

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 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 achieve 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 which 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.

The fiscal 2004 budget for the Department of Education totals \$8.162 billion, an increase of \$367.6 million, or 4.7%, over the fiscal 2003 adjusted appropriation of \$7.795 billion.

School Aid

School Aid for fiscal 2004 is recommended at \$8.1 billion, an increase of \$373.8 million from fiscal 2003. This figure includes \$6.8 billion in Direct Aid awards to school districts. It also provides \$1.2 billion for post-retirement medical benefits and debt service on pension bonds and the employer's share of social security payments for teachers made by the State on behalf of local school districts.

The fiscal 2004 Budget recommendation includes an increase of \$100 million in formula-related and supplemental school aid - \$50 million for Abbott districts and \$50 million for other districts. Direct Aid includes the consolidation and redistribution of distance learning network aid, rewards and recognition, and aid for approved adult education and post-graduate programs in a manner that ensures that no district experiences a loss and provides additional aid to other than the wealthiest districts based on projected October 2003 enrollments.

School Construction

School Aid also includes \$111.5 million for the School Construction and Renovation Program. The fiscal 2004 funding will provide for State debt service and increased aid for recently issued local debt for school construction. Under the Educational Facilities Construction and Financing Act (EFCFA), the State will provide 100% of an Abbott district's 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 2004 Direct State Services Budget of \$59.1 million includes \$3.0 million for the operation of the Department's Office of Facilities. This office will provide extensive review of proposed facilities projects as well as ensure that districts are held strictly accountable for their use of these funds. The office will work with the New Jersey Schools Construction Corporation (SCC), a newly formed subsidiary of the Economic Development Authority (EDA). Under EFCFA, the EDA was tasked with the job of constructing school facilities projects in the 30 Abbott districts and the approximately 31 districts with an operating budget State support ratio of 55% or higher.

The Long Range Facilities Plans have been approved for the Abbott districts. The SCC is approving school facilities projects in these districts, acquiring land and beginning construction of the first new schools approved and designed under the school construction program. The SCC also will continue working with the non-Abbott districts that opt to enter into grant agreements with the SCC for the State's share of the approved eligible project costs. The Corporation has begun streamlining procedures and regulations for procurement in accordance with Executive Order #24. Under the revised process, it is anticipated that the program will require \$1 billion in additional resources in fiscal 2004 for capital construction and grants, which are planned in two \$500 million issues.

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 2004 will continue to grow from the fall 2002 enrollments. The Budget provides \$142.4 million for the expansion of preschool programs in these districts, an increase of \$30 million above the fiscal 2003 spending level.

Governor's Literacy Program

The Budget provides \$9 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 million decrease in funding leaves adequate funds to support the operation of the program in its second year.

Teacher Enhancement Programs

The Budget recommends \$850,000 for teacher preparation programs, which include development of a summer institute to provide intensive training to potential teachers choosing the alternate route and grants to help teachers seeking National Board of Professional Teaching Standards certification. Funding is also recommended to support efforts to increase the retention rates of new teachers by funding the Teacher Mentoring Program at \$2.0 million in fiscal 2004. This program

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reimburses districts for the stipends paid to experienced teachers to serve as mentors to new teachers.

Student Registration and Record System

The fiscal 2004 Budget recommends \$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 educational performance of individual students.

Grants-in-Aid

Appropriations of \$225,000 for professional development training centers and \$318,000 for asthma nebulizers are eliminated in fiscal 2004 as the program requirements have been satisfied. The Liberty Science Center subsidy of \$250,000 was eliminated because of fiscal constraints.

Continuing Programs

The Budget continues to support the Marie H. Katzenbach School for the Deaf, providing \$2.9 million in fiscal 2004.

The development of new assessments to determine student achievement of the Core Curriculum Content Standards continues in this Budget by funding Statewide Assessments at \$13.2 million, a decrease of almost \$3.0 million from fiscal 2003. This reflects a reduced need in State funding for the program based on the recently awarded contract and the availability of federal funds for testing.

The Budget continues to support \$1.7 million, a \$100,000 reduction from fiscal 2003, for grants to six higher education institutions for the Governor's School Program, a summer residential program at State college campuses offering intensive experiences for artistically and academically talented high school students. It is assumed that the grantees will pursue alternative funding sources or reduce their costs.

The Budget provides \$619,000 for the third year of recruitment incentives to increase the number of preschool teachers in all Abbott school districts. The teachers will receive partial forgiveness of outstanding student loans and/or a tuition coupon for graduate education in a New Jersey institution.

SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2002						Year Ending June 30, 2004		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2003 Adjusted Approp.	Requested	Recom- mended
57,816	6,349	2,977	67,142	58,439	Direct State Services	63,155	59,077	59,077
10,326	344	-679	9,991	4,055	Grants-In-Aid	4,415	2,623	2,623
1,067,618	69,504	-131,165	1,005,957	892,201	State Aid	2,700,422	3,211,142	2,729,266
2,930	5,092	---	8,022	1,610	Capital Construction	400	---	---
1,138,690	81,289	-128,867	1,091,112	956,305	Total General Fund	2,768,392	3,272,842	2,790,966
6,373,733	9,426	128,333	6,511,492	6,245,731	Total Property Tax Relief Fund	5,026,111	5,371,092	5,371,092
7,512,423	90,715	-534	7,602,604	7,202,036	GRAND TOTAL	7,794,503	8,643,934	8,162,058

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	2003 Adjusted Approp.	Requested	Recommended	
DIRECT STATE SERVICES - GENERAL FUND								
Direct Educational Services and Assistance								
387	---	---	387	387	Adult and Continuing Education	395	395	395
352	---	-9	343	339	Bilingual Education	205	205	205
191	---	3	194	192	Special Education	48	48	48
930	---	-6	924	918	<i>Subtotal</i>	648	648	648
Operation and Support of Educational Institutions								
3,093	1	-125	2,969	2,797	Marie H. Katzenbach School for the Deaf	2,899	2,899	2,899
Supplemental Education and Training Programs								
514	---	-6	508	508	General Vocational Education	359	359	359
Educational Support Services								
320	---	-2	318	318	Educational Technology	231	231	231
20,793	3,939	522	25,254	22,519	Educational Programs and Assessment	28,883	25,388	25,388
328	---	-1	327	326	Grants Management	445	445	445
1,771	2,177	---	3,948	2,350	Professional Development and Licensure	2,064	2,064	2,064
6,028	1	-24	6,005	5,175	Service to Local Districts	6,165	5,996	5,996
1,336	---	-4	1,332	1,303	Office of School Choice	844	844	844
558	---	---	558	437	Early Childhood Education	120	120	120
531	---	-2	529	525	Pupil Transportation	401	401	401
1,741	---	---	1,741	1,741	Abbott Implementation	371	371	371
2,770	63	2,326	5,159	2,893	Facilities Planning and School Building Aid	3,981	2,993	2,993
1,818	18	-22	1,814	1,528	Health, Safety, and Community Services	1,347	1,104	1,104
37,994	6,198	2,793	46,985	39,115	<i>Subtotal</i>	44,852	39,957	39,957
Education Administration and Management								
4,008	35	-10	4,033	3,531	School Finance	3,150	3,150	3,150
1,718	86	-4	1,800	1,713	Compliance and Auditing	2,307	1,777	1,777
9,559	29	335	9,923	9,857	Administration and Support Services	8,940	10,287	10,287
15,285	150	321	15,756	15,101	<i>Subtotal</i>	14,397	15,214	15,214
57,816	6,349	2,977	67,142	58,439	<i>Subtotal Direct State Services - General Fund</i>	63,155	59,077	59,077
57,816	6,349	2,977	67,142	58,439	TOTAL DIRECT STATE SERVICES	63,155	59,077	59,077
GRANTS-IN-AID - GENERAL FUND								
Supplemental Education and Training Programs								
3,000	---	---	3,000	---	General Vocational Education	---	---	---
Educational Support Services								
7,316	---	-669	6,647	3,837	Educational Programs and Assessment	4,097	2,623	2,623
10	344	-10	344	218	Health, Safety, and Community Services	318	---	---
7,326	344	-679	6,991	4,055	<i>Subtotal</i>	4,415	2,623	2,623
10,326	344	-679	9,991	4,055	<i>Subtotal Grants-In-Aid - General Fund</i>	4,415	2,623	2,623
10,326	344	-679	9,991	4,055	TOTAL GRANTS-IN-AID	4,415	2,623	2,623

