

DEPARTMENT OF EDUCATION

OVERVIEW

The primary mission of the Department of Education is to provide leadership so that all children receive a meaningful and effective education. The Department will provide leadership for improvement in all school districts. It will foster a system of education that facilitates continued success through flexibility, innovation and competition.

The Department’s primary and immediate objective is to realize the goal that every child will read at or above grade level by the end of third grade. This includes recognition that quality early childhood education programs with a rich literacy curriculum are part of the overall solution. As noted below, the State is investing resources specifically directed to achieving this goal.

The Department has realigned its priorities to become an educational leader and a partner with school districts. The Department’s responsibility to safeguard taxpayers’ investments, ensure compliance with federal and State laws, and assure the health and safety of facilities continues, but the Department is placing new emphasis on service and support to school districts. A new set of guiding principles directs the organization and function of the Department: it must be a service and support, mission-driven organization; it should seek the involvement of people and providers with direct experience and expertise in fulfilling its mission; it should enlist a broad group of stakeholders in redefining achievement and workplace readiness; it should develop incentives and accountability measures to improve performance with fewer resources; and it should continue to evaluate the effectiveness of its efforts and those entities it supports through a centralized data base information system.

The Department will ensure accountability for public dollars by motivating schools to provide high-quality and cost-efficient programs, and assist school districts in providing a safe and drug-free learning environment in all schools. Department staff will demonstrate professional conduct that reflects high integrity and respect for the diversity of all people, and the Department will model this conduct with all local school employees.

In support of its mission, the Department establishes standards and designs assessments that link directly to those standards; assures accountability for reaching established standards with a system of rewards and sanctions; provides assistance for the achievement of established standards through professional development, support of model programs, serving as a “clearinghouse” for sound practices, promoting the effective use of technology, and supporting school-business partnerships; and engages the public in discussion and debate.

**FY 2005 Budget Highlights**

The Fiscal 2005 Budget for the Department of Education totals \$8.728 billion, an increase of \$444 million, or 5.4%, over the fiscal 2004 adjusted appropriation of \$8.284 billion.

**School Aid**

School Aid for fiscal 2005 is recommended at \$8.657 billion, an increase of \$445 million from fiscal 2004. This figure includes \$7.064 billion in direct aid awards to school districts. It also provides \$1.319 billion in State payments made on behalf of local school districts for post-retirement medical benefits, debt service on pension bonds, and the employer’s share of social security payments for teachers.

The fiscal 2005 budget recommendation includes an increase of \$190 million in formula-related and supplemental school aid - \$100 million for Abbott districts and \$90 million for all other districts. Together with a \$3 million increase in nonpublic school aid, these funds will be used to give every school district and nonpublic school

in the State a 3% increase in State school aid. On top of this increase, three new categories of aid will provide an additional \$15 million in direct State payments to school districts. Non-Abbott districts with a large number of children in poverty will receive \$5 million to develop and implement strategies for enhanced teaching and learning. Awards of \$200,000 will be distributed to 25 school districts. Another \$5 million in new aid will be directed to school districts experiencing unusually high enrollment growth. Finally, \$5 million in rewards and incentives will be allocated to districts that have delivered high student achievement while meeting defined efficiency standards, and are willing to serve as models and guides for other school districts.

**School Construction**

Fiscal 2005 school aid also includes \$153 million for the School Construction and Renovation Program and \$121 million in School Building Aid. This funding will provide for State school construction debt service on new and existing bond issues, as well as aid for qualifying local debt issued for school construction. Under the Educational Facilities Construction and Financing Act (EFCFA), the State provides 100% of Abbott districts’ approved construction/renovation project costs, while all other districts are guaranteed a minimum of 40% of approved project costs. This program makes funding for facilities available to 239 districts that were not eligible under the prior debt service program and provides a significant increase in support to all other districts.

The fiscal 2005 direct state services budget includes \$3.2 million for the operation of the Department’s Office of Facilities. This office provides extensive review of proposed facilities projects and ensures that districts are held strictly accountable for their use of these funds. The office works closely with the Schools Construction Corporation (SCC), which is responsible for constructing school facilities projects in the 30 Abbott districts, as well as 29 other districts with State support ratios of more than 55% or heightened monitoring status. The SCC also approves school construction grants for the State’s other operating school districts, and enters into construction contracts with those that wish to have the SCC build their projects.

**Early Childhood Education**

Under the Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA), all districts awarded Early Childhood Aid were required to provide full-day kindergarten and half-day preschool programs for four year-olds by the 2001-2002 school year. For Abbott districts, the preschool requirement was expanded to full-day, full-year programs for three and four year-olds. It is expected that the number of Abbott preschoolers served in fiscal 2005 will continue to grow from the fall 2002 enrollments. The Budget provides \$182.4 million for the expansion of preschool programs in these districts, an increase of \$40 million from fiscal 2004.

The Department will also oversee a new early childhood program in fiscal 2005, the Early Launch to Learning Initiative (ELLI). ELLI will expand high quality preschool access for four year-olds in non-Abbott districts. With a fiscal 2005 State appropriation of \$15 million, the program plans to enroll an additional 20,000 low-income children in high quality preschool for the 2004-05 school year. The Department hopes to expand this initiative in succeeding years to ultimately include all districts interested in participating.

**Governor’s Literacy Program**

The Budget provides \$7.4 million for reading coaches and other forms of reading assistance to schools, children and communities. These efforts will help achieve the goal that every student will be able to read at or above grade level by the third grade. The \$1.6 million

decrease in funding leaves adequate funds to support the operation of the program in its third year.

### **After-School Partnership**

The fiscal 2005 budget recommends \$15 million for a new initiative, New Jersey After 3, which will promote and partially fund after-school programs for 20,000 New Jersey school children in grades K-8. School districts, local community groups, and the State will work together to administer programs on-site at elementary and middle schools. Students participating in the after-school programs will be offered a variety of academic, recreational, and arts activities.

### **Summer Academy for Professional Development**

In several of the State's urban centers, over 50% of students obtain a New Jersey high school diploma via the alternative Special Review Assessment system (SRA), rather than the High School Proficiency Assessment (HSPA). The fiscal 2005 budget earmarks \$2 million in grants to establish regional summer programs for teachers in identified urban centers. The programs will provide professional development designed to help teachers increase the number of students passing the HSPA.

### **Statewide Assessment Program**

The development and expansion of assessments to determine student achievement of the Core Curriculum Content Standards continues in the fiscal 2005 budget with an appropriation of \$16.2 million for the Statewide Assessment Program, an increase of \$3 million over fiscal 2004. This appropriation will continue to provide for a standards-based assessment in Grades 3, 4, and 8 and a high school proficiency assessment in Grade 11. In addition, as part of the Department's compliance with federal mandates designed to ensure the success of every child, students will also be tested at three additional grade levels (5, 6, and 7).

### **Enhancing Efficiency**

The Department regularly reassesses its staffing and resource allocations as part of a continuous effort to improve operational efficiency. Through technical innovations and a more effective alignment of resources with core goals, the Department can continue to achieve its mission with a reduction of 25 FTE and a \$1.6 million related reduction in direct state services funding for fiscal 2005.

The Department also continues to assist school districts with crucial efforts to increase efficiency at the local level. The fiscal 2005 budget includes \$250,000 for the Department to develop a model of effective and efficient spending for local districts. The Department will use the model and other tools to help local school districts identify administrative inefficiencies and opportunities for savings, as well as to compare their administrative spending with a statewide benchmark range. These are the first steps in an effort to ensure taxpayers don't foot the bill for school districts that refuse to adopt reasonable standards for efficient non-instructional spending.

### **Continuing Programs**

The Budget recommends \$850,000 for teacher preparation programs, which includes funds to develop a summer institute that will provide intensive training to potential teachers choosing the alternate route and grants to help teachers seeking National Board of

Professional Teaching Standards certification. A fiscal 2005 appropriation of \$2.5 million is also recommended to support the Teacher Mentoring program, an increase of \$500,000 over fiscal 2004. This program reimburses districts for the stipends paid to experienced teachers who serve as mentors to new teachers, and is intended to increase the retention rate among new teachers.

The fiscal 2005 budget continues to recommend \$1.5 million in funding to establish a comprehensive web-based education data warehouse that will enable the State to determine the effectiveness and efficiency of its public education system by providing essential information about the educational performance of individual students.

The Budget continues to support the Marie H. Katzenbach School for the Deaf, providing \$2.9 million in fiscal 2005.

An appropriation of \$6.1 million for the Liberty Science Center will continue to provide science educational services for students in the Abbott districts in fiscal 2005.

The Budget provides continued funding of \$1.7 million for grants to six higher education institutions to implement the Governor's School Program, a summer residential program at State college campuses offering intensive experiences for artistically and academically talented high school students.

The Budget provides \$415,000 for recruitment incentives to increase the number of preschool teachers in all Abbott school districts for the final year of a four-year program. The teachers will receive partial forgiveness of outstanding student loans and/or a tuition coupon for graduate education at a New Jersey institution.

### **Department Accomplishments**

The Department has continued to implement the Governor's 21 points for education, which are the cornerstone of the Administration's education agenda and are paramount in the Department's mission. Recent departmental initiatives and accomplishments include: adopted new professional licensure and standards regulations to ensure that New Jersey's certified teachers are highly qualified; initiated three new programs in the State's alternate route system; developed a web-based teacher certification information system to simplify and expedite all aspects of the certification process for applicants, school district personnel, and department staff; took steps to align professional standards for teachers and other school leaders with national standards; revised the 1996 Core Curriculum Content Standards in math, science and language arts/literacy; developed a comprehensive plan for a sound technology program at the state and local levels; launched career academies that are partnerships between school districts and businesses to offer medical/health, utility engineering, law and public safety, informational technology, business and finance, education, and science and medical arts programs; established the New Jersey Center for Character Education at Rutgers University; and awarded \$25,000 prizes under the Governor's Schools of Excellence program to 25 schools that have demonstrated effective practices to prepare their students for the future and shown significant improvement during a two-year period.

DEPARTMENT OF EDUCATION  
SUMMARY OF APPROPRIATIONS BY FUND  
(thousands of dollars)

Year Ending June 30, 2003						Year Ending June 30, 2005		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2004 Adjusted Approp.	Requested	Recommended
56,415	3,476	7,731	67,622	57,731	Direct State Services	62,133	59,059	59,059
20,015	---	-9,000	11,015	9,377	Grants-In-Aid	9,443	11,269	11,269
2,659,086	68,940	-243,918	2,484,108	2,473,259	State Aid	3,015,823	2,778,027	2,778,027
400	1,866	-1	2,265	811	Capital Construction	---	---	---
2,735,916	74,282	-245,188	2,565,010	2,541,178	Total General Fund	3,087,399	2,848,355	2,848,355
4,966,237	2,901	-100	4,969,038	4,956,057	Total Property Tax Relief Fund	5,196,129	5,879,286	5,879,286
7,702,153	77,183	-245,288	7,534,048	7,497,235	<b>GRAND TOTAL</b>	8,283,528	8,727,641	8,727,641

SUMMARY OF APPROPRIATIONS BY PROGRAM  
(thousands of dollars)

Year Ending June 30, 2003						Year Ending June 30, 2005		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2004 Adjusted Approp.	Requested	Recommended
					<b>DIRECT STATE SERVICES - GENERAL FUND</b>			
					<b>Direct Educational Services and Assistance</b>			
395	---	---	395	394	Adult and Continuing Education	398	398	398
205	---	---	205	204	Bilingual Education	212	212	212
42	---	---	42	42	Special Education	54	54	54
642	---	---	642	640	<i>Subtotal</i>	664	664	664
					<b>Operation and Support of Educational Institutions</b>			
2,899	---	---	2,899	2,878	Marie H. Katzenbach School for the Deaf	2,899	2,899	2,899
					<b>Supplemental Education and Training Programs</b>			
359	---	---	359	357	General Vocational Education	277	277	277
					<b>Educational Support Services</b>			
231	---	---	231	231	Educational Technology	218	218	218
20,916	391	9,000	30,307	22,657	Educational Programs and Assessment	27,144	25,919	25,919
445	---	---	445	444	Grants Management	690	528	528
1,939	1,699	---	3,638	3,399	Professional Development and Licensure	2,143	2,143	2,143
6,639	---	---	6,639	6,634	Service to Local Districts	6,196	5,013	5,013
849	---	-1	848	847	Office of School Choice	659	659	659
510	---	-389	121	121	Early Childhood Education	120	120	120
401	---	---	401	394	Pupil Transportation	415	415	415
3,904	1,368	---	5,272	3,374	Facilities Planning and School Building Aid	3,172	3,246	3,246
2,311	---	-950	1,361	1,347	Health, Safety, and Community Services	1,348	1,348	1,348
38,145	3,458	7,660	49,263	39,448	<i>Subtotal</i>	42,105	39,609	39,609

