635
Cumberland	Bridgeton City	A	\$19,496	\$14,573	\$15,569	\$9,112
	Commercial Twp	A	\$18,823	\$12,808	\$15,392	\$8,479
	Cumberland Co Vocational	V	\$23,072	\$17,366	\$15,887	\$5,082
	Cumberland Regional	B	\$19,786	\$12,963	\$15,546	\$9,245
	Deerfield Twp	B	\$17,929	\$13,053	\$15,348	\$10,317
	Downe Twp	A	\$19,992	\$13,919	\$16,036	\$10,601
	Fairfield Twp	A	\$17,555	\$11,182	\$13,679	\$8,291
	Greenwich Twp	CD	\$26,004	\$21,290	\$18,762	\$14,758
	Hopewell Twp	CD	\$16,203	\$11,948	\$14,510	\$10,930
	Lawrence Twp	A	\$17,179	\$10,911	\$14,211	\$9,066
	Maurice River Twp	B	\$15,310	\$10,915	\$13,569	\$9,243
	Millville City	A	\$19,503	\$15,033	\$15,939	\$9,162
	Stow Creek Twp	CD	\$20,329	\$14,096	\$16,099	\$12,180
	Upper Deerfield Twp	B	\$17,593	\$12,680	\$15,288	\$9,709
	Vineland City	A	\$19,769	\$15,543	\$15,657	\$9,363
Essex	Belleville Town	CD	\$14,699	\$10,743	\$13,067	\$8,356
	Bloomfield Twp	DE	\$16,328	\$11,877	\$13,979	\$9,312
	Caldwell-West Caldwell	I	\$18,086	\$13,725	\$15,318	\$11,749
	Cedar Grove Twp	I	\$18,385	\$13,558	\$14,914	\$11,933
	City Of Orange Twp	A	\$21,151	\$15,574	\$16,934	\$9,587
	East Orange	A	\$25,121	\$18,980	\$19,974	\$11,584
	Essex Co Voc-Tech	V	\$21,481	\$16,472	\$11,247	\$5,267
	Essex Fells Boro	J	\$23,682	\$19,408	\$24,216	\$19,916
	Fairfield Twp	GH	\$19,338	\$15,749	\$16,879	\$14,108

Source: Total Spending per Pupil and Budgetary Per Pupil Cost - NJDOE, 2016 Taxpayers' Guide to Education; Funding per Pupil and Funding Per Weighted Pupil - NJDOE, 2015 State Aid Notices & 2015 User Friendly Budgets. All measures reflect 2014-15 school year.

