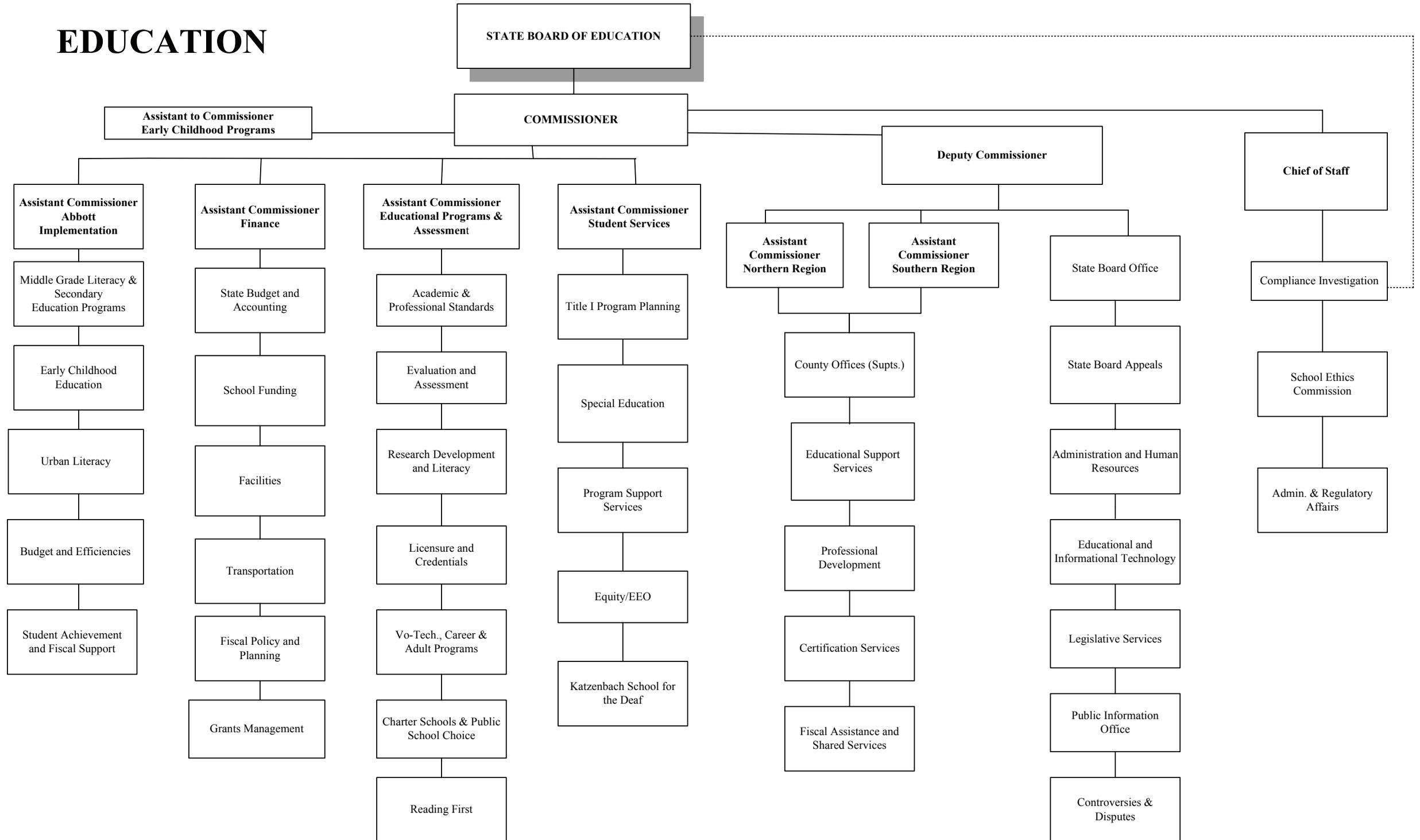


# EDUCATION



## DEPARTMENT OF EDUCATION

### OVERVIEW

The New Jersey Department of Education provides leadership to prepare all students for their role as citizens and for career opportunities in the 21st century information-based, highly technological world. There are four major areas of focus that guide the Department's policies, plans, and initiatives. They are achievement, standards and assessments, innovation, and accountability.