# EDUCATION

Year Ending June 30, 2003					Year Ending June 30, 2005			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2004 Adjusted Approp.	Requested	Recom- mended
3,150	18	1	3,169	3,145	<b>Education Administration and Management</b>			
2,372	---	---	2,372	2,371	School Finance	3,226	3,152	3,152
8,848	---	70	8,918	8,892	Compliance and Auditing	2,290	1,690	1,690
					Administration and Support Services	10,672	10,768	10,768
<b>14,370</b>	<b>18</b>	<b>71</b>	<b>14,459</b>	<b>14,408</b>	<i>Subtotal</i>	<b>16,188</b>	<b>15,610</b>	<b>15,610</b>
<b>56,415</b>	<b>3,476</b>	<b>7,731</b>	<b>67,622</b>	<b>57,731</b>	<i>Subtotal Direct State Services - General Fund</i>	<b>62,133</b>	<b>59,059</b>	<b>59,059</b>
<b>56,415</b>	<b>3,476</b>	<b>7,731</b>	<b>67,622</b>	<b>57,731</b>	<b>TOTAL DIRECT STATE SERVICES</b>	<b>62,133</b>	<b>59,059</b>	<b>59,059</b>
<b>GRANTS-IN-AID - GENERAL FUND</b>								
<b>Educational Support Services</b>								
19,697	---	-9,000	10,697	9,375	Educational Programs and Assessment	9,443	11,269	11,269
318	---	---	318	2	Health, Safety, and Community Services	---	---	---
<b>20,015</b>	<b>---</b>	<b>-9,000</b>	<b>11,015</b>	<b>9,377</b>	<i>Subtotal</i>	<b>9,443</b>	<b>11,269</b>	<b>11,269</b>
<b>20,015</b>	<b>---</b>	<b>-9,000</b>	<b>11,015</b>	<b>9,377</b>	<i>Subtotal Grants-In-Aid - General Fund</i>	<b>9,443</b>	<b>11,269</b>	<b>11,269</b>
<b>20,015</b>	<b>---</b>	<b>-9,000</b>	<b>11,015</b>	<b>9,377</b>	<b>TOTAL GRANTS-IN-AID</b>	<b>9,443</b>	<b>11,269</b>	<b>11,269</b>
<b>STATE AID - GENERAL FUND</b>								
<b>Direct Educational Services and Assistance</b>								
1,429,757	---	-269,840	1,159,917	1,159,917	General Formula Aid	1,431,441	1,009,207	1,009,207
100,612	---	---	100,612	100,321	Nonpublic School Aid	97,702	100,118	100,118
4,580	4	1,250	5,834	5,725	Miscellaneous Grants-In-Aid	5,746	730	730
2,448	---	---	2,448	2,353	Adult and Continuing Education	2,448	2,448	2,448
---	---	---	---	---	Special Education	52,000	52,000	52,000
<b>1,537,397</b>	<b>4</b>	<b>-268,590</b>	<b>1,268,811</b>	<b>1,268,316</b>	<i>Subtotal</i>	<b>1,589,337</b>	<b>1,164,503</b>	<b>1,164,503</b>
<b>5,460</b>	<b>---</b>	<b>---</b>	<b>5,460</b>	<b>5,459</b>	<b>Supplemental Education and Training Programs</b>			
					General Vocational Education	5,460	5,460	5,460
<b>Educational Support Services</b>								
144,775	68,936	---	213,711	210,464	Facilities Planning and School Building Aid	236,951	274,193	274,193
971,454	---	24,672	996,126	989,020	Teachers' Pension and Annuity Assistance	1,184,075	1,318,871	1,318,871
---	---	---	---	---	Health, Safety, and Community Services	---	15,000	15,000
<b>1,116,229</b>	<b>68,936</b>	<b>24,672</b>	<b>1,209,837</b>	<b>1,199,484</b>	<i>Subtotal</i>	<b>1,421,026</b>	<b>1,608,064</b>	<b>1,608,064</b>
<b>2,659,086</b>	<b>68,940</b>	<b>-243,918</b>	<b>2,484,108</b>	<b>2,473,259</b>	<i>Subtotal State Aid - General Fund</i>	<b>3,015,823</b>	<b>2,778,027</b>	<b>2,778,027</b>
<b>STATE AID - PROPERTY TAX RELIEF FUND</b>								
<b>Direct Educational Services and Assistance</b>								
3,312,442	2,901	82,571	3,397,914	3,390,246	General Formula Aid	3,611,325	4,293,246	4,293,246
106,363	---	-4,494	101,869	101,848	Miscellaneous Grants-In-Aid	58,423	57,371	57,371
65,578	---	-3,279	62,299	62,299	Bilingual Education	65,578	65,578	65,578
199,512	---	-9,976	189,536	189,536	Programs for Disadvantaged Youths	199,512	199,512	199,512
911,420	---	-44,821	866,599	865,879	Special Education	896,420	896,420	896,420
<b>4,595,315</b>	<b>2,901</b>	<b>20,001</b>	<b>4,618,217</b>	<b>4,609,808</b>	<i>Subtotal</i>	<b>4,831,258</b>	<b>5,512,127</b>	<b>5,512,127</b>

# EDUCATION

Year Ending June 30, 2003					Year Ending June 30, 2005			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2004 Adjusted Approp.	Requested	Recom- mended
38,948	---	-1,947	37,001	37,001	<b>Supplemental Education and Training Programs</b>			
					General Vocational Education	38,948	38,948	38,948
					<b>Educational Support Services</b>			
23,855	---	-3,388	20,467	16,169	Office of School Choice	17,337	19,969	19,969
303,587	---	-14,766	288,821	288,551	Pupil Transportation	306,987	307,287	307,287
4,532	---	---	4,532	4,528	Facilities Planning and School Building Aid	1,599	955	955
<u>331,974</u>	<u>---</u>	<u>-18,154</u>	<u>313,820</u>	<u>309,248</u>	<i>Subtotal</i>	<u>325,923</u>	<u>328,211</u>	<u>328,211</u>
<u>4,966,237</u>	<u>2,901</u>	<u>-100</u>	<u>4,969,038</u>	<u>4,956,057</u>	<i>Subtotal State Aid - Property Tax Relief Fund</i>	<u>5,196,129</u>	<u>5,879,286</u>	<u>5,879,286</u>
<u>7,625,323</u>	<u>71,841</u>	<u>-244,018</u>	<u>7,453,146</u>	<u>7,429,316</u>	<b>TOTAL STATE AID</b>	<u>8,211,952</u>	<u>8,657,313</u>	<u>8,657,313</u>
					<b>CAPITAL CONSTRUCTION</b>			
					<b>Operation and Support of Educational Institutions</b>			
400	607	---	1,007	49	Marie H. Katzenbach School for the Deaf	---	---	---
					<b>Education Administration and Management</b>			
---	1,259	-1	1,258	762	Administration and Support Services	---	---	---
<u>400</u>	<u>1,866</u>	<u>-1</u>	<u>2,265</u>	<u>811</u>	<i>Subtotal Capital Construction</i>	<u>---</u>	<u>---</u>	<u>---</u>
<u>7,702,153</u>	<u>77,183</u>	<u>-245,288</u>	<u>7,534,048</u>	<u>7,497,235</u>	<b>TOTAL APPROPRIATION</b>	<u>8,283,528</u>	<u>8,727,641</u>	<u>8,727,641</u>

## 30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT

### 31. DIRECT EDUCATIONAL SERVICES AND ASSISTANCE

#### OBJECTIVES

1. To provide financial assistance to all public local education agencies to ensure their capacity to deliver the programs and services necessary to bring their students to achievement of the Core Curriculum Content Standards.
2. To provide financial assistance for the education of children attending nonpublic schools.
3. To provide technical and financial assistance to local school districts for academic programs preparing out-of-school youth and adults to develop literacy skills necessary to obtain a State high school equivalency diploma and to provide a Statewide testing program for high school equivalency.
4. To promote local programs to improve the English and citizenship skills of foreign born adults.
5. To provide technical assistance to local school districts in the preparation, adoption and implementation of school desegregation plans and affirmative action plans. To monitor departmental and school district compliance with federal and State law and established policy regarding school desegregation, affirmative action and equality of opportunity for minorities and women.
6. To aid, administer, evaluate, and monitor educational programs for children and adults with educational disabilities, including those served by State and federal projects.
7. To aid, develop, manage, and evaluate federal and State educational programs for children and adults of limited English speaking proficiency; to assist in implementing mandated statewide testing programs for the limited English speaking population.
8. To administer and monitor the funding of federal and State programs for students at risk of educational failure, including remedial programs for youth and adults; and to assure suitable educational programs to residents of state institutions.

#### PROGRAM CLASSIFICATIONS

Since fiscal 2003, the school aid calculations described below as modified by the fiscal 2002 Appropriations Act have been used to establish a minimum level of funding that would be provided to a school district and have been modified to provide increases in some categories as outlined in the provisions of the annual Appropriations Act.

01. **General Formula Aid.** The Comprehensive Educational Improvement and Financing Act of 1996 established the basis for the aid that ensures the provision of the regular education portion of a thorough and efficient (T&E) education. The Act specifies the amount of money per pupil--the T&E amount--appropriate for delivering the Core Curriculum Content Standards under certain delivery and efficiency assumptions. In recognition of legitimate local differences in cost, a flexible amount of 5% is added to and subtracted from the T&E amount to determine the T&E range, or range of spending on regular education that will be supported by the State. The T&E amount represents the cost of educating a student in the elementary school (grades 1-5). The cost of educating a kindergarten pupil is 50% of the T&E amount, as the delivery and efficiency assumptions include a half-day kindergarten program. The cost for a middle school student

(grades 6-8) is 4% higher, and for a high school student (grades 9-12), 11% higher.

A district's T&E budget for regular education of its resident pupils is determined by inflating its prior year per-pupil net T&E budget by the consumer price index, provided that the increase in the consumer price index is not less than 3 percent, and multiplying that amount by the district's weighted enrollment, and then subtracting out categorical aid for the budget year. If the result falls outside the T&E range, the T&E budget is then the top or bottom of the range, as appropriate. For the 30 poor urban districts known as Abbott districts, the T&E budget is the top of the T&E range, notwithstanding prior year spending.

a. Core Curriculum Standards Aid--Aid is provided to a district whose T&E budget exceeds the local fair share tax effort. The measure of fiscal capacity is determined by applying statewide multipliers to the value of property and personal income in the district, adjusting the result by the position of the district's T&E budget within the T&E range. The local fair share represents the local resources a district would have to appropriate in order to spend at the level of its T&E budget. A district may spend above its T&E budget level under a variety of circumstances, but its Core Curriculum Standards Aid would not increase. A district may appropriate less than its fair share without its Core Curriculum Standards Aid being reduced. However, all districts are required to appropriate a minimum local share. The determination of this required local share varies by type of district.

b. Supplemental Core Curriculum Standards Aid--A first component of Supplemental Core Curriculum Standards Aid is provided to a district with a high concentration of low-income pupils and an excessive burden on its property tax base, and is intended to offset a portion of the required local share. An Abbott district or district that falls within the Department of Education's District Factor Group A designation receives additional Supplemental Core Curriculum Standards Aid in the amount required to offset any tax increase that would be required to meet its required local share after consideration of other regular education aids. A second component of Supplemental Core Curriculum Standards Aid is provided to districts with high T&E tax rates after considering the first component of Supplemental Core Curriculum Standards Aid.

c. Stabilization Aid and Supplemental Stabilization Aid--Stabilization provisions in the Act moderate the effects of the abrupt changes in the entitlements from the prebudget year to the budget year. A district whose entitlement growth exceeds the stabilization growth limit of the greater of 10% or the district's projected rate of growth in resident enrollment over the prebudget year, experiences an aid reduction to reach the limit; this reduction is reflected in its aid allocations. A district that experiences a loss in selected aids from the prebudget year receives stabilization aid to offset the amount of the loss. Supplemental stabilization aid is also provided to large efficient districts and to districts in communities with high concentrations of senior citizens.

d. Early Childhood Aid--Aid is provided to districts with a 20% or greater concentration of students from low income families, with a larger amount provided to districts with a 40%

or greater concentration of low income pupils, for the purpose of providing preschool, full-day kindergarten, and other early childhood programs and services.

e. Consolidated Aid--Represents the consolidation and redistribution of distance learning network aid, adult high school/post graduate aid, and academic achievement rewards which along with additional supplemental funds are provided to districts on a per-pupil basis.

02. **Nonpublic School Aid.** Various types of assistance are available to Boards of Education in public school districts in New Jersey to reimburse such districts for expenses they are required to incur on behalf of students who are enrolled in grades K-12 in a nonpublic school, within the district, which complies with compulsory school attendance requirements and with the requirements of Title VI of the Civil Rights Act of 1964. The following aid programs are included:

a. Nonpublic Textbook Aid--Supports the purchase and lending of textbooks upon individual request (N.J.S.A. 18A:58-37.1 et seq.). State aid is paid in an amount equal to the State average budgeted textbook expense per public school pupil for the prebudget year, for all nonpublic students enrolled in grades K-12 of a nonpublic school on the last school day prior to October 16 of the prebudget year.

b. Nonpublic Auxiliary Services Aid--Aid for compensatory education, English as a second language, and home instruction (N.J.S.A. 18A:46A-1 et seq.) is provided upon consent of the parent or guardian. State aid is paid for providing services to nonpublic pupils equivalent to the services provided to pupils enrolled in the public schools.

c. Nonpublic Handicapped Aid--Provides identification, examination, classification, supplemental and speech correction services (N.J.S.A. 18A:46-19.1 et seq.) for each student who is enrolled full time. State aid is paid to each school district in an amount sufficient to provide examination, classification, supplemental and speech correction services to nonpublic pupils.

d. Nonpublic Auxiliary/Handicapped Transportation Aid--Provides for transporting nonpublic pupils to public schools or neutral sites, for auxiliary/handicapped services that cannot be provided constitutionally in sectarian schools.

e. Nonpublic Nursing Services Aid--Provides funds for Boards of Education to provide basic nursing services for nonpublic school pupils who are enrolled full time in nonpublic schools within the school district (N.J.S.A. 18A:40-23).

f. Nonpublic Technology Initiative--Provides funds for Boards of Education to provide technology to nonpublic school students. The goal of the nonpublic technology initiative program is to provide nonpublic school pupils with computers, educational software, distance learning equipment and other technologies that can improve their education by meeting their specific educational needs and to give nonpublic school teachers the skills, resources and incentives to use educational technologies effectively to improve teaching and learning in the classroom.

03. **Miscellaneous Grants-in-Aid.** The following programs are included:

a. Emergency Fund--Allows the Commissioner, with the approval of the State Board of Education, to distribute funds to meet unforeseen conditions in any school district (N.J.S.A. 18A:58-11).

b. Payments for Institutionalized Children--Unknown District of Residence--Provides for the payment of State aid for educational services to students in grades K-12 who are homeless or a resident in an institution of the Department of Corrections, the Department of Human Services or Juvenile Justice Commission, and for whom a local school district of residence has not been identified.

c. Distance Learning Network Aid--Provided to all districts on a per-pupil basis for the purchase of computers, software and supplies, equipment, wiring, access fees, professional development, staffing, maintenance, and other uses that may be necessary for the establishment of effective distance learning networks.

d. Adult, Post Graduate, and Postsecondary Vocational Aid--State aid is distributed for pupils enrolled in approved adult high schools, post graduate programs and approved full-time postsecondary programs of county vocational schools.

e. Rewards and Recognition--This program was established by the Comprehensive Educational Improvement and Financing Act of 1996 to provide grants to districts with schools demonstrating high levels of achievement or significant gains in achievement on statewide tests.

04. **Adult and Continuing Education.** The activities in this program classification ensure that persons aged 16 or older who are no longer enrolled in school, will be provided with literacy education opportunities. The following programs are included:

a. Adult and Continuing Education funds--Supports leadership for adult educational programs (N.J.S.A. 18A:50-7). School districts receive funds according to a formula for supervisors of adult education.

b. High School Equivalency--Provides funds to school districts and other agencies to instruct adults and out-of-school youth lacking a high school diploma. Students receive training in academic skills necessary to pass the test of General Educational Development (GED), thereby earning a high school diploma.

c. Adult Literacy--Provides part of the 25% matching share required under the Federal aid grant for Adult Basic Education (P.L. 105-332). Discretionary grants are made available to local educational agencies to support instructional programs, for teacher training, and for monitoring of local instructional programs.

d. Evening School for the Foreign Born--Provides technical and financial assistance to school districts for classes in English and in citizenship, with the State matching local funds to a maximum of \$5,000 per school district in any one year (N.J.S.A. 18A:49-1 et seq.).