District Comparison of per Pupil Spending and Funding Measures

County	District	DFG	Total Spending Per Pupil	Budgetary Per Pupil Cost	Funding Per Pupil	Funding Per Weighted Pupil
Essex	Glen Ridge Boro	I	\$17,083	\$13,750	\$14,730	\$11,764
	Irvington Township	A	\$21,968	\$15,728	\$18,258	\$11,054
	Livingston Twp	I	\$19,953	\$14,735	\$16,262	\$12,702
	Millburn Twp	J	\$19,655	\$14,923	\$15,545	\$12,340
	Montclair Town	I	\$20,506	\$15,648	\$15,909	\$11,399
	Newark City	A	\$22,013	\$17,041	\$17,339	\$9,701
	North Caldwell Boro	J	\$20,703	\$15,793	\$17,592	\$14,436
	Nutley Town	FG	\$17,511	\$13,355	\$14,386	\$10,675
	Roseland Boro	I	\$21,045	\$15,648	\$16,808	\$13,453
	South Orange-Maplewood	I	\$18,351	\$14,056	\$15,790	\$11,880
	Verona Boro	I	\$17,353	\$12,938	\$13,716	\$10,830
	West Essex Regional	I	\$25,013	\$17,253	\$19,893	\$14,807
	West Orange Town	GH	\$23,608	\$17,393	\$18,767	\$11,996
	Westchester Regional	I	\$20,506	\$15,648	\$15,909	\$11,399
Gloucester	Clayton Boro	CD	\$17,118	\$11,904	\$13,448	\$8,177
	Clearview Regional	FG	\$16,399	\$11,283	\$12,764	\$9,508
	Delsea Regional H.S. Dist.	CD	\$19,950	\$13,780	\$17,014	\$11,481
	Deptford Twp	CD	\$17,013	\$12,538	\$14,495	\$9,553
	East Greenwich Twp	FG	\$14,685	\$10,559	\$10,888	\$8,742
	Elk Twp	B	\$18,258	\$13,495	\$15,621	\$11,153
	Franklin Twp	CD	\$16,856	\$11,757	\$14,772	\$10,854
	Gateway Regional	CD	\$22,803	\$16,329	\$17,986	\$11,694
	Glassboro	B	\$19,496	\$14,007	\$16,407	\$10,528
	Gloucester Co Vocational	V	\$18,609	\$13,266	\$10,973	\$6,511
	Greenwich Twp	DE	\$22,006	\$18,051	\$19,188	\$12,238
	Harrison Twp	GH	\$14,529	\$10,631	\$12,889	\$10,742
	Kingsway Regional	FG	\$15,620	\$10,268	\$11,863	\$8,442
	Logan Twp	FG	\$17,800	\$14,303	\$15,969	\$12,361
	Mantua Twp	FG	\$18,150	\$14,301	\$15,975	\$11,639
	Monroe Twp	CD	\$15,993	\$11,446	\$13,408	\$9,032
	National Park Boro	B	\$18,025	\$13,496	\$17,119	\$11,513
	Paulsboro Boro	A	\$19,471	\$14,773	\$17,028	\$9,355
	Pitman Boro	FG	\$18,887	\$14,992	\$16,327	\$11,067
	South Harrison Twp	FG	\$15,602	\$10,194	\$12,261	\$8,715
	Swedesboro-Woolwich	DE	\$16,625	\$11,544	\$12,187	\$9,179
	Washington Twp	FG	\$20,593	\$15,842	\$17,586	\$12,288
	Wenonah Boro	I	\$17,684	\$14,599	\$13,685	\$12,183
	West Deptford Twp	DE	\$15,846	\$12,473	\$14,489	\$9,579
	Westville Boro	B	\$17,276	\$13,417	\$14,610	\$9,347
	Woodbury City	B	\$20,146	\$13,813	\$16,541	\$9,825
	Woodbury Heights Boro	FG	\$17,283	\$13,879	\$16,154	\$10,505
Hudson	Bayonne City	CD	\$17,159	\$13,053	\$12,157	\$7,534
	East Newark Boro	A	\$14,001	\$10,083	\$11,893	\$6,798
	Guttenberg Town	B	\$14,081	\$10,697	\$12,210	\$7,459

Source: Total Spending per Pupil and Budgetary Per Pupil Cost - NJDOE, 2016 Taxpayers' Guide to Education; Funding per Pupil and Funding Per Weighted Pupil - NJDOE, 2015 State Aid Notices & 2015 User Friendly Budgets. All measures reflect 2014-15 school year.



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JerseyCAN testimony to the Joint Committee on the Public Schools **RE: School funding**

January 17, 2017

Good morning members of the Joint Committee.

Thank you for the opportunity to speak today. My name is Janellen Duffy, and I am the executive director of JerseyCAN, a nonprofit education advocacy and research organization.

JerseyCAN has been up and running for about four years now. We take a bipartisan approach to education policy with seasoned state leaders serving on our board, which includes: former Governor Tom Kean, former Department of Community Affairs Commissioner Susan Bass Levin, humanitarian and philanthropist Ray Chambers, business leader and member of the Pension and Benefit Study Commission, Tom Healey, along with nine other community and business leaders.

I'm here today to comment on the current state of school funding in New Jersey. In addition to my role as JerseyCAN's executive director, I was personally involved in the creation of the School Funding Reform Act as Governor Corzine's education policy advisor, which gives me some unique perspective and history on this topic.