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Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2003 Adjusted Approp.	Requested	Recom- mended	
STATE AID - GENERAL FUND								
Direct Educational Services and Assistance								
783,000	650	-270	783,380	778,681	General Formula Aid	1,429,757	1,176,530	1,176,530
97,043	---	---	97,043	87,489	Non-Public School Aid	100,899	95,276	95,276
1,712	---	100	1,812	1,682	Miscellaneous Grants-In-Aid	4,580	680	680
2,448	---	---	2,448	2,422	Adult and Continuing Education	2,448	2,448	2,448
884,203	650	-170	884,683	870,274	<i>Subtotal</i>	1,537,684	1,274,934	1,274,934
Supplemental Education and Training Programs								
1,422	---	---	1,422	1,422	General Vocational Education	5,460	5,460	5,460
Educational Support Services								
181,993	68,854	-130,995	119,852	20,505	Facilities Planning and School Building Aid	152,875	240,629	240,629
---	---	---	---	---	Teachers' Pension and Annuity Assistance	1,004,403	1,690,119	1,208,243
181,993	68,854	-130,995	119,852	20,505	<i>Subtotal</i>	1,157,278	1,930,748	1,448,872
1,067,618	69,504	-131,165	1,005,957	892,201	<i>Subtotal State Aid - General Fund</i>	2,700,422	3,211,142	2,729,266
STATE AID - PROPERTY TAX RELIEF FUND								
Direct Educational Services and Assistance								
3,676,449	3,397	100,054	3,779,900	3,771,415	General Formula Aid	3,372,316	3,795,322	3,795,322
108,363	6,000	-100	114,263	111,973	Miscellaneous Grants-In-Aid	106,363	34,289	34,289
65,578	---	---	65,578	65,578	Bilingual Education	65,578	65,578	65,578
199,512	---	---	199,512	199,512	Programs for Disadvantaged Youths	199,512	199,512	199,512
911,420	---	79	911,499	911,498	Special Education	911,420	911,420	911,420
4,961,322	9,397	100,033	5,070,752	5,059,976	<i>Subtotal</i>	4,655,189	5,006,121	5,006,121
Supplemental Education and Training Programs								
42,986	---	---	42,986	42,803	General Vocational Education	38,948	38,948	38,948
Educational Support Services								
13,545	---	-157	13,388	11,234	Office of School Choice	23,855	20,837	20,837
303,787	---	270	304,057	303,596	Pupil Transportation	303,587	303,587	303,587
146,357	---	28,187	174,544	174,528	Facilities Planning and School Building Aid	4,532	1,599	1,599
905,736	29	---	905,765	653,594	Teachers' Pension and Annuity Assistance	---	---	---
1,369,425	29	28,300	1,397,754	1,142,952	<i>Subtotal</i>	331,974	326,023	326,023
6,373,733	9,426	128,333	6,511,492	6,245,731	<i>Subtotal State Aid - Property Tax Relief Fund</i>	5,026,111	5,371,092	5,371,092
7,441,351	78,930	-2,832	7,517,449	7,137,932	TOTAL STATE AID	7,726,533	8,582,234	8,100,358

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Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2003 Adjusted Approp.	Requested	Recom- mended
1,380	1,895	---	3,275	741	CAPITAL CONSTRUCTION			
					Operation and Support of Educational Institutions			
					Marie H. Katzenbach School for the Deaf	400	---	---
					Education Administration and Management			
					Administration and Support Services	---	---	---
2,930	5,092	---	8,022	1,610	<i>Subtotal Capital Construction</i>	400	---	---
7,512,423	90,715	-534	7,602,604	7,202,036	TOTAL APPROPRIATION	7,794,503	8,643,934	8,162,058

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 non-public 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

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 shall not be 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. Core Curriculum Standards 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 Program 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 is provided to districts on a per pupil basis. This unrestricted aid is distributed

in a manner that ensures that no district experiences a loss under the redistribution.

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 (N.J.S.A. 18A:58-37.1 et seq.) supports the purchase and lending of textbooks upon individual request. 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 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 (N.J.S.A. 18A:40-23) 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.

f. Nonpublic Technology Initiative Aid 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 Aid (N.J.S.A. 18A:58-11) allows the Commissioner, with the approval of the State Board of Education, to distribute funds to meet unforeseen conditions in any school district.

b. Payments for Institutionalized Children-Unknown District of Residence provide 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 is 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 Post-Secondary Vocational Aid. State aid is distributed for pupils enrolled in approved adult high schools, post graduate programs and approved full-time post-secondary programs of county vocational schools.

e. A Rewards and Recognition 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 (N.J.S.A. 18A:50-7) support leadership for adult educational programs. 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. Schooling for Foreign-Born (N.J.S.A. 18A:49-1 et seq.) 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.

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.

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.

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06. **Disadvantaged Youth.** 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 generated by schools with a 20% or greater concentration of students from low-income families, with a larger amount generated by 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 the generating 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

PROGRAM DATA	Actual FY 2001	Actual FY 2002	Revised FY 2003	Budget Estimate FY 2004
General Formula Aid				
Resident enrollment	1,357,160	1,391,439	1,420,934	1,451,789
Support Per Pupil (per local budgets, including core curriculum standards aid, debt service transportation, all categorical aid, and pension/Social Security contribution)	\$11,909	\$12,438	\$12,897	\$13,413
Local	\$6,424	\$6,686	\$7,031	\$7,391
State	\$5,138	\$5,387	\$5,438	\$5,580
Federal	\$347	\$365	\$428	\$442
Percent Support Per Pupil				
Local	54.0%	53.8%	54.5%	55.1%
State	43.1%	43.3%	42.2%	41.6%
Federal	2.9%	2.9%	3.3%	3.3%
Enrollment as of Oct. 15 (pre-budget year)				
All districts, total:	1,327,643	1,357,160	1,391,439	1,420,934
Kindergarten/Pre-school	111,883	117,030	126,180	134,731
Elementary school (grades 1-5)	477,562	475,428	474,159	470,886
Middle school (grades 6-8)	255,995	265,255	273,743	277,674
High school (grades 9-12)	288,836	295,514	304,626	314,981
Evening school, Post graduate	11,784	12,257	12,405	13,592
Special education	163,079	172,113	180,082	187,989
County vocational	18,504	19,563	20,244	21,081
Non-Public School Aid				
Textbook aid--pupils enrolled	201,977	205,900	203,239	203,239
Auxiliary services--students served	39,889	39,535	40,104	40,751
Handicapped services--students served	31,187	30,729	31,682	32,965
Nursing aid--pupils enrolled	204,219	205,608	204,354	204,354

EDUCATION

	Actual FY 2001	Actual FY 2002	Revised FY 2003	Budget Estimate FY 2004
Adult and Continuing Education				
Adult Literacy Education				
Total adults enrolled	37,332	45,000	45,250	45,500
High School Equivalency				
Adults enrolled	15,000	15,000	15,500	15,500
Adults earning state diplomas	8,563	8,500	8,500	8,500
Schools for Foreign-born				
Number of programs	48	46	46	46
Aliens enrolled	3,309	3,400	3,500	3,500
Bilingual Education				
Limited English speaking students served	52,890	54,831	56,712	57,548
Programs for Disadvantaged Youths				
Federal Title I				
Migrant children served	3,488	3,488	3,488	3,488
Disadvantaged children served	240,000	240,000	240,000	240,000
Students eligible for free lunch/free milk:				
All districts	292,832	288,644	293,324	280,281
Abbott districts	176,920	176,154	179,439	171,741
Special Education				
Enrollments:				
Local districts	157,854	166,535	173,228	181,238
Regional day schools	1,194	1,179	1,197	1,076
County vocational special education	5,586	5,578	5,682	5,675
State Facilities Education:				
Number of students in facilities	3,759	3,471	3,692	3,839