05. **Bilingual Education.** Categorical aid is provided to local districts for the additional costs of educating students of limited English proficiency. Technical assistance and program support are provided (N.J.S.A. 18A:35-15). Funds are provided to school districts with 20 or more students of limited English proficiency in any one language classification who are enrolled in approved bilingual programs, to districts with fewer than 20 students of limited English proficiency who are enrolled in an approved English as a Second Language program, and to districts operating other programs approved by the State Board of Education.

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The Bureau of Bilingual Education administers, monitors, and evaluates State and federal grant programs related to the education of limited English proficient students and develops administrative code to implement laws related to the provision of programs and services. The Bureau provides and/or coordinates professional development and technical assistance activities for school district professionals, and assists in the implementation of mandated statewide testing programs as they relate to the limited English speaking population.

06. **Programs for Disadvantaged Youths.** Federal and State funds are provided to school districts to address the needs of educationally disadvantaged pupils who are vulnerable to school failure as a consequence of community conditions of poverty. The Comprehensive Educational Improvement and Financing Act of 1996 established specific State aid programs for this purpose. Demonstrably Effective Program Aid (DEPA) is provided to schools with a 20% or greater concentration of students from low income families, with a larger amount provided to schools with a 40% or greater concentration of low income students. DEPA is provided to districts to fund a constellation of instruction, governance, health and social services programs in qualified schools. Schools in the Abbott districts are also permitted to expend these funds for implementation of whole school reform. Aid is provided on a per-enrolled pupil basis in the qualifying school. Instructional Supplement aid is provided to districts with a concentration of low income pupils equal to or greater than 5% but less than 20% on a per-low-income pupil basis, for the purpose of providing supplemental services.
07. **Special Education.** The Comprehensive Educational Improvement and Financing Act of 1996 established a four-tier system for funding the additional costs incurred by districts in providing individualized educational programs to special

education pupils in public and private school settings, and to non-classified pupils in certain State facilities. Pupils are aided in their district of residence. Pupils classified solely for speech correction services are considered in the T&E amount and aided through general formula aid and thus do not generate special education aid. Tier I aid is paid for students receiving related services such as, but not limited to, occupational therapy, physical therapy, speech and counseling. A classified pupil may generate aid for up to four services covered by Tier I aid, and classified pupils generating aid under other tiers are eligible for Tier I aid as well. Tier II pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for specific learning disability, traumatic brain injury or cognitive impairment, mild or educable mentally retarded and preschool disabled and all classified pupils receiving services pursuant to Chapter 46 of Title 18A in shared time county vocational programs in a county vocational school which does not have a full child study team. Tier III pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for cognitive impairment-moderate, orthopedically impaired, auditorily impaired, communication impaired, emotionally disturbed, multiply disabled, other health impaired, and visually impaired. Tier IV pupils are pupils resident in the district meeting the classification definitions for autistic and cognitive impairment-severe and other pupils who receive one or more of the following nine services that must be specified in the pupil's individualized education program: Individual Instruction, Pupil:Teacher-Aide Ratio of 3:1 or Less, High Level Assistive Technology, Extended School Year, Intensive Related Services, Interpreter Services, Personal Aide, Residential Placement for Educational Purposes and Individual Nursing Services.

## EVALUATION DATA

	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
<b>PROGRAM DATA</b>				
<b>General Formula Aid</b>				
Resident Enrollment .....	1,395,131	1,424,773	1,441,758	1,465,668
Support Per Pupil (Per State Expenditure/Appropriation and District Budgets) .....	\$11,834	\$12,474	\$13,221	\$13,670
Local .....	\$6,375	\$6,682	\$7,103	\$7,337
State .....	\$5,044	\$5,344	\$5,615	\$5,827
Federal .....	\$415	\$448	\$503	\$506
Percent Support Per Pupil				
Local .....	53.9%	53.6%	53.7%	53.7%
State .....	42.6%	42.8%	42.5%	42.6%
Federal .....	3.5%	3.6%	3.8%	3.7%
Enrollment as of October 15 (Pre-Budget Year)				
All Districts, Total .....	1,360,631	1,395,131	1,424,773	1,441,758
Kindergarten/Preschool .....	117,030	126,180	134,731	137,722
Elementary School (Grades 1-5) .....	475,428	474,159	470,886	466,528
Middle School (Grades 6-8) .....	265,255	273,743	277,674	278,108
High School (Grades 9-12) .....	295,514	304,626	314,981	326,032
Evening School, Post Graduate .....	12,257	12,405	13,592	13,366
Special Education .....	172,113	180,082	187,989	195,020
County Vocational .....	19,563	20,244	21,081	21,234
Students in State Facilities .....	3,471	3,692	3,839	3,748



# EDUCATION

	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
<b>Nonpublic School Aid</b>				
Textbook Aid - Pupils Enrolled . . . . .	205,900	203,239	195,543	195,543
Auxiliary Services Aid - Students Served . . . . .	39,535	40,104	38,424	38,424
Handicapped Aid - Students Served . . . . .	30,729	31,682	30,888	30,888
Nursing Services Aid - Pupils Enrolled . . . . .	205,608	204,354	197,114	197,114
<b>Adult and Continuing Education</b>				
Adult Literacy				
Adults Enrolled . . . . .	37,400	37,704	40,000	40,500
High School Equivalency				
Adults Enrolled . . . . .	15,000	15,500	15,500	15,500
Adults Earning State Diplomas . . . . .	8,500	8,500	8,500	8,500
Evening School for the Foreign Born				
Number of Programs . . . . .	46	48	48	61
Aliens Enrolled . . . . .	4,278	3,942	3,688	4,318
<b>Bilingual Education</b>				
Limited English Speaking Students Served . . . . .	54,831	56,712	57,548	58,349
<b>Programs for Disadvantaged Youths</b>				
Federal Title I				
Migrant Children Served . . . . .	3,488	3,488	3,488	3,488
Disadvantaged Children Served . . . . .	284,055	300,000	300,000	300,000
Students Eligible for Free Lunch/Free Milk				
All Districts . . . . .	288,644	293,324	280,281	276,951
Abbott Districts . . . . .	176,154	179,439	171,741	164,970
<b>Special Education</b>				
Enrollments				
Local Districts . . . . .	165,356	173,203	181,238	188,217
Regional Day Schools . . . . .	1,179	1,197	1,076	1,051
County Vocational Special Education . . . . .	5,578	5,682	5,675	5,752
<b>PERSONNEL DATA</b>				
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported . . . . .	8	6	5	6
Federal . . . . .	98	87	96	123
All Other . . . . .	1	1	1	1
Total Positions . . . . .	107	94	102	130
Filled Positions by Program Class				
Adult and Continuing Education . . . . .	14	12	14	20
Bilingual Education . . . . .	8	6	7	7
Programs for Disadvantaged Youths . . . . .	6	5	1	14
Special Education . . . . .	79	71	80	89
Total Positions . . . . .	107	94	102	130

**Notes:**

Actual payroll counts are reported for fiscal years 2002 and 2003 as of December and Revised fiscal year 2004 as of September. The Budget Estimate for fiscal year 2005 reflects the number of positions funded.

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## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recommended	
<b><u>DIRECT STATE SERVICES</u></b>									
<b>Distribution by Fund and Program</b>									
395	---	---	395	394	Adult and Continuing Education	04	398	398	398
205	---	---	205	204	Bilingual Education	05	212	212	212
42	---	---	42	42	Special Education	07	54	54	54
<b>642</b>	<b>---</b>	<b>---</b>	<b>642</b>	<b>640</b>	<b>Total Direct State Services</b>		<b>664<sup>(a)</sup></b>	<b>664</b>	<b>664</b>
<b>Distribution by Fund and Object</b>									
Personal Services:									
297	---	1	298	298	Salaries and Wages		319	319	319
297	---	1	298	298	<b>Total Personal Services</b>		<b>319</b>	<b>319</b>	<b>319</b>
21	---	-3	18	18	Materials and Supplies		21	21	21
62	---	2	64	63	Services Other Than Personal		62	62	62
1	---	---	1	---	Maintenance and Fixed Charges		1	1	1
Special Purpose:									
261	---	---	261	261	General Education Development - GED	04	261	261	261
<b><u>STATE AID</u></b>									
<b>Distribution by Fund and Program</b>									
4,815,775	2,901	-187,269	4,631,407	4,623,739	General Formula Aid	01	5,121,342	5,381,029	5,381,029
1,429,757	---	-269,840	1,159,917	1,159,917	(From General Fund)		1,431,441	1,009,207	1,009,207
3,386,018	2,901	82,571	3,471,490	3,463,822	(From Property Tax Relief Fund)		3,689,901	4,371,822	4,371,822
100,612	---	---	100,612	100,321	Nonpublic School Aid	02	97,702	100,118	100,118
110,943	4	-3,244	107,703	107,573	Miscellaneous Grants-In-Aid	03	64,169	58,101	58,101
4,580	4	1,250	5,834	5,725	(From General Fund)		5,746	730	730
106,363	---	-4,494	101,869	101,848	(From Property Tax Relief Fund)		58,423	57,371	57,371
2,448	---	---	2,448	2,353	Adult and Continuing Education	04	2,448	2,448	2,448
65,578	---	-3,279	62,299	62,299	Bilingual Education	05	65,578	65,578	65,578
65,578	---	-3,279	62,299	62,299	(From Property Tax Relief Fund)		65,578	65,578	65,578
199,512	---	-9,976	189,536	189,536	Programs for Disadvantaged Youths	06	199,512	199,512	199,512
199,512	---	-9,976	189,536	189,536	(From Property Tax Relief Fund)		199,512	199,512	199,512
911,420	---	-44,821	866,599	865,879	Special Education	07	948,420	948,420	948,420
---	---	---	---	---	(From General Fund)		52,000	52,000	52,000
911,420	---	-44,821	866,599	865,879	(From Property Tax Relief Fund)		896,420	896,420	896,420
<b>6,206,288</b>	<b>2,905</b>	<b>-248,589</b>	<b>5,960,604</b>	<b>5,951,700</b>	<b>Total State Aid</b>		<b>6,499,171</b>	<b>6,755,206</b>	<b>6,755,206</b>
1,537,397	4	-268,590	1,268,811	1,268,316	(From General Fund)		1,589,337	1,164,503	1,164,503
4,668,891	2,901	20,001	4,691,793	4,683,384	(From Property Tax Relief Fund)		4,909,834	5,590,703	5,590,703
<b>LESS:</b>									
(73,576)	---	---	(73,576)	(73,576)	Stabilization Growth Limitation		(73,576)	(73,576)	(73,576)
---	---	---	---	---	Growth Savings - Payment Changes		(5,000)	(5,000)	(5,000)
<b>(73,576)</b>	<b>---</b>	<b>---</b>	<b>(73,576)</b>	<b>(73,576)</b>	<b>Total Deductions</b>		<b>(78,576)</b>	<b>(78,576)</b>	<b>(78,576)</b>
<b>6,132,712</b>	<b>2,905</b>	<b>-248,589</b>	<b>5,887,028</b>	<b>5,878,124</b>	<b>Total State Appropriation</b>		<b>6,420,595</b>	<b>6,676,630</b>	<b>6,676,630</b>

# EDUCATION

Year Ending June 30, 2003					Year Ending June 30, 2005			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recom- mended
<b>STATE AID</b>								
<b>Distribution by Fund and Object</b>								
State Aid:								
1,429,757	---	-269,840	1,159,917	1,159,917	01	1,431,128	1,009,207	1,009,207
1,650,561	---	139,345	1,789,906	1,789,270	01	1,649,190	2,071,111	2,071,111
251,768	---	-12,588	239,180	239,180	01	251,768	251,768	251,768
---	---	---	---	---	01	---	90,000	90,000
---	---	---	---	---	01	---	5,000	5,000
330,630	---	-16,531	314,099	314,099	01	330,630	330,630	330,630
---	---	---	---	---	01	---	5,000	5,000
9,957	---	-498	9,459	9,459	01	---	---	---
15,621	---	-781	14,840	14,840	01	15,621	15,621	15,621
111,626	---	-5,581	106,045	106,045	01	111,626	111,626	111,626
5,250	---	-262	4,988	4,988	01	5,250	5,250	5,250
1,231	---	-62	1,169	1,169	01	1,231	1,231	1,231
2,491	---	-125	2,366	2,366	01	2,491	2,491	2,491
11,402	---	-570	10,832	10,832	01	11,402	11,402	11,402
18,295	---	-915	17,380	17,380	01	18,295	18,295	18,295
---	---	---	---	---	01	130,127	130,127	130,127
818,330	2,901	25,028	846,259	843,073	01	914,414 89,000 <sup>S</sup>	1,103,414	1,103,414
142,400	---	-43,066	99,334	95,488	01	142,400	182,400	182,400
---	---	---	---	---	01	---	15,000	15,000
16,456	---	-823	15,633	15,633	01	16,456	16,456	16,456
---	---	---	---	---	01	313	---	---
---	---	---	---	---	01	---	5,000	5,000
11,413	---	---	11,413	11,410	02	11,652	12,271	12,271
27,163	---	2,842	30,005	30,005	02	27,536	26,789	26,789
32,736	---	---	---	---	02	---	---	---
3,713 <sup>S</sup>	---	-2,560	33,889	33,601	02	32,506	34,912	34,912
3,578	---	-142	3,436	3,436	02	3,436	3,610	3,610
13,891	---	-213	13,678	13,678	02	13,954	14,636	14,636
8,118	---	73	8,191	8,191	02	8,118	7,900	7,900
---	---	---	---	---	02	250	---	---
---	---	---	---	---	02	250	---	---
100	---	---	100	25	03	200	200	200
450	---	---	450	450	03	450	450	450
---	---	---	---	---	03	200	---	---