As you know, years of flat funding, shifts in enrollment, demographics and wealth patterns, and limited resources have put a large number of school districts in an increasingly tight financial situation. And this has impacted every type of school across the state – district, charter, vocational etc.

The current school funding inequities are largely created by the fact that the School Funding Reform Act of 2008 (SFRA) has not been fully implemented as intended. The SFRA was designed to redistribute aid in a more equitable manner, but budget constraints have prevented the State from fully funding it.

As education advocates who are advocating for ALL students, it's important to recognize traditional district schools and charter schools are both public schools and **both** have suffered from the inability to properly fund education.

Charter school expansion is not the driver of district budget problems. What is lost in the 'charter vs. district' debate is that we have not adequately addressed the broader school funding issues facing all of our public schools.

Blaming charters for district school funding challenges is misleading and inaccurate. And such blame on charters only further fuels what is a false dichotomy when we pit districts against charter schools. That is a political debate but it does not speak to the reality of families who just want the best public school options for their children. In fact, many families have children in both traditional district schools and charter schools.

Public school families are fighting over scarce resources and the inadequacies in the current system are creating real inequities across the state that hurt every type of public school.

We need to look at specific categories of school funding—such as adjustment aid—and other important factors such as tax levy growth and districts' local fair share, if we are to develop a fairer, more sustainable system of funding our schools.

We need to make adjustments—as SFRA always intended—for districts that have had increases in enrollment. And we need to be taking a hard look at districts that have consistently lost enrollment and the impact of such enrollment declines on their school funding needs.

We need to work together to identify adequate funding sources and solutions so that every school—whether a charter or a traditional school—has the proper funds to succeed. This will likely require phasing-in new funding and some additional adjustments or offsets, but we should be having that conversation instead of punting on this issue.

And we need to stop pitting public school families against one another. That line of thinking is not only unproductive, but also gets us further away from identifying solutions that support our kids.

Toward the goal of a productive conversation, all working groups or committees suggested by the legislature must include representation from all types of public schools, including charters. Charters are serving over 50,000 students statewide, most of whom are in urban areas, with about another 30,000 students on charter waiting lists statewide.

In our urban communities, parents are making it clear that charters are their top choice through the coordinated enrollment systems that have been used in recent years. Parents' preferences—again particularly urban parents' preferences for high quality charters—have to be taken into account when these larger conversations about school funding are playing out across the state.

For the long-term sustainability and economic wellbeing of our state and our families, we need to be sure education funding is being spent equitably and efficiently. And we must ensure all students, particularly those with the greatest

needs, have the necessary resources to support an education that prepares them for college and their careers.

We look forward to working with school leaders, education experts and policymakers in advocating for thoughtful policy solutions that serve **ALL** of our students in the most equitable way possible.

Thank you.

SAVE OUR SCHOOLS NJ TESTIMONY to the
JOINT COMMITTEE ON PUBLIC SCHOOLS
January 17, 2017

Thank you for convening this hearing. Save Our Schools NJ was founded more than 6 years ago because a small group of parents were concerned about the financial health of their public schools. The great recession and this administration's priorities on public education ignited a parent movement that has grown to 31,000 supporters. In addition to advocating for full funding of the School Funding Formula, Save Our Schools NJ also advocates against vouchers and high stakes standardized testing and for increased transparency and accountability for charter schools.

We thank the legislature for its commitment to NJs public schools, especially during the past 7 years. The state has faced significant financial challenges and we are grateful for your efforts to keep NJs public schools strong by rejecting the DOE's adequacy reports and the administration's attempts to bring vouchers to NJ.

Our members are parents first and include a number of school board members and teachers. They were able to provide a glimpse of the effects of the drastic cuts in state aid that occurred in FY2011 and the flat funding of public schools that continues today.