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	6	8	5	6
Federal	87	98	84	92
Total Positions	93	106	89	98

Filled Positions by Program Class

Adult and Continuing Education	11	13	11	15
Bilingual Education and Equity Issues	7	8	5	7
Programs for Disadvantaged Youths	8	6	4	1
Special Education	67	79	69	75
Total Positions	93	106	89	98

Notes:

Actual payroll counts are reported for fiscal years 2001 and 2002 as of December and revised fiscal year 2003 as of September. The Budget Estimate for fiscal year 2004 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2002				2003		Year Ending June 30, 2004	
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available Expended	Prog. Class.	Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>							
Distribution by Fund and Program							
387	---	---	387	387	04	395	395
352	---	-9	343	339	05	205	205
191	---	3	194	192	07	48	48
930	---	-6	924	918	Total Direct State Services	648^(a)	648

EDUCATION

Year Ending June 30, 2002					Year Ending June 30, 2004				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended	
DIRECT STATE SERVICES									
Distribution by Fund and Object									
Personal Services:									
578	---	---	578	578		Salaries and Wages	303	303	303
578	---	---	578	578		<i>Total Personal Services</i>	303	303	303
21	---	-5	16	16		Materials and Supplies	21	21	21
69	---	-1	68	62		Services Other Than Personal	62	62	62
1	---	---	1	1		Maintenance and Fixed Charges	1	1	1
Special Purpose:									
261	---	---	261	261	04	General Education Development - GED	261	261	261
STATE AID									
Distribution by Fund and Program									
4,459,449	4,047	99,784	4,563,280	4,550,096	01	General Formula Aid	4,802,073	4,971,852	4,971,852
783,000	650	-270	783,380	778,681		<i>(From General Fund)</i>	1,429,757	1,176,530	1,176,530
3,676,449	3,397	100,054	3,779,900	3,771,415		<i>(From Property Tax Relief Fund)</i>	3,372,316	3,795,322	3,795,322
97,043	---	---	97,043	87,489	02	Non-Public School Aid	100,899	95,276	95,276
110,075	6,000	---	116,075	113,655	03	Miscellaneous Grants-In-Aid	110,943	34,969	34,969
1,712	---	100	1,812	1,682		<i>(From General Fund)</i>	4,580	680	680
108,363	6,000	-100	114,263	111,973		<i>(From Property Tax Relief Fund)</i>	106,363	34,289	34,289
2,448	---	---	2,448	2,422	04	Adult and Continuing Education	2,448	2,448	2,448
65,578	---	---	65,578	65,578	05	Bilingual Education	65,578	65,578	65,578
65,578	---	---	65,578	65,578		<i>(From Property Tax Relief Fund)</i>	65,578	65,578	65,578
199,512	---	---	199,512	199,512	06	Programs for Disadvantaged Youths	199,512	199,512	199,512
199,512	---	---	199,512	199,512		<i>(From Property Tax Relief Fund)</i>	199,512	199,512	199,512
911,420	---	79	911,499	911,498	07	Special Education	911,420	911,420	911,420
911,420	---	79	911,499	911,498		<i>(From Property Tax Relief Fund)</i>	911,420	911,420	911,420
5,845,525	10,047	99,863	5,955,435	5,930,250		Total State Aid	6,192,873	6,281,055	6,281,055
884,203	650	-170	884,683	870,274		<i>(From General Fund)</i>	1,537,684	1,274,934	1,274,934
4,961,322	9,397	100,033	5,070,752	5,059,976		<i>(From Property Tax Relief Fund)</i>	4,655,189	5,006,121	5,006,121
Distribution by Fund and Object									
State Aid:									
---	650	-270	380	---	01	State Aid Supplemental Funding	---	---	---
783,000	---	---	783,000	778,681	01	Core Curriculum Standards Aid (b)	1,429,757	1,176,530	1,176,530
2,297,318	---	79	2,297,397	2,297,387	01	Core Curriculum Standards Aid (PTRF)	1,650,561	1,903,788	1,903,788
429,056	3,397	-21,925	410,528	405,264	01	Abbott v. Burke Parity Remedy (PTRF)	512,656	512,656	512,656
251,768	---	---	251,768	251,768	01	Supplemental Core Curriculum Standards Aid (PTRF)	251,768	251,768	251,768
330,630	---	---	330,630	330,630	01	Early Childhood Aid (PTRF)	330,630	330,630	330,630
9,957	---	---	9,957	9,957	01	Rewards and Recognition (PTRF) (c)	9,957	---	---
15,621	---	---	15,621	15,621	01	Instructional Supplement (PTRF)	15,621	15,621	15,621
111,626	---	---	111,626	111,626	01	Stabilization Aid (PTRF)	111,626	111,626	111,626

EDUCATION

Year Ending June 30, 2002					Year Ending June 30, 2004				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended	
STATE AID									
250	---	---	250	---	County Special Services Tuition Stabilization (PTRF)	01	---	---	---
5,250	---	---	5,250	5,250	Large Efficient District Aid (PTRF)	01	5,250	5,250	5,250
1,231	---	---	1,231	1,231	Aid for Districts with High Senior Citizen Populations (PTRF)	01	1,231	1,231	1,231
2,491	---	---	2,491	2,491	Stabilization Aid 2 (PTRF)	01	2,491	2,491	2,491
11,402	---	---	11,402	11,402	Stabilization Aid 3 (PTRF)	01	11,402	11,402	11,402
18,295	---	---	18,295	18,295	Regionalization Incentive Aid (PTRF)	01	18,295	18,295	18,295
---	---	---	---	---	Consolidated Aid (PTRF)	01	---	148,526	148,526
248,674	---	121,900	370,574	367,613	Additional Abbott v. Burke State Aid (PTRF) ^(d)	01	305,674 59,874 ^S	401,758	401,758
---	---	---	---	---	Abbott Preschool Expansion Aid (PTRF)	01	142,400	142,400	142,400
16,456	---	---	16,456	16,456	Aid for Enrollment Adjustments (PTRF)	01	16,456	16,456	16,456
11,413	---	8	11,421	11,421	Nonpublic Textbook Aid	02	11,413	11,652	11,652
27,163	---	---	27,163	23,232	Nonpublic Handicapped Aid	02	27,163	27,536	27,536
32,736	---	---	32,736	27,370	Nonpublic Auxiliary Services Aid	02	32,736 4,000 ^S	32,506	32,506
3,578	---	---	3,578	3,443	Nonpublic Auxiliary/Handicapped Transportation Aid	02	3,578	3,436	3,436
13,891	---	-16	13,875	13,754	Nonpublic Nursing Services Aid	02	13,891	13,954	13,954
8,237	---	8	8,245	8,244	Nonpublic Technology Initiative	02	8,118	6,192	6,192
25	---	---	25	25	St. Bartholomew Interparochial School	02	---	---	---
100	---	---	100	---	Emergency Fund	03	100	200	200
450	---	---	450	450	Educational Information and Resource Center	03	450	450	450
13,610	---	---	13,610	13,610	Payments for Institutionalized Children-Unknown District of Residence (PTRF)	03	13,610	17,217	17,217
300	---	---	300	300	Belvidere School District - Tuition Anomaly Aid	03	---	---	---
75	---	---	75	75	Hasbrouck Heights Board of Education - Athletic Fields	03	---	---	---
25	---	---	25	25	Cape May County Special Services School District - Mark Himebaugh Book Fund	03	---	---	---
44	---	---	44	44	Milford School District - Boiler Replacement	03	---	---	---
35	---	---	35	35	The Wonder of Minerals Program	03	---	---	---
38	---	---	38	38	Academy Charter High School, South Belmar - Gymnasium Improvement	03	---	---	---
90	---	---	90	90	The Bayshore Consortium	03	---	---	---
30 ^S	---	---	30	---	Community Relations Committee of the United Jewish Federation of Metrowest	03	30	30	30
59,162	---	---	59,162	59,162	Distance Learning Network Aid (PTRF) ^(e)	03	59,162	---	---
---	---	100	100	100	Character Education	03	---	---	---
4,750	---	-100	4,650	4,591	Character Education (PTRF)	03	4,750	4,750	4,750