# EDUCATION

Year Ending June 30, 2003					Year Ending June 30, 2005			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recommended
<b>STATE AID</b>								
---	---	---	---	---				
13,610	---	---	13,610	13,610				
30	---	---	30	---				
---	---	---	---	---				
59,162	---	-2,958	56,204	56,204				
---	---	100	100	100				
4,750	---	-100	4,650	4,629				
---	---	---	---	---				
28,721	---	-1,436	27,285	27,285				
120	---	---	120	120				
---	4	---	4	---				
---	---	---	---	---				
1,000	---	---	1,000	1,000				
1,000	---	1,400	2,400	2,400				
2,000	---	-250	1,750	1,750				
211	---	---	211	116				
1,213	---	---	1,213	1,213				
1,024	---	---	1,024	1,024				
65,578	---	-3,279	62,299	62,299				
199,512	---	-9,976	189,536	189,536				
896,420	---	-44,821	851,599	851,599				
---	---	---	---	---				
15,000	---	---	15,000	14,280				
<u>(73,576)</u>	<u>---</u>	<u>---</u>	<u>(73,576)</u>	<u>(73,576)</u>				
<b>6,133,354</b>	<b>2,905</b>	<b>-248,589</b>	<b>5,887,670</b>	<b>5,878,764</b>		<b>(78,576)</b>	<b>(78,576)</b>	<b>(78,576)</b>
<b>LESS:</b>								
<i>Deductions</i>						<b>(78,576)</b>	<b>(78,576)</b>	<b>(78,576)</b>
<b>Grand Total State Appropriation</b>						<b>6,421,259</b>	<b>6,677,294</b>	<b>6,677,294</b>

# EDUCATION

Year Ending June 30, 2003							Year Ending June 30, 2005	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recom- mended
<b>OTHER RELATED APPROPRIATIONS</b>								
<b>Federal Funds</b>								
16,765	1,628	---	18,393	13,348	Adult and Continuing Education	04	17,008	17,008
13,749								
748 <sup>S</sup>	236	-11	14,722	13,069	Bilingual Education	05	17,156	17,156
294,101								
8,654 <sup>S</sup>	5,223	-197	307,781	271,635	Programs for Disadvantaged Youths	06	326,154	
							539 <sup>S</sup>	326,693
249,466								
63 <sup>S</sup>	13,856	758	264,143	233,485	Special Education	07	296,367	315,023
<u>583,546</u>	<u>20,943</u>	<u>550</u>	<u>605,039</u>	<u>531,537</u>	<b>Total Federal Funds</b>		<u>657,224</u>	<u>675,880</u>
<u>6,716,900</u>	<u>23,848</u>	<u>-248,039</u>	<u>6,492,709</u>	<u>6,410,301</u>	<b>GRAND TOTAL ALL FUNDS</b>		<u>7,078,483</u>	<u>7,353,174</u>

**Notes -- Direct State Services - General Fund**

(a) The fiscal year 2004 appropriation has been adjusted for the allocation of salary program in accordance with the provisions of P.L. 2003, c.122 (Fiscal Year 2004 Appropriations Act).

**Notes -- State Aid - Property Tax Relief Fund**

(b) Funding was reallocated to the Consolidated Aid account.

(c) The fiscal 2003 data and fiscal 2004 appropriation have been adjusted to reflect the consolidation of Abbott v. Burke Parity Remedy and Additional Abbott v. Burke State Aid.

**Language Recommendations -- State Aid - General Fund**

Receipts from nonpublic schools handicapped and auxiliary recoveries are appropriated for the payment of additional aid in accordance with section 17 of P.L.1977, c.192 (C.18A:46A-14) and section 14 of P.L.1977, c.193 (C.18A:46-19.8).

Notwithstanding the provisions of section 14 of P.L.1977, c.193 (C.18A:46-19.8) for the purpose of computing Nonpublic Handicapped Aid for pupils requiring the following services, the per pupil amounts for the 2004-2005 school year shall be: \$1,225.00 for an initial evaluation or reevaluation for examination and classification; \$380.00 for an annual review for examination and classification; \$930.00 for speech correction; and \$826.00 for supplementary instruction services.

Notwithstanding the provisions of section 9 of P.L. 1977, c.192 (C.18A:46A-9), the per pupil amount for compensatory education for the 2004-2005 school year for the purposes of computing Nonpublic Auxiliary Services Aid shall equal \$856.25.

Notwithstanding the provisions of section 9 of P.L. 1991, c.226 (C.18A:40-31), the amount appropriated hereinabove for Nonpublic Nursing Services Aid shall be made available to local school districts based upon the number of pupils enrolled in each nonpublic school on the last day prior to October 16, 2003 and the rate per pupil shall be \$74.25.

Nonpublic Technology Initiative aid shall be paid to school districts and allocated for nonpublic school pupils at the rate of \$40.00 per pupil in a manner that is consistent with the provisions of the federal and State constitutions.

Of the amount hereinabove in the High School Equivalency and the Adult Literacy accounts, such sums as are necessary may be transferred to an applicant State department.

The amount hereinabove for Extraordinary Aid shall be charged first to receipts of the supplemental fee established pursuant to section 2 of P.L.2003, c.113 credited to the Extraordinary Aid Account.

**Language Recommendations -- State Aid - Property Tax Relief Fund**

Additional Formula Aid shall be provided to each "non-Abbott" school district in an amount that equals 3% of the total State aid amount payable for the 2003-2004 school year for the following aid categories: Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Early Childhood Aid, Instructional Supplement Aid, Demonstrably Effective Program Aid, Stabilization Aid, Stabilization Aid 2, Stabilization Aid 3, Large Efficient District Aid, Aid for Districts with High Senior Citizen Populations, Regionalization Incentive Aid, Adult and Post-Secondary Education Grants, Bilingual Education Aid, Special Education Aid, County Vocational Program Aid, Transportation Aid, School Choice, Aid for Enrollment Adjustments, and Consolidated Aid. Notwithstanding any other law or regulation to the contrary, the amount provided to each district as Consolidated Aid and Additional Formula Aid shall be included in the calculation of the spending growth limitation pursuant to section 5 of P.L. 1996, c.138, (C.18A:7F-5).

The amount appropriated hereinabove for High Expectations for Learning Proficiency aid shall be distributed to "non-Abbott" school districts requiring additional resources to improve student achievement. Economic factors, such as the low-income concentration rate, equalized property valuation per pupil and measures of academic performance, including performance on statewide assessments, graduation rates and dropout rates may be among the criteria used to qualify districts for this award. Notwithstanding any provision of P.L. 1968, c.410 (C.52:14B-1 et seq.), the Commissioner of Education shall be authorized to develop the criteria for distributing this aid and shall adopt regulations that shall be deemed adopted and effective immediately upon filing with the Office of Administrative Law.

## EDUCATION

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The amount appropriated hereinabove for Positive Achievement and Cost Effectiveness aid shall be distributed to school districts demonstrating high levels of academic achievement while incurring low education expenditures. Notwithstanding any provision of P.L. 1968, c.410 (C.52:14B-1 et seq.), the Commissioner of Education shall be authorized to develop the criteria for distributing this aid and shall adopt regulations that shall be deemed adopted and effective immediately upon filing with the Office of Administrative Law. Upon receiving this award, districts will be expected to share information about their practices with the State and other districts.

The Commissioner of Education shall not authorize the disbursement of funds to any "Abbott district" until the commissioner is satisfied that all educational expenditures in the district will be spent effectively and efficiently in order to enable those students to achieve the core curriculum content standards. The commissioner shall be authorized to take any necessary action to fulfill this responsibility, including but not limited to, the adoption of regulations related to the receipt and/or expenditure of State aid by the "Abbott districts" and the programs, services and positions supported thereby. Notwithstanding any provision of P.L. 1968, c.410 (C.52:14B-1 et seq.), any such regulations adopted by the commissioner shall be deemed adopted immediately upon filing with the Office of Administrative Law. In order to expeditiously fulfill the responsibilities of the commissioner under Abbott v. Burke, determinations by the commissioner hereunder shall be considered to be final agency action and appeal of that action shall be directly to the Appellate Division of the Superior Court.

Of the amount appropriated hereinabove for Education Opportunity Aid, an amount not to exceed \$14,686,000, shall be transferred to the Department of Education's operating budget, subject to the approval of the Director of the Division of Budget and Accounting, for the purpose of managing and supervising implementation of Abbott remedies. In addition, the unexpended balance as of June 30, 2004, in the Abbott v. Burke Parity Remedy account is appropriated to the Education Opportunity Aid account and shall also be transferred to the Department of Education's operating budget, for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove for Education Opportunity Aid will provide resources to equalize spending between "I" and "J" districts and "Abbott districts," and provide aid to fund additional needs of "Abbott districts". Notwithstanding any other law to the contrary, Education Opportunity Aid will be provided to each "Abbott district" whose per pupil regular education expenditure for 2004-2005 under P. L. 1996, c.138 is below the estimated per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2004-2005. The amount of aid shall be determined as follows: funds shall be allocated in the amount of the difference between each "Abbott district's" per pupil regular education expenditure for 2004-2005 and the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2003-2004 indexed by the actual percentage increase in the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2003-2004 over the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2002-2003. In calculating the per pupil regular education expenditure of each "Abbott district" for 2004-2005, regular education expenditure shall equal the sum of the general fund tax levy for 2003-2004, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid and all forms of stabilization aid pursuant to section 10 of P. L. 1996, c.138 (C.18A: 7F-10); enrollments shall initially be those resident enrollments for preschool through grade 12 contained on the Application for State School Aid for 2004-2005 indexed by the district's enrollment growth rate used to determine the estimated enrollments of October 2004; enrollments shall be calculated at their full-time equivalent and reduced by preschool and one half of full-day kindergarten enrollments. State aid shall be adjusted upon receipt of resident enrollment for the "Abbott districts" as of October 15, 2004 as reflected on the Application for State School Aid for 2005-2006. State aid shall also be adjusted based on the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2004-2005. In calculating the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2004-2005, regular education expenditure shall equal the sum of the general fund tax levy for 2004-2005, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid and all forms of stabilization aid pursuant to section 10 of P. L. 1996, c.138 (C.18A: 7F-10); enrollments shall be the resident enrollment for preschool through grade 12 as of October 15, 2004 as reflected on the Application for State School Aid for 2005-2006; enrollments shall be calculated at their full-time equivalent and reduced by preschool and one half of full-day kindergarten enrollments in districts receiving Early Childhood Program Aid.

The amount appropriated hereinabove for Education Opportunity Aid will also be used for the award of supplemental funding to "Abbott districts" for programs, services and positions that the Commissioner of Education determines are essential to the provision of a thorough and efficient education in those districts. Before the commissioner establishes the amount of the supplemental award, he shall determine whether some or all of the additional funds sought can be achieved by reallocating non-instructional expenditures or by achieving economies and efficiencies in the delivery of services and programs. If the commissioner determines that the district does have available such reallocations or achievement of economies and efficiencies, the commissioner shall direct that the district undertake those steps and use those funds to support, in part or in full, the requested programs and services. The supplemental award shall be adjusted based on the annual audit filed pursuant to N.J.S. 18A:23-1, and other financial statements and information, of each "Abbott district" that has requested these discretionary funds. Any district that fails to submit the required documentation or fails to submit its annual audit by November 15, 2004 may have its State aid withheld upon the commissioner's request to the Director of the Division of Budget and Accounting. In making any adjustment to the supplemental award, the commissioner shall consider all of the district's available resources and any appropriate reallocations, including, but not limited to, a reallocation of the district's undesignated general fund balances in excess of two percent.

Notwithstanding any other law to the contrary, as a condition of receiving Education Opportunity Aid, an "Abbott district" shall raise a general fund tax levy which shall be no less than the general fund tax levy of the prior year.

The amount appropriated hereinabove as Abbott Preschool Expansion Aid is for the purpose of funding the increase in the approved budgeted costs from 2001-2002 to 2004-2005 for the projected expansion of preschool programs in "Abbott districts." Payments of Abbott Preschool Expansion Aid shall be based on documented expansion of the preschool program. Upon the Commissioner of Education's request, "Abbott districts" will be required to provide such supporting documentation as deemed necessary to verify that the actual expansion in the preschool program has occurred in the 2004-2005 fiscal year. Such documentation may include

expenditure, enrollment and attendance data that may be subject to an audit. Appropriate adjustments to a district's Abbott Preschool Expansion Aid amount may be made by the commissioner based on actual need.

From the amount appropriated hereinabove for Early Launch to Learning Initiative, such funds as are necessary for the support of two staff persons to administer the program shall be transferred to the Office of Early Childhood Education in direct state services, subject to the approval of the Director of the Division of Budget and Accounting.

The amount appropriated hereinabove for Above Average Enrollment Growth aid shall be distributed to school districts experiencing enrollment growth substantially greater than the state average enrollment growth rate according to a formula to be developed and administered by the Commissioner of Education. Notwithstanding any provision of P.L. 1968, c.410 (C.52:14B-1 et seq.), the commissioner shall be authorized to develop the criteria for distributing this aid and shall adopt regulations that shall be deemed adopted and effective immediately upon filing with the Office of Administrative Law.

The amount hereinabove for the New Jersey Character Education Partnership Initiative shall be made available to school districts according to a formula to be administered by the Commissioner of Education which will assure that each district that elects to participate shall receive funding for at least one school. Of the amount appropriated hereinabove, up to \$100,000 may be used to fund the costs of operating this program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any other law to the contrary, the amount of State aid made available to the Department of Human Services pursuant to "The State Facilities Education Act of 1979," P.L. 1979, c.207 (C.18A:7B-1 et al.), to defray the costs of educating eligible children in approved private schools under contract with the Department of Human Services shall not exceed the actual costs of the education of those children in such private schools.

Notwithstanding any other law to the contrary, Special Education Aid for pupils classified as severe cognitive impairment shall be paid directly to the resident school district; provided however, that for pupils under contract for service in a regional day school operated by or under contract with the Department of Human Services, tuition shall be withheld and paid to the Department of Human Services.

Notwithstanding the provisions of section 3 of P.L. 1971, c.271, (C.18A:46-31), a portion of the district tuition amounts payable to a county special services school district operating an extended school year program may be transferred to the county special services school district prior to the first of September in the event the board shall file a written request with the Commissioner of Education stating the needs for the funds. The commissioner shall review the board's request and determine whether to grant the request after an assessment of whether the district needs to spend the funds prior to September and after considering the availability of district surplus. The commissioner shall transfer the payment for the portion of the tuition payable for which need has been demonstrated.

**30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT**

**32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS**

**OBJECTIVES**

1. To provide preschool, elementary, middle and comprehensive high school programs for deaf and multiply disabled students whose primary disability is deafness.
2. To provide regional facilities for the education of disabled students.
3. To implement the Katzenbach Center on Deafness to provide services to deaf and hard of hearing persons of all ages in order to enhance their quality of life and to assist them in maximizing their potential.

adult deaf, emotionally disturbed and deaf-blind students. The school's operating costs are supported by State appropriation and tuition.