Our focus on early literacy has already paid dividends in preparing children to read by the end of third grade. Statewide performance in 2006 at grades 3 and 4 remains high, with modest gains, compared to previous years; more importantly, the gap between "Abbott" districts and non-Abbott districts continues to shrink; and grade 4 results show that the performance of limited English proficient (LEP) students and those with disabilities continue to improve, again closing critical performance gaps.

Without losing ground with the progress under the early literacy initiatives, we must carry the momentum through middle school and high school grades. The Alliance for Excellent Education maintains that only 30 percent of U.S. high school students are proficient readers. Adolescent literacy reform requires significant changes in schools at all levels to reverse the trend toward illiteracy. With a grant from the National Governor's Association, the Department's Adolescent Literacy Policy and Planning Committee is currently developing a research-based blueprint that includes a comprehensive instructional model and intensive training program to improve literacy instruction and outcomes for middle school students. This design was initially piloted two years ago. This year, it was expanded to include eight districts and proposals call for an expansion to include 18 districts in the upcoming year. This pilot includes intensive professional development, coupled with on-site support, to ensure research elements are integrated into actual classroom practice. Based on the results of this expanded pilot, the State will be positioned to take the model to scale, thereby positively impacting middle grades practices across the state.

In addition to our work on middle school instruction, the Department has begun work on redesigning our high schools in conjunction with Achieve, the American Diploma Project Network, and the National Governor's Association. All of this work is intended to help every child complete high school with the requisite skills for success. To accomplish this goal, the Department will deploy its resources strategically and devote its efforts to raising student achievement and overcoming achievement gaps by developing new tools to assist classroom teachers to focus instruction and classroom assessment on critical skills and concepts.

#### **Budget Highlights**

The Fiscal 2008 Budget for the Department of Education totals \$10.975 billion, an increase of \$565.9 million or 5.4% over the fiscal 2007 adjusted appropriation of \$10.409 billion.

#### **School Aid**

School aid for fiscal 2008 is recommended at \$10.877 billion, an increase of \$579.1 million from fiscal 2007. This figure includes \$7.943 billion in direct aid awards to school districts. Included in the total aid is \$2.264 billion in payments on behalf of local school districts for teachers' retirement benefits, debt service on pension bonds, and the employer's share of social security payments for teachers. This represents an increase of \$61.9 million over the fiscal 2007 adjusted appropriation. Also included is \$670 million for school building aid programs, which will service debt on new and existing bond issues, as well as provide aid for qualifying local debt issued for school construction.

For the first time in many years, all districts, Abbott, non-Abbott, and nonpublic, will be eligible for increases in aid. The Budget includes

\$1.679 billion for Education Opportunity Aid, an increase of \$124.2 million, which will ensure that parity is provided for every Abbott district and for additional documented needs based on the Department's review of the 2007-2008 Abbott budget submissions. Non-Abbott districts will receive a minimum 3% increase in formula aid. Additional funding is targeted to districts with the highest needs in three new programs, with a focus on the benefits of early childhood programs. Nonpublic school funding will also grow by 3%, an increase of \$3 million.

Non-Abbott school districts with high concentrations of poverty will receive Targeted At-Risk Aid, a new \$66.8 million program, for expansion and enhancement of preschool, full-day kindergarten, and literacy programs. Another new category of aid, Full-Day Kindergarten Supplemental Aid, will provide \$26.2 million in additional resources to non-Abbott districts currently offering full-day kindergarten programs. Preschool Expansion and Enhancement Grants, which are budgeted at \$10 million, will be used to improve the quality of non-Abbott preschool programs, bringing them closer to Abbott program standards.

#### **Continuing Programs**

The Budget continues to support the Marie H. Katzenbach School for the Deaf, providing \$3.3 million in fiscal 2008.

An appropriation of \$3 million for the Liberty Science Center will continue to provide science education services for students in the Abbott districts in fiscal 2008, remaining flat from fiscal 2007.

The Budget provides \$3.5 million for literacy assistance to schools, children, and communities. These efforts will help achieve the goal that every student will be able to read and perform basic mathematical functions at or above grade level by the third grade.

The Fiscal 2008 Budget reflects a commitment to after school programs by providing \$15 million in funding for the New Jersey After 3 program.