EDUCATION

Year Ending June 30, 2002					Year Ending June 30, 2004				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended	
STATE AID									
2,000	6,000	---	8,000	5,769	Teacher Quality Mentoring (PTRF)	03	---	2,000	2,000
28,721	---	---	28,721	28,721	Adult and Postsecondary Education Grants (PTRF) (c)	03	28,721	10,322	10,322
120	---	---	120	120	Distance Learning Network Grants - County Special Services School Districts (PTRF)	03	120	---	---
75	---	---	75	75	Wallington - Total Language Immersion	03	---	---	---
200	---	---	200	200	New Jersey Learning Through Listening Program	03	---	---	---
250	---	---	250	250	Montclair Board of Education - Minority Student Achievement Network	03	---	---	---
---	---	---	---	---	Englewood Implementation Aid	03	1,000	---	---
---	---	---	---	---	Magnet School Start-Up Aid	03	1,000	---	---
---	---	---	---	---	District Reorganization Initiatives	03	2,000	---	---
211	---	---	211	185	Evening School for the Foreign Born	04	211	211	211
1,213	---	---	1,213	1,213	High School Equivalency	04	1,213	1,213	1,213
1,024	---	---	1,024	1,024	Adult Literacy	04	1,024	1,024	1,024
65,578	---	---	65,578	65,578	Bilingual Education Aid (PTRF)	05	65,578	65,578	65,578
199,512	---	---	199,512	199,512	Demonstrably Effective Program Aid (PTRF)	06	199,512	199,512	199,512
896,420	---	---	896,420	896,420	Special Education Aid (PTRF)	07	896,420	896,420	896,420
15,000	---	79	15,079	15,078	Extraordinary Special Education Costs Aid (PTRF)	07	15,000	15,000	15,000
LESS:									
(73,576)	(---)	(---)	(73,576)	(73,576)	Stabilization Growth Limitation (PTRF)	01	(73,576)	(73,576)	(73,576)
(---)	(---)	(---)	(---)	(---)	Growth Savings - Payment Change (PTRF)	01	(---)	(5,000)	(5,000)
5,846,455	10,047	99,857	5,956,359	5,931,168	Grand Total State Appropriation		6,193,521	6,281,703	6,281,703
OTHER RELATED APPROPRIATIONS									
Federal Funds									
8,900	310	---	9,210	9,050	Miscellaneous Grants-In-Aid	03	8,663	8,663	8,663
15,616	1,790	254	17,660	13,288	Adult and Continuing Education	04	16,765	16,656	16,656
6,021	168	-35	6,154	5,912	Bilingual Education	05	13,749	14,932	14,932
225,654					Programs for Disadvantaged Youths	06	294,101	313,949	313,949
1,917 ^S	14,161	-1,011	240,721	229,496	Special Education	07	249,466	278,275	278,275
214,173					Total Federal Funds		582,744	632,475	632,475
420 ^S	19,674	508	234,775	212,331					
472,701	36,103	-284	508,520	470,077					
All Other Funds									
---	99	---	99	---	Adult and Continuing Education	04	---	---	---
---	99	---	99	---	Total All Other Funds		---	---	---
6,319,156	46,249	99,573	6,464,978	6,401,245	GRAND TOTAL ALL FUNDS		6,776,265	6,914,178	6,914,178

Notes

- (a) The fiscal year 2003 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Interdepartmental Salary and Other Benefits accounts.
- (b) The fiscal 2002 actual expenditure data reflects refund of disbursements from Cash Management Fund Reserves in accordance with the Fiscal 2002 Appropriations Act.
- (c) The fiscal year 2004 recommendation reallocates funding to the Consolidated Aid program.
- (d) The fiscal 2002 transfers to the Additional Abbott v. Burke State Aid account include \$99,975,000 from the School Construction and Renovation Fund in accordance with the fiscal 2002 Appropriations Act.

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 shall be: \$1,185.64 for an initial evaluation or reevaluation for examination and classification; \$355.50 for an annual review for examination and classification; \$901.06 for speech correction; and \$785.81 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 2003-2004 school year for the purposes of computing Nonpublic Auxiliary Services Aid shall equal \$739.60.

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, 2002.

Nonpublic Technology Initiative aid shall be paid to school districts and allocated for nonpublic school pupils at the rate of \$30 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.

Language Recommendations -- State Aid - Property Tax Relief Fund

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. The commissioner may deduct from the State aid of any "Abbott district" the expenses required to manage, control and supervise the implementation of that State aid. 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. The unexpended balance as of June 30, 2003, in the Abbott v. Burke Parity Remedy account is appropriated for the same purpose and with the same conditions as are applied to the fiscal year 2004 appropriation for this purpose.

Notwithstanding any other law to the contrary, State aid for each "Abbott district" whose per pupil regular education expenditure for 2003-2004 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 2003-2004 shall be increased. The amount of increase shall be appropriated as the sum of Abbott v. Burke Parity Remedy aid and an amount of Additional Abbott v. Burke aid such that the increase is fully funded, and 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 2003-2004 and the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2002-2003 indexed by the actual percentage increase in the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2002-2003 over the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2001-2002. In calculating the per pupil regular education expenditure of each "Abbott district" for 2003-2004, regular education expenditure shall equal the sum of the general fund tax levy for 2002-2003, 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 2003-2004 indexed by the district's enrollment growth rate used to determine the estimated enrollments of October 2003; 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, 2003 as reflected on the Application for State School Aid for 2004-2005. 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 2003-2004. In calculating the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2003-2004, 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 be the resident enrollment for preschool through grade twelve as of October 15, 2003 as reflected on the Application for State School Aid for 2004-2005; 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.

EDUCATION

- Notwithstanding any other law to the contrary, as a condition of receiving Abbott v. Burke Parity Remedy 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 increased by such amounts as the commissioner, in his review of applications for discretionary Additional Abbott v. Burke aid, determines would not result in a combined municipal, county and school tax levy that substantially exceeds the State average combined tax levy for 2002.
- The amount appropriated hereinabove for Consolidated Aid shall be distributed to each district in district factor groups “I” or “J” in an amount equal to the total of the amount allocated to the district in 2002–2003 as distance learning network aid, aid for approved adult high schools and post-graduate programs, and academic achievement rewards and to all other districts at the greater of the total of the amount allocated to the district in 2002–2003 as distance learning network aid, aid for approved adult high schools and post-graduate programs, and academic achievement rewards or the amount calculated at a rate of \$109.72 per pupil based on the resident enrollment contained on the Application for State School Aid for 2003–2004 indexed by the district’s enrollment growth rate used to determine the estimated enrollments of October 2003. Notwithstanding any other law or regulation to the contrary, the amount provided to each district as Consolidated Aid shall be included in the calculation of the spending growth limitation pursuant to P.L. 1996, c.30, Sec. 5 (C:18A:7F-5).
- For the purposes of calculating Consolidated Aid, the amount that would have been allocated as additional school aid in 2002–2003 based on the impact of the withdrawal of a constituent member from a limited purpose regional school district effective July 1, 2003 shall be allocated as Consolidated Aid and the 2002–2003 amounts allocated as distance learning network aid and academic achievement rewards will also be calculated as though the withdrawal had occurred in the prior year.
- The amount appropriated hereinabove for Additional Abbott v. Burke State Aid will provide additional resources to “Abbott districts” to meet the State’s obligation to fully fund parity and the approved early childhood operational plans. The remaining funds appropriated will be used for the award of discretionary funding to Abbott districts to maintain the programs, services and positions from the prior year that the commissioner determines are essential to the provision of a thorough and efficient education in those districts. Before the Commissioner of Education establishes the discretionary award, he shall determine whether some or all of the additional funds sought can be achieved by reallocating non-instructional expenditures, increasing the local property tax levy or achieving economies and efficiencies in the delivery of services and programs. If the commissioner determines that the district does have available such reallocations, increases to the local property tax levy 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 discretionary 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 Additional Abbott v. Burke State Aid. Any district that fails to submit the required documentation or fails to submit its annual audit by November 15, 2003 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 discretionary 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.
- 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 2003–2004 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 2003–2004 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.
- 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 eligible for day training 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 of Education 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.

population served by the school include preschool age deaf, 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 39 percent of the school's 222 students on a five-day-a-week basis. Special programs to broaden the
13. **Program for Behaviorally Difficult Deaf Pupils.** The program for behaviorally difficult deaf students will continue for its seventh year with a projected enrollment of 14 students. Eight 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.