Regional Schools for the Handicapped are authorized by the State Facilities for the Handicapped Bond Fund (Chapter 149, Laws of 1973). Funds were used for the construction of eleven regional schools to provide educational services to children with severe disabilities. The first schools opened in the fall of 1981, and by September 1984 all eleven schools were serving children. All of the schools are managed by local school districts, under contract, and are funded entirely by receipts from the sending school districts.

**PROGRAM CLASSIFICATIONS**

12. **Marie H. Katzenbach School for the Deaf.** The Marie H. Katzenbach School for the Deaf provides educational and vocational services to deaf and multiply disabled deaf children from birth through twelfth grade. Residential services will be provided to nearly 41 percent of the school's 210 students on a five-day-a-week basis. Special programs to broaden the population served by the school include preschool age deaf,

13. **Program for Behaviorally Difficult Deaf Pupils.** The program for behaviorally difficult deaf students will continue for its ninth year with a projected enrollment of 15 students. Seven residential pupils will participate for ten months. Tuition paid by the districts that send these children to the Katzenbach School will fully support the costs of the program.





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Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available Expended		Prog. Class.	2004 Adjusted Approp.	Requested	Recommended	
<b>DIRECT STATE SERVICES</b>									
<b>Distribution by Fund and Object</b>									
Personal Services:									
1,425	217 8,044 <sup>R</sup>	-490	9,196	9,110		9,194	10,003	10,003	
					Salaries and Wages				
<u>1,425</u>	<u>8,261</u>	<u>-490</u>	<u>9,196</u>	<u>9,110</u>	<i>Total Personal Services</i>	<u>9,194</u>	<u>10,003</u>	<u>10,003</u>	
815	163 90 <sup>R</sup>	136	1,204	1,062		1,129	1,129	1,129	
					Materials and Supplies				
193	90 2 <sup>R</sup>	56	341	296		294	294	294	
					Services Other Than Personal				
295	31 47 <sup>R</sup>	298	671	635		496	537	537	
					Maintenance and Fixed Charges				
40	---	---	40	40					
					Special Purpose:				
					Transportation Expenses for Students	12	40	40	40
131	44 169 <sup>R</sup>	---	344	317		359	358	358	
					Additions, Improvements and Equipment				
---	(8,897)	---	(8,897)	(8,582)		(8,613)	(9,462)	(9,462)	
					<b>LESS:</b>				
					All Other Funds				
<b>CAPITAL CONSTRUCTION</b>									
<b>Distribution by Fund and Program</b>									
400	607	---	1,007	49					
					Marie H. Katzenbach School for the Deaf	12	---	---	---
<u>400</u>	<u>607</u>	<u>---</u>	<u>1,007</u>	<u>49</u>	<i>Total Capital Construction</i>	<u>---</u>	<u>---</u>	<u>---</u>	
<b>Distribution by Fund and Object</b>									
<b>Marie H. Katzenbach School for the Deaf</b>									
---	11	---	11	---					
					Re-Roofing of Various Buildings	12	---	---	---
---	206	---	206	1					
					Fire Protection	12	---	---	---
---	3	-3	---	---					
					Estate of John M Bond	12	---	---	---
200	11	---	211	2					
					Bathroom Renovations	12	---	---	---
200	---	23	223	46					
					Small Capital Projects				
---	25	-20	5	---					
					Contingency	12	---	---	---
---	351	---	351	---					
					Upgrade Campus Lighting	12	---	---	---
---	---	---	---	---					
					Sprinkler Systems	12	---	---	---
<u>3,299</u>	<u>607</u>	<u>---</u>	<u>3,906</u>	<u>2,927</u>	<i>Grand Total State Appropriation</i>	<u>2,899</u>	<u>2,899</u>	<u>2,899</u>	
<b>OTHER RELATED APPROPRIATIONS</b>									
---	8,897	---	8,897	8,582		8,613	9,462	9,462	
					<i>Total All Other Funds</i>				
<b>Federal Funds</b>									
<u>1,129</u>	<u>196</u>	<u>-8</u>	<u>1,317</u>	<u>632</u>					
					Marie H. Katzenbach School for the Deaf	12	<u>672</u>	<u>672</u>	<u>672</u>
<u>1,129</u>	<u>196</u>	<u>-8</u>	<u>1,317</u>	<u>632</u>	<i>Total Federal Funds</i>	<u>672</u>	<u>672</u>	<u>672</u>	
<u>4,428</u>	<u>9,700</u>	<u>-8</u>	<u>14,120</u>	<u>12,141</u>	<b>GRAND TOTAL ALL FUNDS</b>	<u>12,184</u>	<u>13,033</u>	<u>13,033</u>	

**Language Recommendations -- Direct State Services - General Fund**

Notwithstanding the provisions of N.J.S. 18A:61-1 and N.J.S. 18A:46-13, or any other statute, in addition to the amount appropriated hereinabove to the Marie H. Katzenbach School for the Deaf for the 2004-2005 academic year, payments from local boards of education to the School at an annual rate and payment schedule adopted by the Commissioner of Education and the Director of the Division of Budget and Accounting are appropriated.

Any income from the rental of vacant space at the Marie H. Katzenbach School for the Deaf is appropriated for the operation and maintenance cost of the facility and for capital costs at the school, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance as of June 30, 2004, in the receipt account of the Marie H. Katzenbach School for the Deaf is appropriated for expenses of operating the school.

# EDUCATION

The unexpended balance as of June 30, 2004, in the receipt account of the Positive Learning Understanding Support (PLUS) program is appropriated for the expenses of operating the Marie H. Katzenbach School for the Deaf.

## Language Recommendations -- Capital Construction

Notwithstanding any law to the contrary, accumulated and current year interest earnings in the State Facilities for the Handicapped Fund established pursuant to section 12 of P.L. 1973, c.149 are appropriated for capital improvements and maintenance of facilities for the eleven regional day schools throughout the State and the Marie H. Katzenbach School for the Deaf as authorized in the State Facilities for the Handicapped Bond Act, P.L. 1973, c.149, subject to the approval of the Director of the Division of Budget and Accounting.

## 30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT

### 33. SUPPLEMENTAL EDUCATION AND TRAINING PROGRAMS

#### OBJECTIVES

1. To support the State's workforce readiness system by providing quality programs responsive to the needs of both workers and employers, expanding occupational education programs that appropriately prepare individuals for work in all types of occupations.
2. To provide quality career orientation programs to New Jersey students, assisting them in clarifying career goals, exploring career possibilities, developing employable skills, and obtaining other skills necessary to function in a technological society.
3. To facilitate the planning, implementation and expansion of transition programs, activities or services, which may include occupationally-related remedial education, English as a second language, general intellectual skills, pre-employment and work maturity skills, "life skills," and awareness of community resources, that assist students in overcoming barriers to employment.

#### PROGRAM CLASSIFICATIONS

20. **General Vocational Education.** To assist the State in attaining the objectives stated above in assuring a well-trained quality workforce, the federal government provides funds to conduct State occupational program administrative activities. To be eligible for these monies under the Carl D. Perkins Vocational and Technical Education Act, the State must match this federal grant award on a dollar for dollar basis (P.L. 105-332).

In order for the State to qualify to receive federal grant monies under the Perkins Act, New Jersey is required to provide a

maintenance of effort equal to, or greater than, the amount of effort in the prior fiscal year. Failure to provide such maintenance of effort disqualifies a state from receipt of Perkins monies.

These combined funds allow the State to maintain, in cooperation with business, industry and labor, quality vocational education programs, by providing consultation, technical assistance, and regulatory services to public and private educational agencies.

The Department also develops new and innovative vocational and career development programs; provides in-service training for vocational teachers; conducts program evaluations; develops occupational competencies; provides administrative services for the Office of Vocational-Technical Career and Adult Programs; maintains liaison with agencies and personnel on the local, State, and federal levels; and develops the annual revisions of the State Plan for Vocational Education. These activities maximize educational opportunities and minimize costly duplication of effort.

General vocational education is paid (N.J.S.A. 18A:58-34 et. seq.) to local school districts according to the following criteria: (a) the State may grant up to 100% of approved expenditures for new and innovative projects, and (b) expenditures for the improvement of vocational programs conducted under Public Law 101-392, subject to federal mandates requiring that special populations be given full opportunity to participate in vocational programs.

County Vocational Program Aid--Categorical aid is paid to county vocational school districts on a per pupil basis for all pupils enrolled in the district.

#### EVALUATION DATA

PROGRAM DATA	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
<b>General Vocational Education</b>				
Secondary Vocational Education				
Annual Enrollments . . . . .	153,557	158,317	163,225	168,285
Annual Graduates or Completions . . . . .	44,839	46,229	47,662	49,139
Annual Grade 11-12 Occupational Program Enrollments . . . . .	69,761	72,154	75,443	78,881
Adult and Continuing Education				
Apprenticeship Programs				
Annual Enrollments . . . . .	9,755	10,670	10,776	10,884
Annual Completions . . . . .	805	926	935	944
Annual Other Adult Vocational Education Program Enrollments . . . . .	47,570	48,046	48,526	49,011

	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
<b>PERSONNEL DATA</b>				
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported .....	7	6	4	5
Federal .....	23	18	22	29
All Other .....	2	2	1	1
Total Positions .....	32	26	27	35
Filled Positions by Program Class				
General Vocational Education .....	32	26	27	35
Total Positions .....	32	26	27	35

**Notes:**

Actual payroll counts are reported for fiscal years 2002 and 2003 as of December and Revised fiscal year 2004 as of September. The Budget Estimate for fiscal year 2005 reflects the number of positions funded.

**APPROPRIATIONS DATA**  
(thousands of dollars)

Year Ending June 30, 2003					Year Ending June 30, 2005			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recom- mended
<b><u>DIRECT STATE SERVICES</u></b>								
<b>Distribution by Fund and Program</b>								
359	---	---	359	357	20	277	277	277
					General Vocational Education			
<u>359</u>	<u>---</u>	<u>---</u>	<u>359</u>	<u>357</u>	<u>277<sup>(a)</sup></u>		<u>277</u>	<u>277</u>
					<b>Distribution by Fund and Object</b>			
Personal Services:								
308	---	---	308	307			226	226
					Salaries and Wages			
308	---	---	308	307			226	226
					Total Personal Services			
26	---	---	26	25			26	26
					Materials and Supplies			
25	---	---	25	25			25	25
					Services Other Than Personal			
<b><u>STATE AID</u></b>								
<b>Distribution by Fund and Program</b>								
44,408	---	-1,947	42,461	42,460	20	44,408	44,408	44,408
					General Vocational Education			
5,460	---	---	5,460	5,459			5,460	5,460
					(From General Fund)			
38,948	---	-1,947	37,001	37,001			38,948	38,948
					(From Property Tax Relief Fund)			
<u>44,408</u>	<u>---</u>	<u>-1,947</u>	<u>42,461</u>	<u>42,460</u>	<u>44,408</u>		<u>44,408</u>	<u>44,408</u>
					Total State Aid			
5,460	---	---	5,460	5,459			5,460	5,460
					(From General Fund)			
38,948	---	-1,947	37,001	37,001			38,948	38,948
					(From Property Tax Relief Fund)			
<b>Distribution by Fund and Object</b>								
State Aid:								
5,460	---	---	5,460	5,459	20	5,460	5,460	5,460
					Vocational Education			
38,948	---	-1,947	37,001	37,001	20	38,948	38,948	38,948
					County Vocational Program Aid (PTRF)			
<u>44,767</u>	<u>---</u>	<u>-1,947</u>	<u>42,820</u>	<u>42,817</u>	<u>44,685</u>		<u>44,685</u>	<u>44,685</u>
					Grand Total State Appropriation			

# EDUCATION

Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recommended	
24,680	1,648	492	26,820	24,300					
<u>24,680</u>	<u>1,648</u>	<u>492</u>	<u>26,820</u>	<u>24,300</u>					
	485								
---	10 <sup>R</sup>	108	603	47					
---	<u>495</u>	<u>108</u>	<u>603</u>	<u>47</u>					
<u>69,447</u>	<u>2,143</u>	<u>-1,347</u>	<u>70,243</u>	<u>67,164</u>					

  

OTHER RELATED APPROPRIATIONS				
Federal Funds				
General Vocational Education	20	<u>25,358</u>	<u>25,358</u>	<u>25,358</u>
<b>Total Federal Funds</b>		<u>25,358</u>	<u>25,358</u>	<u>25,358</u>
All Other Funds				
General Vocational Education	20	<u>217</u>	<u>217</u>	<u>217</u>
<b>Total All Other Funds</b>		<u>217</u>	<u>217</u>	<u>217</u>
<b>GRAND TOTAL ALL FUNDS</b>		<u>70,260</u>	<u>70,260</u>	<u>70,260</u>

**Notes -- Direct State Services - General Fund**

(a) The fiscal year 2004 appropriation has been adjusted for the allocation of salary program in accordance with the provisions of P.L. 2003, c.122 (Fiscal Year 2004 Appropriations Act).

**30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT**

**34. EDUCATIONAL SUPPORT SERVICES**

**OBJECTIVES**

- To provide statewide coordination for the effective and efficient use of technology to enhance instruction for student achievement of the Core Curriculum Content Standards.
- To ensure that all schools and districts meet State standards for a thorough and efficient system of education, pursuant to the Comprehensive Educational Improvement and Financing Act of 1996 and other laws and regulations.
- To provide educational improvement and technical assistance to local school districts in the areas of needs assessment, planning, dissemination, diffusion, development, evaluation, and staff in-service training.
- To provide curriculum leadership for local school districts in various instructional areas.
- To establish curriculum frameworks, which can guide the districts' instructional decisions for schools and teachers in designing programs to meet the content standards in all subject areas.
- To create comprehensive assessments which will measure students' progress toward achieving the new content standards.
- To design and implement mandated professional development for teachers to enable them to accomplish these new educational initiatives in schools across the state.
- To approve college teacher training programs based on professional standards and issue educational certificates upon verification of eligibility.
- To provide oversight and guide implementation of the Charter School Program Act of 1995.
- To ensure that young children are ready to learn the Core Curriculum Content Standards in all districts receiving Early Childhood Program Aid, including districts that have contracted services from Department of Human Services-licensed child care providers.
- To provide technical and financial assistance for transportation of public and nonpublic students at minimum expense to the State and local school districts.

- To ensure provision of suitable educational facilities in local school districts through inspections and financial assistance.
- To assist the schools in understanding the comprehensive and challenging K-12 curriculum content areas and communicate the depth and scope of the standards and frameworks.
- To maximize resources to support the Department's mission and priorities; to assure accountability for use of the Department's grant resources.
- To provide program resources, technical assistance and demonstration projects supporting school efforts to reduce student violence and disruption, so that school environments are safe, disciplined, and conducive to learning.