The Fiscal 2007 Budget included \$19.5 million in grants for autism and special education programs. Continued funding for these grants does not appear in the Fiscal 2008 Budget, as these are multi-year programs with a grant period beginning in fiscal 2007.

#### **Department Accomplishments**

As the Department of Education concentrates on providing leadership to prepare all students for their role as citizens and for career opportunities of the 21st century, our work will be organized around the four main themes of achievement, standards and assessments, innovation, and accountability.

#### **Achievement**

In taking action to overcome achievement gaps, the Department will examine issues that involve teachers and administrators. We will help districts attract high-quality personnel and fill positions in areas of shortage. The Department will expand its work with the higher education community to improve teacher and administrator preparation and assist districts in providing ongoing professional development opportunities that result in highly effective teachers, not just highly qualified ones. As part of the State's No Child Left Behind (NCLB) Highly Qualified Teacher Plan, the Department is working with school districts to ensure that all teachers are highly qualified and that teachers are being distributed equitably so that we are not short-changing students in any school. To that end, the Department has created an internal Teacher Quality Council that collaborates to address critical issues such as shortages of special education, math, or science teachers.

Furthermore, through the federal Teacher Quality Enhancement Recruitment grant, the Department is working with The College of New Jersey to assist urban schools in attracting and retaining teachers. Grant activities include a summer Urban Academy that

exposes high school students to urban teaching careers and technical assistance to urban schools to improve recruiting efforts through new web sites and materials. The Department has also developed a Mentoring Toolkit that provides resources for a quality induction program that supports novice teachers. Local districts must complete a mentoring plan aligned to the Professional Standards for Teachers that includes the mentor selection process, program logistics, and evaluation. The Budget recommends \$188,000 for grants to help teachers seeking National Board of Professional Teaching Standards certification. A fiscal 2008 appropriation of \$2.5 million is also recommended to support the Teacher Mentoring program.

**Standards and Assessments**

After a complete revision of the academic standards in 2004, the expectation is that school districts have created and aligned curricula to ensure that the nine areas of the State’s standards are being implemented. Upgrading curriculum is essential if we expect teachers to focus on the knowledge and skills that prepare students for success. Once the curriculum is aligned solidly with the Core Curriculum Content Standards, the next step is to provide intensive professional development to make sure that every teacher in every building knows and understands the standards and is armed with research-based strategies for teaching those concepts.

The Department has initiated a new effort called the Standards Clarification Project, which will focus on improving classroom instruction and assessment of the New Jersey Core Curriculum Content Standards (NJCCCS). The project focuses on ways to improve “transfer” of knowledge and skills across content areas and on ways that reinforce prior knowledge and improve understanding. The project includes a series of statewide professional development opportunities for teachers and school administrators in late 2007. In addition, new web-based materials based on this design will be made available to schools. Department content specialists have created a number of resources to assist schools and teachers in aligning existing curricula to the standards including horizontal scope and sequence charts and new sample learning activities to supplement the existing frameworks. NJPEP includes a wide array of resources to support instruction and assessment including e-courses in reading, math, and teaching English language learners.

The federal Math-Science Partnership (MSP) grant provides funding to three institutions of higher education to train middle level teachers in the content and pedagogy of science, math, and technology. The MSP provides teachers with sustained professional development, college courses, and in-class coaching to improve their capacity to address the NJCCCS in math and science. In 2007, we plan to expand to six colleges and allow teachers of grades 3-8 to participate.

Currently, the Department is reviewing the existing science standards to develop materials to support a new end-of-course exam in biology, which will become operational in May 2008. The Department participates in a state collaborative to develop an Algebra II end-of-course exam, which will also be piloted in 2008.

As we continue to strengthen our standards, we must also focus on higher-level skills in math and science as specified in Governor Corzine’s economic growth initiative.