EVALUATION DATA

	Actual FY 2001	Actual FY 2002	Revised FY 2003	Budget Estimate FY 2004
PROGRAM DATA				
Marie H. Katzenbach School for the Deaf				
Enrollment	232	215	209	222
Day Pupils	144	134	118	136
Residential Pupils	88	81	91	86
Gross cost per student	\$47,612	\$48,353	\$48,483	\$49,293
Payments from local school boards:				
For Regular Day Pupils	\$26,076	\$27,249	\$28,475	\$29,329
For Residential Pupils	\$32,035	\$33,475	\$34,982	\$36,031
Direct State support per student	\$13,603	\$13,809	\$13,871	\$13,058
Graduates	18	21	23	20
Enrolled in college	7	9	6	7
Graduates employed	11	12	17	13
Regional Schools for the Handicapped				
Enrollment in Schools Operated under Contract	1,194	1,179	1,197	1,076
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	28	26	23	31
Federal	11	14	12	15
All Other	160	156	142	159
Total Positions	199	196	177	205
Filled Positions by Program Class				
Marie H. Katzenbach School for the Deaf	189	191	169	193
Program for Behaviorally Difficult Deaf Pupils	10	5	8	12
Total Positions	199	196	177	205

Notes:

Actual payroll counts are reported for fiscal years 2001 and 2002 as of December and Revised fiscal year 2003 as of September. The Budget Estimate for fiscal year 2004 reflects the number of positions funded.

EDUCATION

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2002					Year Ending June 30, 2004				
Orig. & Supplemental	Reapp. & Recpts.	Transfers & Emergencies	Total Available	Total Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
3,093	7,659	-10	10,742	10,396	Marie H. Katzenbach School for the Deaf	12	10,133	10,943	10,943
3,093	1	-125	2,969	2,797	(From General Fund)		2,899	2,899	2,899
---	7,658	115	7,773	7,599	(From All Other Funds)		7,234	8,044	8,044
---	906	-115	791	495	Program for Behaviorally Difficult Deaf Pupils	13	926	1,118	1,118
---	906	-115	791	495	(From All Other Funds)		926	1,118	1,118
3,093	8,565	-125	11,533	10,891	Total Direct State Services		11,059	12,061	12,061
---	(8,564)	---	(8,564)	(8,094)	LESS:				
					All Other Funds		(8,160)	(9,162)	(9,162)
3,093	1	-125	2,969	2,797	Total State Appropriation		2,899	2,899	2,899
Distribution by Fund and Object									
Personal Services:									
1,425	274 7,700 ^R	-115	9,284	8,987	Salaries and Wages		8,944	9,418	9,418
1,425	7,974	-115	9,284	8,987	Total Personal Services		8,944	9,418	9,418
815	38 149 ^R	-147	855	776	Materials and Supplies		962	1,163	1,163
256	14 136 ^R	49	455	383	Services Other Than Personal		331	540	540
295	66 50 ^R	212	623	549	Maintenance and Fixed Charges		495	587	587
Special Purpose:									
40	---	---	40	40	Transportation Expenses for Students	12	40	40	40
262	1 137 ^R	-124	276	156	Additions, Improvements and Equipment		287	313	313
---	(8,564)	---	(8,564)	(8,094)	LESS:				
					All Other Funds		(8,160)	(9,162)	(9,162)
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
1,380	1,895	---	3,275	741	Marie H. Katzenbach School for the Deaf	12	400	---	---
1,380	1,895	---	3,275	741	Total Capital Construction		400	---	---
Distribution by Fund and Object									
Marie H. Katzenbach School for the Deaf									
75	45	---	120	27	Re-Roofing of Various Buildings	12	---	---	---
135	59	---	194	2	Fire Protection	12	---	---	---
245	---	---	245	---	Electrical Upgrades	12	---	---	---
---	3	---	3	---	Estate of John M Bond	12	---	---	---
400	58	---	458	4	Bathroom Renovations	12	200	---	---
---	35	---	35	---	Small Capital Projects		---	---	---
125	165	---	290	---	Contingency	12	200	---	---
---	556	---	556	85	Upgrade Campus Lighting	12	---	---	---
					Replace Vocational High School Air Conditioning Units	12	---	---	---

Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended
---	941	---	941	619				
400	33	---	433	4				
<u>4,473</u>	<u>1,896</u>	<u>-125</u>	<u>6,244</u>	<u>3,538</u>				
CAPITAL CONSTRUCTION								
					12	---	---	---
					12	---	---	---
					Grand Total State Appropriation	3,299	2,899	2,899
OTHER RELATED APPROPRIATIONS								
---	8,564	---	8,564	8,094	Total All Other Funds		8,160	9,162
Federal Funds								
858					Marie H. Katzenbach School for the Deaf		12	---
149 ^S	104	64	1,175	551			<u>1,129</u>	<u>854</u>
<u>1,007</u>	<u>104</u>	<u>64</u>	<u>1,175</u>	<u>551</u>	Total Federal Funds		<u>1,129</u>	<u>854</u>
<u>5,480</u>	<u>10,564</u>	<u>-61</u>	<u>15,983</u>	<u>12,183</u>	GRAND TOTAL ALL FUNDS		<u>12,588</u>	<u>12,915</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, for the 2003-2004 academic year, local boards of education shall reimburse the Marie H. Katzenbach School for the Deaf at an annual rate and payment schedule adopted by the Commissioner of Education and the Director of the Division of Budget and Accounting.
- 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, 2003, in the receipt account of the Marie H. Katzenbach School for the Deaf is appropriated for expenses of operating the school.
- The unexpended balance as of June 30, 2003, 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.

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 entire Vocational division; 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.

EDUCATION

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

EVALUATION DATA

	Actual FY 2001	Actual FY 2002	Revised FY 2003	Budget Estimate FY 2004
PROGRAM DATA				
General Vocational Education				
Secondary Vocational Education				
Enrollments	149,869	153,557	157,396	161,331
Graduates or completions	43,312	44,378	45,487	46,625
Grade 11-12 occupational program enrollments	66,097	69,761	68,414	71,720
Adult and Continuing Education				
Apprenticeship Programs				
Enrollments	8,486	9,755	9,853	9,952
Completions	781	805	813	821
Other adult vocational education program enrollments	19,180	24,222	24,464	24,708

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	8	7	6	7
Federal	20	23	20	19
All Other	1	2	2	2
Total Positions	29	32	28	28

Filled Positions by Program Class

General Vocational Education	29	32	28	28
Total Positions	29	32	28	28

Notes:

Actual payroll counts are reported for fiscal years 2001 and 2002 as of December and Revised fiscal year 2003 as of September. The Budget Estimate for fiscal year 2004 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2002					Year Ending June 30, 2004				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Total Expended	2003 Prog. Class.	2003 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
514	---	-6	508	508	General Vocational Education	20	359	359	359
514	---	-6	508	508	Total Direct State Services		359^(a)	359	359
Distribution by Fund and Object									
Personal Services:									
457	---	---	457	457	Salaries and Wages		308	308	308
457	---	---	457	457	Total Personal Services		308	308	308
26	---	---	26	26	Materials and Supplies		26	26	26
31	---	-6	25	25	Services Other Than Personal		25	25	25