**PROGRAM CLASSIFICATIONS**

- Educational Technology.** Directs a number of projects to accelerate infusion of technology and infrastructure for statewide connectivity so that all students will have access to resources needed to achieve the Core Curriculum Content Standards. Coordinates planning and collaborative efforts with State agencies, the 21 county coordinating councils for technology, the Abbott Consortium for Technology, State and national professional organizations, higher education institutions, business/industry, libraries and projects that include working with the Educational Technology Training Centers on major educational technology initiatives.
- Educational Programs and Assessment.** Coordinates the standards-based reform initiatives, oversees the revision of the Core Curriculum Content Standards, develops general curriculum frameworks, provides technical assistance to teachers and administrators, and identifies and promotes research-based programs to assist school improvement efforts in such areas as mathematics, language arts literacy (to include reading, writing, listening, viewing and speaking), science, the arts, social studies, world languages, gifted education, comprehensive health/physical education, technological literacy, and career education and consumer, family and life skills. Provides support for programmatic initiatives such as No Child Left Behind, the Statewide Systemic Initiative to Reform Mathematics, Science and Technology

aligned to the Core Curriculum Content Standards and the Title II A, Teacher Quality grant program.

To ensure greater equity in the quality of instruction across the State, curriculum frameworks have been developed in eight areas, including the arts, health/physical education, language arts literacy, mathematics, science, social studies, world languages, and cross content workplace readiness standards (now the technological literacy and career education and consumer, family and life skills). To assist all students in achieving the high expectations of the standards, it is necessary for teachers to maintain currency in their fields. All teachers are required to complete 100 hours of State-approved continuing education every five years effective September 2000. The division is also responsible for overseeing the development of standards for teachers and administrators, professional development initiatives, the National Board for Professional Teaching Standards subsidy program and the State Action for Education Leadership Project (SAELP).

The statewide assessment program includes testing in language arts literacy and mathematics at the elementary, middle and high school levels. Science assessments will be phased in. All assessments are based on the Core Curriculum Content Standards in the academic areas being assessed.

Additionally, the division has a quality preparation initiative unit that will provide services to the higher education community in areas such as, but not limited to, review of teacher education programs, accreditation, and the teacher quality initiative.

The division also administers the Governor's Literacy Initiative and the federal Reading First program, both geared at ensuring that all children read at or above grade level by the end of the third grade.

The division also administers a program intended to increase the number of teachers in New Jersey schools as well as to ensure that all new teachers in the state are highly qualified. The program employs several strategies, including partnerships with college and university placement offices and a public relations campaign promoting careers in education. The division is working collaboratively with key higher education administrators and faculty to ensure the success of this program.

31. **Grants Management.** The Office of Grants Management establishes and maintains systems to acquire, manage and distribute approximately \$700 million in State and federal grant funds to school districts, colleges, community-based organizations and other eligible grant recipient agencies in a manner that supports initiatives that enhance the educational experience of children and adult learners and that promote statewide educational excellence. The grant management systems are designed to ensure efficiency, accountability and integrity in the management of the Department's subgrant funds. The office provides assistance to program units in the development of requests for proposals, guidelines and applications. Specifically, this office coordinates application receipt, evaluation/review, and notifications; award management, contract modification, and carryover approvals; and audit controls including central file maintenance and public records. The Office of Grant Appeals and Funding Acquisition facilitates the Department's efforts to identify and obtain new resources and to coordinate or consolidate existing resources to support educational priorities.

32. **Professional Development and Licensure.** The Office of Licensure and Credentials assures that educational personnel meet minimum professional qualifications (N.J.S.A. 18A:6-38 et seq.) by setting standards for approval of teacher education programs; providing professional assistance to establish, evaluate and approve college programs which lead to licensure; providing technical assistance to county and district offices; coordinating the employment and training of professional educators; determining licensure eligibility for in-state and out-of-state applicants; issuing professional certificates, and evaluating existing certificates. In addition, the office administers the State Board of Examiners. Office functions are supported by a fee structure.
33. **Service to Local Districts.** Consists of the following regulatory functions: the tasks of educational planning and evaluation/accreditation (required by N.J.S.A. 18A:7A-1 et seq.); accelerated intervention of Level II districts, including an external team review and report and review and approval of corrective action plans and quarterly progress reports; review and approval of school district budgets for all districts receiving early childhood and demonstrably effective program aid, audits and spending growth limitation increases; supervision of school and special elections; review and approval of private schools for the disabled; and oversight of transportation, teacher certification and reporting procedures. These functions are performed by the Department's county and regional offices, which also maintain liaison between the local school districts and the Department.
34. **Office of School Choice.** This office is responsible for the implementation and oversight of the Charter School Program Act of 1995, which allows for the creation of new types of public schools to provide parents and students with a variety of educational options. Charter schools are designed to stimulate reform in the traditional public school system and serve as one of the State's strategies to bring about significant improvements in student achievement. In addition, the office administers the Inter-district Public School Choice Program.
35. **Early Childhood Education.** The Office of Early Childhood Education is responsible for the oversight of early childhood education statewide. The office is responsible for the development, administration and implementation of early childhood education and coordination with other K-12 initiatives. The office coordinates policy, program development, and evaluation for early childhood education in accordance with State mandates. The office has developed Abbott Preschool Program Implementation Guidelines that provide instructions for districts on developing their program plans to assure accountability and implementation of early childhood programs. The office provides technical support and oversight to school districts; reviews literature; collaborates with other State departments and State and national experts on early childhood education; organizes and facilitates the delivery of professional development; and develops evaluation data to track the progress and implementation of early childhood education programs.
36. **Pupil Transportation.** Monitors, analyzes and evaluates local districts' transportation systems and records in order to increase the safety, cost-effectiveness and accountability of transportation operations. Develops safety education programs and provides technical assistance to local boards of education to promote safety and to efficiently administer transportation services. The Department trains county and local district personnel to administer transportation services according to statute and code. Transportation Aid is provided

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to local school districts for students who are required to be transported according to N.J.S.A. 18A:39-1 et seq. and N.J.S.A. 18A:46-23 as amended, based on the efficient costs of transporting pupils. The efficient costs are based on per-pupil allocations for pupils with and without special transportation requirements, and adjusted for the average distance pupils reside from school, and an incentive factor.

37. **Abbott Implementation.** The Abbott Implementation Division was created to bring together the Department's activities supporting the implementation of the Abbott v. Burke decisions. Abbott Implementation will focus on high quality early childhood education for 3 and 4 year-olds that will ensure that every child will be reading at or above grade level by the end of third grade; literacy instruction and a literacy-rich curriculum in the primary grades; small classes; the development of research-based educational programs designed to close the achievement gap between urban and suburban students; continuous school improvement through the use of a data-driven accountability system; standards-driven school improvement to ensure that every student is provided the opportunity to achieve the Core Curriculum Content Standards; professional development focused on improving classroom instruction; collaboration with all stakeholders, including the Education Law Center, district and school staff, parents, and representatives from higher education, professional organizations and the community at large; school-based decision-making relying on fruitful collaboration and cooperation with the district's central office; and fiscal accountability to improve efficiency and effectiveness of Abbott spending.

The Abbott Implementation Division also oversees the three State-operated school districts (Newark, Paterson, and Jersey City) as well as Abbott-related activities of the Office of Early Childhood Education.

38. **Facilities Planning and School Building Aid.** Approves architectural review, master plans, and site acquisitions; evaluates facilities for educational adequacy, health and safety; and periodically surveys public school buildings. Reviews and approves long-range facilities plans, as well as applications for school facilities projects. Project review includes the determination of consistency with the district's long-range plan and compliance with facilities efficiency

standards and area allowances per FTE student derived from those standards. Based on that review, the preliminary eligible costs for State financing will be calculated. School Building Aid provides State support for debt service on projects approved prior to the enactment of the Educational Facilities Construction and Financing Act of 2000 (EFCFA). The School Construction and Renovation Fund provides for State debt service and increased aid for local debt for school construction projects approved under the provisions of EFCFA.

39. **Teachers' Pension and Annuity Assistance.** The State provides the employer's share to the Teachers' Pension and Annuity Fund (N.J.S.A. 18A:66-33) in amounts actuarially determined by using experience of the preceding year as certified to the Governor by the Fund's Board of Trustees. All public school teachers are required to contribute to the Fund, except for optional participation of certain persons based on age, veteran's status or teacher status prior to specified dates. Janitorial employees of local boards of education also are covered.

40. **Health, Safety, and Community Services.** Provides statewide leadership to assist school districts in promoting positive student development and behavior. Specifically, the Department develops and implements policy and programs in the following areas: violence prevention, substance abuse prevention and education, comprehensive health education, suicide prevention, school health services, HIV/AIDS education, family life education, bilingual education, character education, equal education opportunities, adult literacy, and basic skills.

Holocaust and Genocide Education was mandated by the State Legislature in 1994. The New Jersey Commission on Holocaust Education has as its central mission the study, development, recommendation and dissemination of curricular materials to local school districts on a wide range of genocides, with the goal of eradicating ethnic and racial intolerance, and fostering tolerance for cultural diversity. The Commission coordinates activities to assist districts in implementing the mandate, including the dissemination of instructional materials, the provision of staff training, and the establishment of Holocaust Education demonstration sites.

## EVALUATION DATA

PROGRAM DATA	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
<b>Grants Management</b>				
Discretionary Contracts Awarded Annually . . . . .	500	599	576	576
Entitlement Contracts Awarded Annually . . . . .	4,732	5,042	4,848	4,848
<b>Professional Development And Licensure</b>				
Annual Evaluations (Non-Issuance) . . . . .	7,982	8,320	8,000	8,000
Certificates Awarded Annually . . . . .	17,121	16,640	16,500	16,500
Academic Credentials Issued Annually . . . . .	485	416	400	400
County Substitute Certificate Applications Received Annually . . . . .	9,558	15,004	10,000	10,000
Certificates of Eligibility Issued Annually . . . . .	14,641	14,460	14,000	14,000
Training Contracts Approved Annually . . . . .	7,527	7,241	8,000	8,000
Annual Induction Evaluations . . . . .	22,581	21,723	24,000	24,000

	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
<b>Service To Local Districts</b>				
Needs Identified				
Districts Monitored Annually .....	77	125	147	150
School Level Objectives Approved Annually .....	4,500	4,500	4,500	4,500
Level II and Level III Monitors of School Districts				
Annually .....	9	9	9	9
Assistance Rendered				
Districts Certified Annually .....	26	73	62	70
Districts Conditionally Certified for One Year Annually ..	51	52	85	80
District Objectives Achieved Annually .....	4,300	4,300	4,300	4,300
Curriculum Assistance				
Staff Time Spent on Compliance Assistance .....	25%	25%	25%	25%
Staff Time Spent on Regulatory Functions .....	25%	25%	25%	25%
Staff Time Spent on Curriculum Assistance .....	25%	25%	25%	25%
Staff Time Spent on Program Improvement Assistance ..	25%	25%	25%	25%

**PERSONNEL DATA**

**Position Data**

Filled Positions by Funding Source

State Supported .....	313	303	320	349
Federal .....	64	62	68	86
All Other .....	1	1	1	1
Total Positions .....	378	366	389	436

Filled Positions by Program Class

Educational Technology .....	10	5	4	4
Educational Programs and Assessment .....	60	64	94	112
Grants Management .....	22	23	35	38
Professional Development and Licensure .....	31	29	32	35
Service to Local Districts .....	101	89	82	65
Office of School Choice .....	16	16	10	10
Early Childhood Education .....	10	14	13	21
Pupil Transportation .....	7	7	6	6
Abbott Implementation .....	59	67	63	85
Facilities Planning and School Building Aid .....	38	35	33	35
Health, Safety and Community Services .....	24	17	17	25
Total Positions .....	378	366	389	436

**Notes:**

Actual payroll counts are reported for fiscal years 2002 and 2003 as of December and Revised fiscal year 2004 as of September. The Budget Estimate for fiscal year 2005 reflects the number of positions funded.

**APPROPRIATIONS DATA**  
(thousands of dollars)

Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2004 Prog. Adjusted Class. Approp.	Requested	Recom- mended	
<b><u>DIRECT STATE SERVICES</u></b>									
<b>Distribution by Fund and Program</b>									
231	---	---	231	231	Educational Technology	29	218	218	218
20,916	391	9,000	30,307	22,657	Educational Programs and Assessment	30	27,144	25,919	25,919
445	---	---	445	444	Grants Management	31	690	528	528
1,939	1,699	---	3,638	3,399	Professional Development and Licensure	32	2,143	2,143	2,143
6,639	---	---	6,639	6,634	Service to Local Districts	33	6,196	5,013	5,013
849	---	-1	848	847	Office of School Choice	34	659	659	659
510	---	-389	121	121	Early Childhood Education	35	120	120	120
401	---	---	401	394	Pupil Transportation	36	415	415	415