As you can imagine, personnel cuts top the list. The result has been increased class size and the loss of electives in some districts. Student activity fees have been implemented for athletics as well as other extracurricular activities. Stipends for extracurricular activities have been cut as have teachers' supplies. Curriculum updates have been delayed or eliminated as have text book purchases. Some districts that planned to implement full-day kindergarten have put those plans on hold. And there is a disparate effect of these cuts, as wealthier districts can turn to parents to fill in some of the gaps in state funding. In my former district, where I served on the board of education, parents raised enough money in 2 weeks to keep our full day kindergarten program.

Our members in Red Bank tell us the district has experienced a 36% growth in enrollment since 2012 and has been unable to fund reading specialists, content-area teachers, and curriculum writing programs. Three years ago, the district cut its orchestra program and is currently unable to fund middle school athletics, after-school programs, or field trips. The district sends half its \$3 million in state aid each year to the Red Bank Charter School. The per-pupil cost of the Red Bank Borough Public Schools is \$2,000 less than the per-pupil cost of the Red Bank Charter School, despite the fact that Red Bank has a greater percentage of disadvantaged students. Red Bank Borough Public School students deserve better. They deserve their fair share.

Taken together, NJs public schools have lost nearly \$8 billion dollars in state aid since FY11. This is a significant amount, given that state aid to public schools totals about \$9 billion dollars per year. In addition to the unfunded mandates like PARCC and Common Core, increased costs for line items like salaries, insurance, utilities, etc. have added to the financial stress that school districts are experiencing.

The DOE began working on a new school funding formula in 2002 and 4 years later presented the proposal to the legislature. In short, the formula is based on a per pupil adequacy budget,

reflecting the cost to educate a child according to NJs standards. Weights are added to the formula for at risk and limited English proficient students. The School Funding Reform Act, signed into law in 2008, was upheld by the State Supreme court distributes state aid according to each student's specific needs.

Since that time, the formula has been fully funded just once, with help from federal stimulus funds. One year of full funding is hardly enough time to judge whether the formula is achieving its goals. Save Our Schools NJ supports full funding of SFRA. We are also concerned when the administration fails to run the formula, as it sometimes does, because this action hides the magnitude of the underfunding from the public. The administration also fails to follow the formula when it increases state aid equally to districts, as it recently did by giving each district \$10 per student and calling it "PARCC Readiness Aid." In prior years, through the Adequacy Report, the administration has endeavored to change the weights assigned to disadvantaged students without following the proper procedures for making such changes. Each time this has occurred, the legislature had rejected the changes.

A common concern of our members is the loss of "joy" in classroom. The shock from the huge cuts in 2011 may have lessened, but in its place is an understanding that public education today appears to emphasize standardization over authentic learning. Without going into detail about the problems with PARCC, our members want fewer worksheets and test prep and more projects and creativity in the classroom. The latter, unfortunately, is more costly than the former, so it is easy to see why it may be favored by some school districts. Students deserve teachers who are able to differentiate instruction and support them when and where they need it. Continued underfunding of public education threatens authentic instruction.

Public education is one of the few things New Jersey gets right. Our equitable funding formula is a model for the nation. Research has demonstrated that additional funding for disadvantaged students has made a difference in student achievement. Money does matter.

Please make sure every New Jersey student gets the opportunity to succeed by protecting our school funding formula and funding it to the maximum extent possible.

Respectfully submitted,
Susan Cauldwell

ADDITIONAL APPENDIX MATERIALS
SUBMITTED TO THE
JOINT COMMITTEE ON THE PUBLIC SCHOOLS

for the
January 17, 2017 Meeting

Submitted by John M. Abeigon, President, Newark Teachers Union:

Noah Cohen “Newark high school student gunned down in suspected family feud,” *NJ Advance Media for NJ.com*, January 12, 2017, ©2017 New Jersey On-Line LLC.

“Judge: State broke the law when it fired Newark attendance counselors,” *Bob Brauns’s Ledger*, February 17, 2016, ©Bob Braun.

Peggy McGlone, “About 300 workers may lose jobs in Newark schools through layoffs, retirements,” *NJ Advance Media for NJ.com*, May 19, 2014, ©2017 New Jersey On-Line LLC.