EDUCATION

Year Ending June 30, 2002					Year Ending June 30, 2004				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Program									
3,000	---	---	3,000	---	General Vocational Education	20	---	---	---
<u>3,000</u>	<u>---</u>	<u>---</u>	<u>3,000</u>	<u>---</u>	Total Grants-in-Aid		<u>---</u>	<u>---</u>	<u>---</u>
Distribution by Fund and Object									
Grants:									
3,000	---	---	3,000	---	Apprenticeship Training Program	20	---	---	---
STATE AID									
Distribution by Fund and Program									
44,408	---	---	44,408	44,225	General Vocational Education	20	44,408	44,408	44,408
1,422	---	---	1,422	1,422	<i>(From General Fund)</i>		5,460	5,460	5,460
42,986	---	---	42,986	42,803	<i>(From Property Tax Relief Fund)</i>		38,948	38,948	38,948
<u>44,408</u>	<u>---</u>	<u>---</u>	<u>44,408</u>	<u>44,225</u>	Total State Aid		<u>44,408</u>	<u>44,408</u>	<u>44,408</u>
1,422	---	---	1,422	1,422	<i>(From General Fund)</i>		5,460	5,460	5,460
42,986	---	---	42,986	42,803	<i>(From Property Tax Relief Fund)</i>		38,948	38,948	38,948
Distribution by Fund and Object									
State Aid:									
1,422	---	---	1,422	1,422	Vocational Education	20	5,460	5,460	5,460
4,038	---	---	4,038	3,855	Vocational Education (PTRF)	20	---	---	---
38,948	---	---	38,948	38,948	County Vocational Program Aid (PTRF)	20	38,948	38,948	38,948
<u>47,922</u>	<u>---</u>	<u>-6</u>	<u>47,916</u>	<u>44,733</u>	Grand Total State Appropriation		<u>44,767</u>	<u>44,767</u>	<u>44,767</u>
OTHER RELATED APPROPRIATIONS									
Federal Funds									
23,221	4,700	240	28,161	25,670	General Vocational Education	20	24,680	24,873	24,873
<u>23,221</u>	<u>4,700</u>	<u>240</u>	<u>28,161</u>	<u>25,670</u>	Total Federal Funds		<u>24,680</u>	<u>24,873</u>	<u>24,873</u>
All Other Funds									
---	83 412 ^R	105	600	115	General Vocational Education	20	180	165	165
<u>---</u>	<u>495</u>	<u>105</u>	<u>600</u>	<u>115</u>	Total All Other Funds		<u>180</u>	<u>165</u>	<u>165</u>
<u>71,143</u>	<u>5,195</u>	<u>339</u>	<u>76,677</u>	<u>70,518</u>	GRAND TOTAL ALL FUNDS		<u>69,627</u>	<u>69,805</u>	<u>69,805</u>

Notes

(a) The fiscal year 2003 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Interdepartmental Salary and Other Benefits accounts.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT

34. EDUCATIONAL SUPPORT SERVICES

OBJECTIVES

1. To provide statewide coordination for the effective and efficient use of technology to enhance instruction for student achievement of the Core Curriculum Content Standards.
2. 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.
3. 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.
4. To provide curriculum leadership for local school districts in various instructional areas.
5. 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.
6. To create comprehensive assessments which will measure students' progress toward achieving the new content standards.
7. To provide specialized instruction in the arts, statewide, for talented high school students.
8. To design and implement mandated professional development for teachers to enable them to accomplish these new educational initiatives in schools across the state.
9. To approve college teacher training programs and issue educational certificates upon verification of eligibility.
10. To provide oversight and guide implementation of the Charter School Program Act of 1995.
11. 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.
12. To provide technical and financial assistance for transportation of public and non-public students at minimum expense to the State and local school districts.
13. To ensure provision of suitable educational facilities in local school districts through inspections and financial assistance.
14. To assist the schools in understanding the comprehensive and challenging K-12 curriculum content areas and workplace readiness standards and communicate the depth and scope of the standards and frameworks.
15. To maximize resources to support the Department's mission and priorities; to assure accountability for use of the Department's grant resources.
16. 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

29. **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.
30. **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 life skills. Provides support of 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 insure 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 life skills). To assist all students to achieve 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 professional development is also responsible for overseeing the development of standards for teachers and administrators, professional development initiatives, 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 office 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 office also administers the Governor's Literacy Initiative, geared at ensuring that all children read at or above grade level by the end of the third grade.

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.** 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. Modest fees are charged.
33. **Services 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. **Office of 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, 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. Administers the reimbursement program for the purchase and installation of school bus crossing control arms by local boards of education and school bus contractors. The Department trains county and local district personnel to administer transportation services according to statute and code. Pupil Transportation Aid is provided 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 Educational Law Center, district and school staff, parents, and representatives from higher education, professional organizations and the community at large; school-based decisions 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.

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 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 to implement the mandate, including the dissemination of instructional materials, the provision of staff training, and the establishment of Holocaust Education demonstration sites.

EVALUATION DATA

	Actual FY 2001	Actual FY 2002	Revised FY 2003	Budget Estimate FY 2004
PROGRAM DATA				
Grants Management				
Number of discretionary contracts awarded	523	500	576	576
Number of entitlement contracts awarded	4,893	4,732	4,848	4,848
Professional Development and Licensure				
Evaluations (Non-issuance)	7,787	7,982	8,000	8,000
Certificates awarded	15,044	17,121	16,000	16,000
Academic credentials issued	377	485	400	400
County substitute certificate applications	16,527	9,558	10,000	10,000
Certificates of eligibility issued	11,192	14,641	14,000	14,000
Training contracts	7,461	7,527	8,000	8,000
Induction evaluations	7,461	22,581	24,000	24,000
Service to Local Districts				
Needs Identified				
Districts monitored	80	77	118	154
School Level objectives approved	4,500	4,500	4,500	4,500
Level II and Level III monitoring of school districts	10	9	8	8
Assistance Rendered				
Districts certified	40	26	50	70
Districts conditionally certified for one year	40	51	68	84
District objectives achieved	4,300	4,300	4,300	4,300
Curriculum Assistance				
Staff time on compliance assistance	25%	25%	25%	25%
Staff time on regulatory functions	35%	25%	25%	25%
Staff time on curriculum assistance	20%	25%	25%	25%
Staff time on program improvement assistance	20%	25%	25%	25%

EDUCATION

	Actual FY 2001	Actual FY 2002	Revised FY 2003	Budget Estimate FY 2004
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	251	298	279	320
Federal	78	72	74	73
All Other	---	1	1	1
Total Positions	329	371	354	394
Filled Positions by Program Class				
Educational Technology	10	10	9	4
Educational Programs and Assessment	55	60	65	81
Grants Management	24	22	22	23
Professional Development and Licensure	31	31	27	36
Services to Local Districts	90	102	88	81
School Choice	10	16	15	13
Early Childhood	9	10	11	17
Pupil Transportation	7	7	7	6
Abbott Implementation	26	44	44	72
Facilities Planning and School Building Aid	21	38	35	33
Health, Safety and Community Services	46	31	31	28
Total Positions	329	371	354	394

Notes:

Actual payroll counts are reported for fiscal years 2001 and 2002 as of December and Revised fiscal year 2003 as of September. The Budget Estimate for fiscal year 2004 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available Expended		Prog. Class.	2003 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
320	---	-2	318	318	29	231	231	231
20,793	3,939	522	25,254	22,519	30	28,883	25,388	25,388
328	---	-1	327	326	31	445	445	445
1,771	2,177	---	3,948	2,350	32	2,064	2,064	2,064
6,028	1	-24	6,005	5,175	33	6,165	5,996	5,996
1,336	---	-4	1,332	1,303	34	844	844	844
558	---	---	558	437	35	120	120	120
531	---	-2	529	525	36	401	401	401
1,741	---	---	1,741	1,741	37	371	371	371
2,770	63	2,326	5,159	2,893	38	3,981	2,993	2,993
1,818	18	-22	1,814	1,528	40	1,347	1,104	1,104
37,994	6,198	2,793	46,985	39,115	Total Direct State Services		44,852^(a)	39,957
Distribution by Fund and Object								
Personal Services:								
16,967	1,103 1,109 ^R	---	19,179	16,376			14,781	14,924
---	---	---	---	401			---	---
16,967	2,212	---	19,179	16,777	Total Personal Services		14,781	14,924