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Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recommended	
<b>GRANTS-IN-AID</b>									
868	---	---	868	399	Teacher Recruitment	30	589	415	415
10,000	---	-9,000	1,000	372	Governor's Literacy Initiative	30	750	750	750
---	---	---	---	---	Teacher Preparation	30	350	350	350
318	---	---	318	2	Asthma Nebulizers	40	---	---	---
<b>STATE AID</b>									
<b>Distribution by Fund and Program</b>									
23,855	---	-3,388	20,467	16,169	Office of School Choice	34	17,337	19,969	19,969
23,855	---	-3,388	20,467	16,169	<i>(From Property Tax Relief Fund)</i>		17,337	19,969	19,969
303,587	---	-14,766	288,821	288,551	Pupil Transportation	36	306,987	307,287	307,287
303,587	---	-14,766	288,821	288,551	<i>(From Property Tax Relief Fund)</i>		306,987	307,287	307,287
149,307	68,936	---	218,243	214,992	Facilities Planning and School Building Aid	38	238,550	275,148	275,148
144,775	68,936	---	213,711	210,464	<i>(From General Fund)</i>		236,951	274,193	274,193
4,532	---	---	4,532	4,528	<i>(From Property Tax Relief Fund)</i>		1,599	955	955
971,454	---	24,672	996,126	989,020	Teachers' Pension and Annuity Assistance	39	1,184,075	1,318,871	1,318,871
---	---	---	---	---	Health, Safety, and Community Services	40	---	15,000	15,000
<b>1,448,203</b>	<b>68,936</b>	<b>6,518</b>	<b>1,523,657</b>	<b>1,508,732</b>	<b>Total State Aid</b>		<b>1,746,949</b>	<b>1,936,275</b>	<b>1,936,275</b>
1,116,229	68,936	24,672	1,209,837	1,199,484	<i>(From General Fund)</i>		1,421,026	1,608,064	1,608,064
331,974	---	-18,154	313,820	309,248	<i>(From Property Tax Relief Fund)</i>		325,923	328,211	328,211
<b>Distribution by Fund and Object</b>									
State Aid:									
3,755	---	-188	3,567	3,567	Office of School Choice (PTRF)	34	6,537	7,969	7,969
14,500	---	-3,200	11,300	7,828	Charter School Aid (PTRF)	34	5,500	6,500	6,500
5,600	---	---	5,600	4,774	Charter Schools - Council on Local Mandates Decision Offset Aid (PTRF)	34	5,300	5,500	5,500
303,187	---	-14,766	288,421	288,421	Transportation Aid (PTRF)	36	305,652	307,187	307,187
400	---	---	400	130	School Bus Crossing Arms (PTRF)	36	300	100	100
4,532	---	---	4,532	4,528	School Building Aid Debt Service (PTRF)	38	1,599	955	955
137,858	---	31,184	169,042	169,042	School Building Aid	38	129,101	121,272	121,272
6,917	43,500 25,436 <sup>R</sup>	-31,184	44,669	41,422	School Construction & Renovation Fund <sup>(d)</sup>	38	107,350	152,921	152,921
269,656	---	26,072	295,728	292,178	Teachers' Pension and Annuity Fund - Post Retirement Medical	39	424,035	524,979	524,979
576,550	---	-1,400	575,150	571,752	Social Security Tax	39	611,143	632,100	632,100
1	---	---	1	1	Minimum Pension for Pre-1955 Retirees	39	1	1	1
48,348	---	2,972	51,320	51,320	Post Retirement Medical Other Than TPAF	39	65,384	82,012	82,012
76,899	---	-2,972	73,927	73,769	Debt Service on Pension Obligation Bonds	39	83,512	79,779	79,779
---	---	---	---	---	New Jersey After 3	40	---	15,000	15,000
<b>1,506,363</b>	<b>72,394</b>	<b>5,178</b>	<b>1,583,935</b>	<b>1,557,557</b>	<b>Grand Total State Appropriation</b>		<b>1,798,497</b>	<b>1,987,153</b>	<b>1,987,153</b>

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Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recommended	
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
14,250	515	299	15,064	11,634	Educational Technology	29	13,274	13,274	13,274
94,791					Educational Programs and Assessment	30	100,851	100,851	100,851
244 <sup>S</sup>	3,494	-434	98,095	86,877			449 <sup>S</sup>		
1,884	162	-490	1,556	1,072	Grants Management	31	2,460	2,460	2,460
2,715	972	-342	3,345	1,633	Service to Local Districts	33	2,003	2,003	2,003
236	17	-36	217	142	Office of School Choice	34	190	190	190
---	21,201	---	21,201	21,201	Facilities Planning and School Building Aid	38	---	---	---
20,191					Health, Safety, and Community Services	40	27,931	27,931	27,931
148 <sup>S</sup>	2,176	1,061	23,576	19,460					
<u>134,459</u>	<u>28,537</u>	<u>58</u>	<u>163,054</u>	<u>142,019</u>	<b>Total Federal Funds</b>		<u>147,158</u>	<u>146,709</u>	<u>146,709</u>
<b>All Other Funds</b>									
---	18	---	141	80	Educational Technology	29	129	129	129
---	123 <sup>R</sup>	---			Educational Programs and Assessment	30	797	51	51
---	110	---	4,201	260	Professional Development and Licensure	32	1,913	2,004	2,004
---	4,091 <sup>R</sup>	---	4,000	1,291	Early Childhood Education	35	2,638	2,702	2,702
---	2,041	---	1,904	1,904	Abbott Implementation	37	11,287	11,751	11,751
---	1,959 <sup>R</sup>	---	7,733	7,733	Facilities Planning and School Building Aid	38	561	737	737
---	1,904 <sup>R</sup>	---	---	---	Health, Safety, and Community Services	40	290	290	290
---	7,733 <sup>R</sup>	---	---	---					
---	---	---	---	---	<b>Total All Other Funds</b>		<u>17,615</u>	<u>17,664</u>	<u>17,664</u>
---	261	---	316	250	<b>GRAND TOTAL ALL FUNDS</b>		<u>1,963,270</u>	<u>2,151,526</u>	<u>2,151,526</u>
---	55 <sup>R</sup>	---	18,295	11,518					
---	18,295	---	1,765,284	1,711,094					
<u>1,640,822</u>	<u>119,226</u>	<u>5,236</u>							

**Notes -- Direct State Services - General Fund**

- (a) The fiscal year 2004 appropriation has been adjusted for the allocation of salary program in accordance with the provisions of P.L. 2003, c.122 (Fiscal Year 2004 Appropriations Act), and includes \$258,000 in appropriated receipts.
- (b) Appropriation of \$100,000 distributed to applicable operating accounts.

**Notes -- Grants-In-Aid - General Fund**

- (c) The fiscal year 2003 data has been adjusted to reflect the transfer of the Liberty Science Center - Educational Services from the Interdepartmental accounts.

**Notes -- State Aid - General Fund**

- (d) The fiscal year 2003 data has been adjusted to reflect the transfer of the School Construction and Renovation Fund from the Department of Treasury.

**Language Recommendations -- Direct State Services - General Fund**

Receipts from the NJ School of the Arts and the unexpended balance of such receipts as of June 30, 2004, are appropriated for the cost of operation.

From the amount appropriated hereinabove for the Governor's Literacy Initiative, the sum of \$300,000 may be transferred to the Commission for the Blind and Visually Impaired for increased Braille lessons for blind children, subject to the approval of the Director of the Division of Budget and Accounting.

From the amount appropriated hereinabove for the Governor's Literacy Initiative, such additional sums as are necessary to fund grant agreements with eligible school districts for the continuation of reading coach services may be transferred to the Governor's Literacy Initiative account in grants-in-aid, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from the State Board of Examiners' fees in excess of those anticipated, not to exceed \$700,000, and the unexpended program balances of such receipts as of June 30, 2004, are appropriated for the operation of the Professional Development and Licensure programs.

The unexpended balance as of June 30, 2004, in the inspection of school construction account and receipts in excess of the amount anticipated, are appropriated for the operation of the school construction inspection program.

**Language Recommendations -- Grants-In-Aid - General Fund**

The amount appropriated hereinabove for the Governor's School is payable to the six Governor's Schools: The College of New Jersey - Governor's School of the Arts, The Richard Stockton College of New Jersey - Governor's School of Environment, Monmouth University - Governor's School of Public Issues, Drew University - Governor's School in the Sciences, Ramapo College of New Jersey - Governor's School of International Studies, and Rutgers, The State University - Governor's School of Engineering and Technology.

The amount hereinabove for the Liberty Science Center Educational Services shall be used to provide educational services to students in the "Abbott districts" in the science education component of the comprehensive core curriculum standards as established by law.

The amount appropriated hereinabove for the Teacher Recruitment program shall be expended for the fourth-year incentives for teachers deemed eligible for this program in fiscal 2004 in accordance with provisions established by the Department of Education, and who continue to teach preschool in a district defined as an "Abbott district" under section 3 of P.L. 1996, c. 138 (C.18A:7F-3), or for a community provider under contract with an "Abbott district" to provide preschool programs to 3 and 4 year old children. Incentives will be provided to eligible teachers to have a portion of their outstanding student loan indebtedness cancelled and/or to receive tuition reimbursement for graduate studies at any of New Jersey's four-year colleges and universities. The total value of the incentives for High Achiever recipients is up to \$3,333 and up to \$2,167 for Regular Achiever recipients. In order to maintain eligibility in the program, the school districts in which the teachers are working or in which they are employed by a community provider under contract with the district must maintain a participation agreement with the department and the district must provide, in a manner specified by the department, information regarding the teachers qualified for incentives working in said district and certifications of completion of a full year of teaching service. Incentives may only be paid upon satisfactory completion of a full year of teaching service and will be contingent upon the teacher's completion of all applicable professional development requirements and other conditions of employment, such as satisfactory evaluations by supervisors and submission of documentation as may be required by the department.

**Language Recommendations -- State Aid - General Fund**

Of the amount appropriated hereinabove for School Building Aid, the calculation of each eligible district's allocation shall include the amount based on school bond and lease purchase agreement payments for interest and principal payable during the 2004-2005 school year pursuant to section 10 of P.L. 2000, c.72 (C.18A: 7G-10) and the adjustments required based on the difference between the amounts calculated using actual 2002-2003 principal and interest amounts and the amounts allocated and paid in 2002-2003.

Notwithstanding the provisions of section 9 of P.L. 2000, c.72 (C.18A:7G-9), for the purpose of calculating a district's State debt service aid, "DAP x 1.15" shall not be less than 40%. Notwithstanding the provisions of section 10 of P.L.2000, c.72 (C.18A:7G-10), for the purposes of calculating aid, CCSAID will be equal to the district's core curriculum standards aid calculated pursuant to section 15 of P.L.1996, c.138 (C.18A:7F-15) for fiscal 2002 and TEBUD shall be equal to the district's T&E budget calculated pursuant to subsection d. of section 13 of P.L.1996, c.138 (C.18A:7F-13) for fiscal 2002.

Of the amount hereinabove for School Construction and Renovation Fund, an amount equal to the total earnings of investments of the School Fund shall first be charged to such fund.

In addition to the sum hereinabove appropriated to make payments under the contracts authorized pursuant to section 18 of P.L. 2000, c.72 (C.18A:7G-18), there are hereby appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

The unexpended balance as of June 30, 2004 in the School Construction and Renovation Fund account is appropriated for the same purpose.

Notwithstanding any provision of law to the contrary, in addition to the amount hereinabove appropriated for the Teachers' Pension and Annuity Fund - Post Retirement Medical, there is hereby appropriated an amount as determined by the State Treasurer to fund the pension cost contribution by the State to the Teachers' Pension and Annuity Fund, payment for which shall be credited against amounts on deposit in the Benefit Enhancement Fund created pursuant to P.L. 2001, c. 133, section 1.

Such additional sums as may be required for Teachers' Pension and Annuity Fund - Post Retirement Medical and Post Retirement Medical Other Than TPAF are appropriated, as the Director of the Division of Budget and Accounting shall determine.

In addition to the amounts hereinabove for Social Security Tax, there are appropriated such sums as are required for payment of Social Security Tax on behalf of members of the Teachers' Pension and Annuity Fund.

The sums provided hereinabove for New Jersey After 3, Inc. shall be conditioned upon the State Treasurer and the grant recipient entering into a grant agreement; shall be available for grants and reasonable administrative costs of New Jersey After 3, Inc. and shall be available for funding programs, activities, functions and facilities consistent with recommendations and proposals of the New Jersey After 3 Advisory Committee.

**Language Recommendations -- State Aid - Property Tax Relief Fund**

Notwithstanding the provisions of P.L. 1999, c.413 (C.18A:36B-1 et seq.), for purposes of the calculation of 2004-2005 choice aid, the projected enrollment of choice students shall be the sum of the actual choice students reported in the October 15, 2003 Application for State School Aid inflated by the choice district's growth rate and the new choice students accepted during the first application cycle and the estimated second cycle acceptances for the 2004-2005 school year.

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Notwithstanding the provisions of section 2 of P.L.1999, c.385, amounts appropriated hereinabove for Charter School aid shall be used to distribute aid to any charter school which operates a full-day kindergarten program and which is located in an "Abbott district" in accordance with the formula contained in section 1 of P.L. 1999, c. 385, except that "KPP" which is defined therein as the amount paid by the district to the charter school for each kindergarten pupil pursuant to section 12 of P.L. 1995, c.426 (C.18A:36A-12), shall be the sum of the amount paid by the district and the State to the charter school for each kindergarten pupil; to distribute \$40 for each student enrolled in the charter school; and to distribute aid to charter schools pursuant to the provisions of subsection d. of section 12 of P.L. 1995, c.426 (C.18A:36A-12).

Notwithstanding the provisions of section 2 of P.L.1999, c.385, in addition to the amounts hereinabove for Charter School aid, there are appropriated such sums as are necessary to distribute an amount equal to the difference between the per pupil T&E amount for a given grade level and the program budget of an "Abbott district" when that "Abbott district's" program budget is below the T&E amount, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 12 of P.L.1995, c.426 (C.18A:36A-12) and any other provision to the contrary, if necessary, the State shall pay on behalf of a resident district an amount not to exceed the difference between the district's 2004-2005 total actual charter school payment and the estimated appropriations used in completing the school district's 2003-2004 budget as stated in the 2003-2004 Potential Charter School Aid notification letter.

Notwithstanding the provisions of section 1 of P.L.1997, c.53 (C.18A:39-11.1) districts shall not be reimbursed for administrative fees paid to Cooperative Transportation Service Agencies.

Notwithstanding the provisions of section 2 of P.L.1981, c.57 (C.18A:39-1a) and any other law or provision to the contrary, the maximum amount of nonpublic school transportation costs per pupil provided for in N.J.S. 18A:39-1 shall equal \$751.

For any school district receiving amounts from the amount appropriated hereinabove for Pupil Transportation, and notwithstanding the provisions of N.J.S. 18A:39-1 to the contrary, if the school district is located in a county of the third class or a county of the second class with a population of less than 235,000, according to the 1990 federal decennial census, transportation shall be provided to school pupils residing in this school district in going to and from any remote school other than a public school, not operated for profit in whole or in part, located within the State not more than 30 miles from the residence of the pupil.

Notwithstanding the provisions of N.J.S. 39:3B-1.2 and N.J.S. 39:3B-1.3 or any other law or regulation to the contrary, the amount appropriated hereinabove for School Bus Crossing Arms will be provided to the owners of newly manufactured vehicles equipped with a crossing control arm with a manufacture date of 2004 or later, as noted on the vehicle registration, upon submission to the Department of Education of a complete application for reimbursement within one year of the vehicle purchase date.

## 30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT

### 35. EDUCATION ADMINISTRATION AND MANAGEMENT

#### OBJECTIVES

1. To plan, execute, monitor and evaluate the management of the administrative, programmatic and fiscal affairs of the Department consistent with State Board rules and State and federal regulations.
2. To provide assistance to local school districts in the administration of their financial and accounting procedures.
3. To maintain the Department's budgetary, human resource and support services.
4. To compute and distribute State aid; to provide payment of federal aid and to advise districts on borrowing funds.
5. To provide local school district personnel with assistance in their budgeting, accounting, fiscal, and recordkeeping activities; and to collect, edit, review and compile statistical information for the Commissioner's Annual Report.
6. To provide Department level executive and management leadership in implementing laws affecting the educational system of the State.
7. To support the State Board of Education in its function of establishing goals and policies as well as resolving conflicts in the educational system.
8. To improve fiscal and management practices of local school districts and the Department.