EDUCATION

Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Total Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>								
469	1	-31	439	407		441	441	441
762	5	2,273	3,040	789		2,337		
						1,000 ^S	1,349	1,349
59	12	-4	67	67		54	54	54
Special Purpose:								
95	---	---	95	49				
16,688	3,921	---	20,609	18,960	30	55	55	55
100	18	---	118	63	30	16,188	13,225	13,225
200	---	---	200	134	30	---	---	---
1,000	---	-17	983	217	30	200	135	135
242	---	-105	137	67	30	100	100	100
290	---	---	290	232	30	52	52	52
---	---	669	669	666	30	---	---	---
---	---	---	---	---	30	9,000	9,000	9,000
---	---	---	---	---	30	---	500	500
265	---	---	265	104				
---	---	105	105	100	33	265	---	---
150	---	---	150	125	33	---	---	---
244	14	10	268	267	34	---	---	---
250 ^S	---	---	250	---	40	244	122	122
213	15	-107	121	91	40	135	---	---
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
7,316	---	-669	6,647	3,837	30	4,097	2,623	2,623
10	344	-10	344	218	40	318	---	---
<u>7,326</u>	<u>344</u>	<u>-679</u>	<u>6,991</u>	<u>4,055</u>	<u>4,415</u>		<u>2,623</u>	<u>2,623</u>
Distribution by Fund and Object								
Grants:								
225	---	---	225	225	30	225	---	---
1,754	---	---	1,754	1,754	30	1,754	1,654	1,654
250	---	---	250	250	30	250	---	---
5,000	---	-669	4,331	1,521	30	868	619	619
---	---	---	---	---	30	1,000	---	---
---	---	---	---	---	30	---	350	350
87	---	---	87	87	30	---	---	---
---	344	---	344	218	40	318	---	---
10	---	-10	---	---	40	---	---	---

EDUCATION

Year Ending June 30, 2002					Year Ending June 30, 2004				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended	
STATE AID									
Distribution by Fund and Program									
13,545	---	-157	13,388	11,234	Office of School Choice	34	23,855	20,837	20,837
<i>13,545</i>	---	<i>-157</i>	<i>13,388</i>	<i>11,234</i>	<i>(From Property Tax Relief Fund)</i>		<i>23,855</i>	<i>20,837</i>	<i>20,837</i>
303,787	---	270	304,057	303,596	Pupil Transportation	36	303,587	303,587	303,587
<i>303,787</i>	---	<i>270</i>	<i>304,057</i>	<i>303,596</i>	<i>(From Property Tax Relief Fund)</i>		<i>303,587</i>	<i>303,587</i>	<i>303,587</i>
328,350	68,854	-102,808	294,396	195,033	Facilities Planning and School Building Aid	38	157,407	242,228	242,228
<i>181,993</i>	<i>68,854</i>	<i>-130,995</i>	<i>119,852</i>	<i>20,505</i>	<i>(From General Fund)</i>		<i>152,875</i>	<i>240,629</i>	<i>240,629</i>
<i>146,357</i>	---	<i>28,187</i>	<i>174,544</i>	<i>174,528</i>	<i>(From Property Tax Relief Fund)</i>		<i>4,532</i>	<i>1,599</i>	<i>1,599</i>
905,736	29	---	905,765	653,594	Teachers' Pension and Annuity Assistance	39	1,004,403	1,690,119	1,208,243
---	---	---	---	---	<i>(From General Fund)</i>		<i>1,004,403</i>	<i>1,690,119</i>	<i>1,208,243</i>
<i>905,736</i>	<i>29</i>	---	<i>905,765</i>	<i>653,594</i>	<i>(From Property Tax Relief Fund)</i>		---	---	---
1,551,418	68,883	-102,695	1,517,606	1,163,457	Total State Aid		1,489,252	2,256,771	1,774,895
<i>181,993</i>	<i>68,854</i>	<i>-130,995</i>	<i>119,852</i>	<i>20,505</i>	<i>(From General Fund)</i>		<i>1,157,278</i>	<i>1,930,748</i>	<i>1,448,872</i>
<i>1,369,425</i>	<i>29</i>	<i>28,300</i>	<i>1,397,754</i>	<i>1,142,952</i>	<i>(From Property Tax Relief Fund)</i>		<i>331,974</i>	<i>326,023</i>	<i>326,023</i>
Distribution by Fund and Object									
State Aid:									
1,945	---	---	1,945	1,945	School Choice (PTRF)	34	3,755	6,537	6,537
6,000	---	-157	5,843	5,058	Charter School Aid (PTRF)	34	14,500	9,000	9,000
5,600	---	---	5,600	4,231	Charter Schools - Council on Local Mandates Decision Offset Aid (PTRF)	34	5,600	5,300	5,300
303,187	---	270	303,457	303,456	Transportation Aid (PTRF)	36	303,187	303,187	303,187
600	---	---	600	140	School Bus Crossing Arms (PTRF)	36	400	400	400
5,484	---	---	5,484	5,475	School Building Aid Debt Service (PTRF)	38	4,532	1,599	1,599
---	---	---	---	---	School Building Aid	38	137,858	129,101	129,101
140,873	---	28,187	169,060	169,053	School Building Aid (PTRF)	38	---	---	---
181,993	68,854	-130,995	119,852	20,505	School Construction & Renovation Fund (c)(d)	38	6,917	---	---
---	---	---	---	---	<i>8,100^S</i>		<i>8,100^S</i>	<i>111,528</i>	<i>111,528</i>
---	---	---	---	---	Teachers' Pension and Annuity Fund - Post Retirement Medical	39	275,800	442,658	442,658
244,464	---	---	244,464	---	<i>26,805^S</i>		<i>26,805^S</i>	---	---
---	---	---	---	---	Teachers' Pension and Annuity Fund - Post Retirement Medical (PTRF)	39	---	---	---
---	---	---	---	---	Teachers' Pension and Annuity Fund	39	---	481,876	---
---	---	---	---	---	Social Security Tax	39	576,550	611,143	611,143
552,578	---	---	552,578	544,872	Social Security Tax (PTRF)	39	---	---	---
---	---	---	---	---	Minimum Pension for Pre-1955 Retirees	39	1	1	1
2	---	---	2	1	Minimum Pension for Pre-1955 Retirees (PTRF)	39	---	---	---
---	---	---	---	---	Post Retirement Medical Other Than TPAF	39	48,348	67,737	67,737
36,027	29	---	36,056	36,056	Post Retirement Medical Other Than TPAF (PTRF)	39	---	---	---

EDUCATION

Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Total Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended
---	---	---	---	---	STATE AID			
72,665	---	---	72,665	72,665	39	76,899	86,704	86,704
1,596,738	75,425	-100,581	1,571,582	1,206,627	39	---	---	---
					Grand Total State Appropriation	1,538,519	2,299,351	1,817,475
OTHER RELATED APPROPRIATIONS								
Federal Funds								
28,978	1,621	---	30,599	1,752	29	14,250	15,000	15,000
20,798	---	---	---	---	30	86,128	87,210	87,210
98 ^S	4,752	-960	24,688	18,303	31	1,884	2,498	2,498
38,577	838	91	39,506	38,459	33	2,025	2,003	2,003
2,029	657	-120	2,566	1,251	34	236	240	240
259	1	-52	208	125	38	---	---	---
23,445	---	---	23,445	---	40	20,881	22,168	22,168
10,875	---	---	---	---	Total Federal Funds			
1,593 ^S	1,467	886	14,821	11,414	125,404			
126,652	9,336	-155	135,833	71,304	129,119			
All Other Funds								
---	30 ^R	---	93	75	29	125	129	129
---	34 ^R	---	208	112	30	65	93	93
---	1,419 ^R	---	3,320	1,285	32	1,821	1,913	1,913
---	1,497 ^R	---	1,497	1,497	35	2,323	2,351	2,351
---	6,652 ^R	---	6,652	6,652	37	7,590	7,560	7,560
---	261 ^R	---	261	261	38	900	903	903
---	8 ^R	---	---	---	40	---	---	---
---	41 ^R	250	299	38	Total All Other Funds			
---	12,080	250	12,330	9,920	12,824			
1,723,390	96,841	-100,486	1,719,745	1,287,851	GRAND TOTAL ALL FUNDS			
					1,676,747			
					2,441,419			
					1,959,543			

Notes

- The fiscal year 2003 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Interdepartmental Salary and Other Benefits accounts.
- The fiscal 2003 adjusted appropriation for the Governor's Literacy Initiative has been adjusted for the transfer of \$9,000,000 from Grants-In-Aid to Direct State Services.
- The fiscal 2002 transfers from the School Construction and Renovation Fund include \$99,975,000 to the Additional Abbott v. Burke State Aid account in accordance with the fiscal 2002 Appropriations Act.
- The fiscal 2002 data and fiscal 2003 appropriation have 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, 2003, are appropriated for the cost of operation.

Receipts from the State Board of Examiners' fees in excess of those anticipated and the unexpended program balances of such receipts as of June 30, 2003, are appropriated for the operation of the Professional Development and Licensure programs.

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.

The unexpended balance as of June 30, 2003, 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 on the Environment, Monmouth University - Governor's School on Public Issues, Drew University - Governor's School in the Sciences, Ramapo College of New Jersey - Governor's School on International Issues, and Rutgers, The State University - Governor's School of Engineering/ Technology.

The amount appropriated hereinabove for the Teacher Recruitment program shall be expended for the third-year incentives for teachers deemed eligible for this program in fiscal 2003 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 canceled 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 Incentive 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

Each district entitled to School Building Aid for school bond and lease purchase agreement payments for interest and principal payable during the 2003-2004 school year pursuant to section 10 of P.L. 2000, c.72 (C.18A: 7G-10) shall have its debt service adjusted for corrections to the 2001-2002 principal and interest amounts.

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.

The unexpended balance as of June 30, 2003 in the School Construction and Renovation Fund account is appropriated for the same purpose.

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.

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.

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.

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 2003-2004 choice aid, the projected enrollment of choice students shall be the sum of the actual choice students reported in the October 15, 2002 Application for State School Aid inflated by the choice district's growth rate and the new choice students as reported on the Notice of Intent to Enroll forms and the estimated second cycle enrollment for the 2003-2004 School Year.

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; 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 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 2003-2004 total actual charter school payment and the estimated appropriations used in completing the school district's 2002-2003 budget as stated in the 2002-2003 Potential Charter School Aid notification letter.

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 \$710.

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.

EDUCATION

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 Departmental 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 programs and public funds 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.) 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 to render 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, sets policy for the Department and hears appeals from the Commissioner's decisions on controversies and disputes. Numerous citizen's councils are formally established to provide advice to the Department in specific areas of responsibility.

EVALUATION DATA

PROGRAM DATA	Actual FY 2001	Actual FY 2002	Revised FY 2003	Budget Estimate FY 2004
Compliance and Auditing				
Conduct compliance and fiscal reviews of school districts . .	1	2	4	4
Conduct audits of applications for State school aid	51	48	45	45
Monitor private schools for the disabled	---	5	18	20
Conduct compliance and fiscal audits of schools for the disabled	---	---	2	2
Conduct audits of Title I funds	8	25	30	30
Conduct grant audits	40	6	12	14

	Actual FY 2001	Actual FY 2002	Revised FY 2003	Budget Estimate FY 2004
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	59	70	70	69
Male Minority %	6.8	6.9	6.9	6.8
Female Minority	162	185	185	183
Female Minority %	18.6	18.2	18.2	17.9
Total Minority	221	255	255	252
Total Minority %	25.3	25.0	25.0	24.7
Position Data				
Filled Positions by Funding Source				
State Supported	185	210	176	175
Federal	46	42	38	52
Total Positions	231	252	214	227
Filled Positions by Program Class				
School Finance	59	68	59	48
Compliance and Auditing	17	27	24	28
Administration and Support Services	155	157	131	151
Total Positions	231	252	214	227

Notes:

Actual payroll counts are reported for fiscal years 2001 and 2002 as of December and Revised fiscal year 2003 as of September. The Budget Estimate for fiscal year 2004 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Total Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
4,008	35	-10	4,033	3,531	School Finance	42	3,150	3,150
1,718	86	-4	1,800	1,713	Compliance and Auditing	43	2,307	1,777
9,559	29	335	9,923	9,857	Administration and Support Services	99	8,940	10,287
15,285	150	321	15,756	15,101	Total Direct State Services		14,397^(a)	15,214
Distribution by Fund and Object								
Personal Services:								
11,266	---	519	12,185	12,045	Salaries and Wages		11,867	11,931
400 ^S	---	---	---	---			---	---
11,666	---	519	12,185	12,045	Total Personal Services		11,867	11,931
304	---	-7	297	297	Materials and Supplies		300	300
1,203	27	-33	1,197	1,101	Services Other Than Personal		1,105	1,092
68	---	2	70	69	Maintenance and Fixed Charges		67	67
Special Purpose:								
250	---	---	250	---	Urban Education Leadership Academy	42	---	---
---	34	---	34	---	CEIFA Implementation	42	---	---
148	---	---	148	139	Educational Facilities Construction - Finance	42	74	74
549 ^S	86	---	635	562	Internal Auditing	43	549 ^S	---
132	---	---	132	121	Educational Facilities Construction - Compliance	43	---	---

EDUCATION

Year Ending June 30, 2002					Year Ending June 30, 2004			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Total Expended	Prog. Class.	2003 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
82	---	---	82	82				
					99	50	50	50
---	---	---	---	---	99	---	1,500	1,500
68	---	---	68	68	99	68	68	68
335	---	---	335	300	99	185	---	---
132	---	---	132	132	99	132	132	132
348	3	-160	191	185		---	---	---
CAPITAL CONSTRUCTION								
Distribution by Fund and Program								
1,550	3,197	---	4,747	869	99	---	---	---
1,550	3,197	---	4,747	869		---	---	---
Distribution by Fund and Object								
Technology Services								
---	15	---	15	---	99	---	---	---
Division of Administration								
250	99	---	349	---	99	---	---	---
1,300	1,512	---	2,812	595	99	---	---	---
---	1,490	---	1,490	274	99	---	---	---
---	81	---	81	---	99	---	---	---
16,835	3,347	321	20,503	15,970		14,397	15,214	15,214
OTHER RELATED APPROPRIATIONS								
Federal Funds								
579	191	-58	712	312	42	599	565	565
---	19	---	19	17	43	---	---	---
<u>3,628</u>	<u>941</u>	<u>363</u>	<u>4,932</u>	<u>3,987</u>	99	<u>3,978</u>	<u>4,296</u>	<u>4,296</u>
4,207	1,151	305	5,663	4,316		4,577	4,861	4,861
All Other Funds								
---	119	---	3,512	3,385	43	3,500	3,500	3,500
---	3,393 ^R	---			99	---	---	---
---	20	---	40	33		---	---	---
---	20 ^R	---				---	---	---
---	<u>3,552</u>	<u>---</u>	<u>3,552</u>	<u>3,418</u>		<u>3,500</u>	<u>3,500</u>	<u>3,500</u>
21,042	8,050	626	29,718	23,704		22,474	23,575	23,575

Notes

- (a) The fiscal year 2003 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Interdepartmental Salary and Other Benefits 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, 2003 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 first shall be charged to the State Lottery Fund.

Language Recommendations -- State Aid - General Fund

The unexpended balances as of June 30, 2003 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 2003-2004 school year than the sum of the district's total State aid amount payable for the 2002-2003 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, Rewards and Recognition, Stabilization Aid, Stabilization Aid 2, Stabilization Aid 3, Large Efficient District Aid, Aid for Districts with High Senior Citizen Populations, Regionalization Incentive Aid, Distance Learning Network Aid, Adult and Postsecondary Education Grants, Bilingual Education Aid, Special Education Aid, County Vocational Program Aid, Transportation Aid, School Choice, and Aid for Enrollment Adjustments, taking into consideration the June 2003 payment made in July 2003.

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 Abbott v. Burke Parity Remedy 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, and Consolidated Aid, as provided by the Department of Education to the local school districts for the 2003-2004 school year in the 2003-04 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 the June 22, 2003 school aid payment are appropriated and the State Treasurer is hereby authorized to make such payment in July 2003.

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.