#### PROGRAM CLASSIFICATIONS

42. **School Finance.** Responsible for the calculation and distribution of Education State Aid in accordance with the applicable statutes; provides leadership in the development of

uniform school district accounting and administrative practices; provides support for research and consulting services for start-up requirements needed for reorganization under N.J.S.A. 18A:7A-1 et seq., including an analysis of school business practices, dissemination of modern budgeting materials, and further design of reporting requirements.

43. **Compliance and Auditing.** Provides the auditing capability to examine how money is used in local school districts; monitors Department fiscal activities and investigates complaints of irregularities or improprieties in the Department, school districts, and other entities receiving educational funding. Performs background checks of applicants for positions with local school districts.

99. **Administration and Support Services.** Provides Department-wide general administrative support services including printing, mail, personnel, administrative services, payroll, budget and accounting, and information processing.

Additional responsibilities include providing support for the State Board of Education, monitoring public funds and programs designed to benefit pupils in nonpublic schools, and assisting the Commissioner in developing policy positions on legislative initiatives.

Commissioner's Office--The Commissioner is appointed by the Governor to serve as the official agent of the State Board of Education and chief executive and administrative officer of the Department (N.J.S.A. 18A:4-22 and N.J.S.A. 18A:4-35) and is responsible for assisting the Board, implementing the Board's policy and laws affecting education, and deciding controversies and disputes presented to the Department.

The School Ethics Commission (N.J.S.A. 18A:12-21 et seq.)--The Commission is responsible for collecting, retaining, and reviewing financial and personal/relative disclosure statements from all local school board members and administrators as set forth by the School Ethics Act, and rendering decisions on alleged violations of that Act.

The State Board of Education (N.J.S.A. 18A:4-3 et seq.)--Consisting of 13 members appointed by the Governor with the consent of the Senate, the Board sets policy for the Department and hears appeals from the Commissioner's decisions on controversies and disputes. Numerous citizens' councils are formally established to provide advice to the Department in specific areas of responsibility.

**EVALUATION DATA**

	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
<b>PROGRAM DATA</b>				
<b>Compliance and Auditing</b>				
Annual Compliance and Fiscal Reviews of School Districts . . . . .	2	4	4	4
Annual Audits of Applications for State School Aid . . . . .	48	50	50	50
Annual Monitoring of Private Schools for the Disabled . . . . .	5	16	30	35
Annual Audits of Title I Funds . . . . .	25	44	40	40
Annual Grant Audits . . . . .	6	13	26	26
 <b>PERSONNEL DATA</b>				
<b>Affirmative Action Data</b>				
Male Minority . . . . .	70	70	66	70
Male Minority % . . . . .	6.9	7.3	7.0	7.4
Female Minority . . . . .	185	190	192	195
Female Minority % . . . . .	18.2	19.8	20.4	20.7
Total Minority . . . . .	255	260	258	265
Total Minority % . . . . .	25.0	27.0	27.4	28.1
 <b>Position Data</b>				
<b>Filled Positions by Funding Source</b>				
State Supported . . . . .	195	164	166	174
Federal . . . . .	42	45	42	51
All Other . . . . .	30	23	29	31
Total Positions . . . . .	267	232	237	256
<b>Filled Positions by Program Class</b>				
School Finance . . . . .	53	44	44	42
Compliance and Auditing . . . . .	27	26	27	33
Administration and Support Services . . . . .	187	162	166	181
Total Positions . . . . .	267	232	237	256

**Notes:**

Actual payroll counts are reported for fiscal years 2002 and 2003 as of December and Revised fiscal year 2004 as of September. The Budget Estimate for fiscal year 2005 reflects the number of positions funded.

**APPROPRIATIONS DATA**  
(thousands of dollars)

Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recom- mended	
<b><u>DIRECT STATE SERVICES</u></b>									
<b>Distribution by Fund and Program</b>									
3,150	18	1	3,169	3,145	42	3,226	3,152	3,152	
2,372	---	---	2,372	2,371	43	2,290	1,690	1,690	
8,848	---	70	8,918	8,892	99	10,672	10,768	10,768	
<b>14,370</b>	<b>18</b>	<b>71</b>	<b>14,459</b>	<b>14,408</b>	<b>Total Direct State Services</b>	<b>16,188 <sup>(a)</sup></b>	<b>15,610</b>	<b>15,610</b>	

# EDUCATION

Year Ending June 30, 2003					Year Ending June 30, 2005			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recommended
<b>DIRECT STATE SERVICES</b>								
<b>Distribution by Fund and Object</b>								
Personal Services:								
11,979	---	70	12,049	12,039		12,437	12,283	12,283
Salaries and Wages								
<u>11,979</u>	<u>---</u>	<u>70</u>	<u>12,049</u>	<u>12,039</u>		<u>12,437</u>	<u>12,283</u>	<u>12,283</u>
304	---	-46	258	258		300	300	300
Materials and Supplies								
1,101	---	17	1,118	1,115		1,092	1,092	1,092
Services Other Than Personal								
67	---	7	74	59		67	67	67
Maintenance and Fixed Charges								
Special Purpose:								
74	---	---	74	74				
Educational Facilities								
	18	---	18	---	42	74	---	---
Construction - Finance								
---	---	---	595	595	42	---	---	---
CEIFA Implementation								
595 <sup>S</sup>	---	---	50	49	43	600 <sup>S</sup>	---	---
Internal Auditing								
50	---	---	---	---	99	50	50	50
State Board of Education Expenses								
---	---	---	---	---	99	1,500	1,500	1,500
Student Registration and Record System								
68	---	---	68	68	99	68	68	68
Affirmative Action and Equal Employment Opportunity Program								
---	---	---	---	---	99	---	250	250
Efficiency and Effectiveness Study								
132	---	---	132	132	99	---	---	---
Educational Facility Construction Financing - Technology Administration								
---	---	23	23	19	99	---	---	---
Additions, Improvements and Equipment								
<b>CAPITAL CONSTRUCTION</b>								
<b>Distribution by Fund and Program</b>								
---	1,259	-1	1,258	762	99	---	---	---
Administration and Support Services								
<u>---</u>	<u>1,259</u>	<u>-1</u>	<u>1,258</u>	<u>762</u>		<u>---</u>	<u>---</u>	<u>---</u>
<b>Total Capital Construction</b>								
<b>Distribution by Fund and Object</b>								
<b>Technology Services</b>								
---	1	-1	---	---	99	---	---	---
Capital Project for Cabling of 225 East State Street								
<b>Division of Administration</b>								
---	831	---	831	762	99	---	---	---
Roof Replacement and HVAC Repairs, Regional Day Schools								
---	427	---	427	---	99	---	---	---
Fire Sprinkler Systems, Various Regional Day Schools								
<u>14,370</u>	<u>1,277</u>	<u>70</u>	<u>15,717</u>	<u>15,170</u>		<u>16,188</u>	<u>15,610</u>	<u>15,610</u>
<b>Grand Total State Appropriation</b>								
<b>OTHER RELATED APPROPRIATIONS</b>								
<b>Federal Funds</b>								
599	387	17	1,003	540	43	636	636	636
Compliance and Auditing								
<u>5,310</u>	<u>641</u>	<u>-191</u>	<u>5,760</u>	<u>4,103</u>	99	<u>5,410</u>	<u>5,410</u>	<u>5,410</u>
Administration and Support Services								
<u>5,909</u>	<u>1,028</u>	<u>-174</u>	<u>6,763</u>	<u>4,643</u>		<u>6,046</u>	<u>6,046</u>	<u>6,046</u>
<b>Total Federal Funds</b>								

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Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recom- mended	
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>All Other Funds</b>									
---	---	---	---	---	42	224	232	232	
---	126	---	578	570	43	1,550	1,550	1,550	
---	452 <sup>R</sup>	---	---	---	99	---	---	---	
---	7	---	25	7					
---	18 <sup>R</sup>	---	---	---					
---	603	---	603	577					
20,279	2,908	-104	23,083	20,390	<b>GRAND TOTAL ALL FUNDS</b>		24,008	23,438	23,438

**Notes -- Direct State Services - General Fund**

- (a) The fiscal year 2004 appropriation has been adjusted for the allocation of salary program in accordance with the provisions of P.L. 2003, c.122 (Fiscal Year 2004 Appropriations Act).
- (b) Appropriation of \$132,000 distributed to applicable operating accounts.

**Language Recommendations -- Direct State Services - General Fund**

Receipts derived from fees for school district personnel background checks and unexpended balances as of June 30, 2004 of such receipts are appropriated for the cost of operation.

In addition to the amount appropriated, such sums as may be necessary for the Department of Education to conduct comprehensive compliance investigations are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting.

Additional sums as may be necessary for the Department of Education in preparation for implementation of P.L. 1987, c.399 (C.18A:7A-34 et seq.) are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee or its successor.

Additional sums as may be necessary for the Department of Education for the cost of the internal audit function in a State-operated school district pursuant to section 8 of P.L. 1987, c.399 (C.18A:7A-41) are appropriated, subject to the recommendation of the Commissioner of Education and the approval of the Director of the Division of Budget and Accounting.

## DEPARTMENT OF EDUCATION

**Language Recommendations -- Direct State Services - General Fund**

**Language Recommendations -- Grants-In-Aid - General Fund**

**Language Recommendations -- State Aid - General Fund**

Of the amount appropriated hereinabove from the General Fund for the Department of Education, such sums as the Director of the Division of Budget and Accounting shall determine from the schedule included in the Governor's Budget Message dated February 24, 2004, first shall be charged to the State Lottery Fund.

Notwithstanding any other provision of law or this act to the contrary, monies directed to be paid to the Department of Education as a result of settlement of litigation by the Board of Public Utilities or to be paid to the Department of Education in connection with a stipulation of settlement in a merger approved by the Board of Public Utilities are appropriated for the purposes specified in the settlement agreement or stipulation, subject to the approval of the Director of the Division of Budget and Accounting.

**Language Recommendations -- State Aid - General Fund**

The unexpended balances as of June 30, 2004 in the State Aid accounts, not to exceed \$650,000, are appropriated to the State Aid Supplemental Funding account.

**Language Recommendations -- State Aid - General Fund**

**Language Recommendations -- State Aid - Property Tax Relief Fund**

In the event that sufficient funds are not appropriated to fully fund any State Aid item, the Commissioner of Education shall apportion such appropriation among the districts in proportion to the State Aid each district would have been apportioned had the full amount of State Aid been appropriated.

Notwithstanding any law to the contrary, should appropriations in the Property Tax Relief Fund exceed available revenues, the Director of the Division of Budget and Accounting is authorized to transfer General Fund revenues into the Property Tax Relief Fund, providing unrestricted balances are available from the General Fund, as determined by the Director of the Division of Budget and Accounting.

Notwithstanding any other law or regulation to the contrary, each district shall receive no less of a total State aid amount payable for the 2004-2005 school year than the sum of the district's total State aid amount payable for the 2003-2004 school year for the following aid categories: Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Early Childhood Program Aid, Instructional Supplement Aid, Demonstrably Effective Program Aid, Stabilization Aid, Stabilization Aid 2, Stabilization Aid 3, Large Efficient District Aid, Aid for Districts with High Senior Citizen Populations, Regionalization Incentive Aid, Adult and

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Postsecondary Education Grants, Bilingual Education Aid, Special Education Aid, County Vocational Program Aid, Transportation Aid, School Choice, Consolidated Aid and Aid for Enrollment Adjustments, taking into consideration the June 2004 payment made in July 2004.

The Director of the Division of Budget and Accounting may transfer from one State Aid appropriations account for the Department of Education in the General Fund to another appropriations account in the same department in the Property Tax Relief Fund such funds as are necessary to effect the intent of the provisions of the appropriations act governing the allocation of State Aid to local school districts and to effect the intent of legislation enacted subsequent to the enactment of the appropriations act, provided that sufficient funds are available in the appropriations for that department.

Notwithstanding the provisions of section 8 of P.L.1996, c.138 (C.18A:7F-8), five percent of the total payments to local districts for Education Opportunity Aid, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Special Education, Transportation, Early Childhood programs, Demonstrably Effective programs, Instructional Supplement, Bilingual, County Vocational Educational program, other aid pursuant to P.L.1996, c.138, School Choice, Consolidated Aid and Additional Formula Aid, as provided by the Department of Education to the local school districts for the 2004-2005 school year in the 2004-05 General Fund and Special Revenue Fund State Aid Payments Schedule, shall be paid on the 8th and 22nd of each month from September through June, with the last school aid payment being subject to the approval of the State Treasurer.

From the amounts hereinabove, such sums as are required to satisfy delayed June 2004 school aid payments are appropriated and the State Treasurer is hereby authorized to make such payment in July 2004.

Notwithstanding any other law to the contrary, any school district receiving a final judgment or order against the State to assume the fiscal responsibility for the residential placement of a special education student shall have the amount of the judgment or order deducted from the State aid to be allocated to that district.

Notwithstanding any other law to the contrary, the Commissioner of Education may reduce State aid to a school district in which the "2004-05 Proposed Budget" per pupil "Total Administrative Costs" as shown in the "Advertised Per Pupil Cost Calculations" report of the district's budget for the 2004-2005 school year exceeds the 2002-03 actual average per pupil administrative expenditures plus one standard deviation inflated by 6.09 percent for districts in its region. The State aid reduction shall not exceed the amount of the excess or the amount of State aid awarded to the district for fiscal 2005. The administrative expenses of non-operating districts and county vocational districts shall not be used in the calculation to determine the average education expenditures and such districts shall not be subject to a reduction of State aid. The commissioner may, upon receipt of a revised district budget or Comprehensive Annual Financial Report, recalculate a district's 2004-2005 per pupil "Total Administrative Costs" and assess the district with an additional reduction or relieve the district of a previously imposed administrative spending State aid reduction.

### **Language Recommendations -- State Aid - Property Tax Relief Fund**

The Director of the Division of Budget and Accounting may transfer from one appropriations account for the Department of Education in the Property Tax Relief Fund to another account in the same department and fund such funds as are necessary to effect the intent of the provisions of the appropriations act governing the allocation of State Aid to local school districts, provided that sufficient funds are available in the appropriations for that department.