The Fiscal 2008 Budget recommends an appropriation of \$20.7 million for the Statewide Assessment Program, an increase of \$4.5 million over fiscal 2007. One of our most fundamental goals is to ensure that New Jersey students are prepared for the challenges that await them after high school in a highly competitive, 21st century global economy. That goal requires that our statewide assessment system provide timely, meaningful information about student achievement that can inform classroom instruction and curriculum design at almost every grade level. Toward this end, the Department’s Assessment Advisory Committee has sponsored a complete redesign of the grade 3-8 assessment system that will

culminate in the award of a long term contract with a testing vendor this spring. It is particularly important that our high school assessment system foster an articulation between high school and post-secondary education and the workplace, so as to link educational disciplines more directly with college level course content and career options. For this reason, our high school assessment program will move increasingly toward end-of-course assessments, particularly in science and mathematics. End-of-course assessments will provide both greater articulation between secondary and postsecondary education as well as greater accountability within high schools, since the assessments will measure student mastery of specific course content. This transition to end-of-course assessments will begin with a fully operational biology assessment in spring 2008 and a pilot Algebra II assessment that same year.

**Innovation**

Our school initiatives are intended to lead us to a more rigorous system of P-16 education, and we must infuse innovation all the way along the continuum from preschool to college. The Department is working on an agenda to redesign high schools so that every child is prepared for a highly competitive global economy. High school must become more flexible, supportive, and effective in helping low-performing students and expand the range of high-quality programs offered. Colleges and businesses both complain that students are not prepared well for either. We must change that outcome, but not with lower standards. Expectations of higher education and business have now converged, and it is incumbent upon us to make sure our graduates have the skills they need to be successful whether they enter college or begin a career immediately after high school.

Currently, our state efforts for redesigning the high school are led by the High School Redesign Steering Committee. We have included representatives from all of our professional education organizations as well as from higher education and the business community. Our goals include raising high school graduation requirements by adding specific course content aligned to the demands of colleges and employers and redesigning our assessment system to implement end-of-course assessments in busy content areas. This initiative is coordinated with ongoing high school reform work in Abbott districts and in career and technical education programs. Attention to these initiatives will also address the increased expectations for a better prepared workforce included in Governor Corzine’s Economic Growth Plan for New Jersey.

**Accountability**

In fiscal 2008, the Department will implement the NJ Quality Single Accountability Continuum (NJQSAC), which will provide a thorough process to monitor all New Jersey districts. This monitoring and accountability process covers every aspect of district performance including governance, operations, fiscal management, personnel, and program and instruction. In districts that show the need for improvement, the Department will offer technical assistance either directly from the Department or through the use of highly skilled professionals. The goal is to work on improvement collaboratively rather than rely on a system of compliance that has not worked well in the past.

We will also administer the School District Fiscal Accountability Act of 2006 wherever warranted.

For educational accountability, the Department is also completing its work on NJSMART, a student-level database that will include a unique identification number for every student in the state by the spring of 2007. In order to measure student progress more effectively and improve classroom instruction, we must have individual student-level data. Districts need this information to raise student achievement and the Department will use it to make data-driven decisions. As the student-level system becomes operational

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beginning in fiscal 2008, we will create a model for calculating student progress on an individual level to determine Adequate Yearly Progress under NCLB, tracking the individual progress of students. Finally, the Department continues its work with local districts on measures that will heighten awareness of actions that can be taken and programs that can be implemented to help prevent some of the

disturbing incidents we have seen recently in schools throughout the country. Whether we are fighting gang influence, drug distribution, or possible violence in the school buildings, we must find ways to increase collaboration among local districts, law enforcement agencies, municipalities and other partners. The Department will continue to develop ways to assist districts in the area of school safety.

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

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	2007 Adjusted Approp.	Requested	Recommended	
60,694	9,414	13,620	83,728	75,524	<b>GENERAL FUND</b>			
18,129	---	-222	17,907	17,163	Direct State Services	69,518	76,733	76,733
654,245	5,042	-7,640	651,647	624,590	Grants-In-Aid	39,713	28,938	28,938
1,050	844	---	1,894	227	State Aid	1,283,865	795,907	795,907
					Capital Construction	2,450	2,800	2,800
<b>734,118</b>	<b>15,300</b>	<b>5,758</b>	<b>755,176</b>	<b>717,504</b>	<b>Total General Fund</b>	<b>1,395,546</b>	<b>904,378</b>	<b>904,378</b>
					<b>PROPERTY TAX RELIEF FUND</b>			
8,707,023	7,048	10,648	8,724,719	8,710,449	State Aid	9,013,803	10,070,837	10,070,837
<b>8,707,023</b>	<b>7,048</b>	<b>10,648</b>	<b>8,724,719</b>	<b>8,710,449</b>	<b>Total Property Tax Relief Fund</b>	<b>9,013,803</b>	<b>10,070,837</b>	<b>10,070,837</b>
<b>9,441,141</b>	<b>22,348</b>	<b>16,406</b>	<b>9,479,895</b>	<b>9,427,953</b>	<b>Total Appropriation, Department of Education</b>	<b>10,409,349</b>	<b>10,975,215</b>	<b>10,975,215</b>

## SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	2007 Adjusted Approp.	Requested	Recommended	
218	---	-28	190	185	<b>DIRECT STATE SERVICES - GENERAL FUND</b>			
53	---	3	56	56	<b>Direct Educational Services and Assistance</b>			
					Bilingual Education	238	238	238
					Special Education	59	59	59
<b>271</b>	<b>---</b>	<b>-25</b>	<b>246</b>	<b>241</b>	<b>Subtotal</b>	<b>297</b>	<b>297</b>	<b>297</b>
					<b>Operation and Support of Educational Institutions</b>			
2,899	23	179	3,101	3,098	Marie H. Katzenbach School for the Deaf	3,245	3,245	3,245
<b>2,899</b>	<b>23</b>	<b>179</b>	<b>3,101</b>	<b>3,098</b>	<b>Subtotal</b>	<b>3,245</b>	<b>3,245</b>	<b>3,245</b>
					<b>Supplemental Education and Training Programs</b>			
250	---	-5	245	244	General Vocational Education	345	345	345
<b>250</b>	<b>---</b>	<b>-5</b>	<b>245</b>	<b>244</b>	<b>Subtotal</b>	<b>345</b>	<b>345</b>	<b>345</b>
					<b>Educational Support Services</b>			
27,472	4,500	-1,677	30,295	23,408	Educational Programs and Assessment	24,454	28,004	28,004
627	---	17	644	644	Grants Management	690	690	690
2,714	1,427	---	4,141	3,783	Professional Development and Licensure	2,966	2,966	2,966
4,294	1	1,658	5,953	5,920	Service to Local Districts	3,307	6,397	6,397
---	---	---	---	---	Office of School Choice	---	---	---
123	---	2,488	2,611	2,611	Early Childhood Education	2,479	2,706	2,706
425	---	-88	337	337	Pupil Transportation	472	472	472
---	---	10,846	10,846	10,846	Abbott Implementation	10,910	11,120	11,120

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Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recom- mended
3,246	1,304	-525	4,025	3,652	Facilities Planning and School Building Aid	2,720	2,720	2,720
1,348	---	-58	1,290	1,249	Student Services	1,398	1,398	1,398
<u>40,249</u>	<u>7,232</u>	<u>12,661</u>	<u>60,142</u>	<u>52,450</u>	<i>Subtotal</i>	<u>49,396</u>	<u>56,473</u>	<u>56,473</u>
<b>Education Administration and Management</b>								
3,239	1	212	3,452	3,401	School Finance	3,773	3,773	3,773
2,193	3	262	2,458	2,454	Compliance and Auditing	2,236	2,036	2,036
11,593	2,155	336	14,084	13,636	Administration and Support Services	10,226	10,564	10,564
<u>17,025</u>	<u>2,159</u>	<u>810</u>	<u>19,994</u>	<u>19,491</u>	<i>Subtotal</i>	<u>16,235</u>	<u>16,373</u>	<u>16,373</u>
<u>60,694</u>	<u>9,414</u>	<u>13,620</u>	<u>83,728</u>	<u>75,524</u>	<i>Total Direct State Services - General Fund</i>	<u>69,518</u>	<u>76,733</u>	<u>76,733</u>
<u>60,694</u>	<u>9,414</u>	<u>13,620</u>	<u>83,728</u>	<u>75,524</u>	<b>TOTAL DIRECT STATE SERVICES</b>	<u>69,518</u>	<u>76,733</u>	<u>76,733</u>
<b>GRANTS-IN-AID - GENERAL FUND</b>								
<b>Direct Educational Services and Assistance</b>								
---	---	---	---	---	Miscellaneous Grants-In-Aid	---	10,000	10,000
---	---	---	---	---	Special Education	19,500	---	---
<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<i>Subtotal</i>	<u>19,500</u>	<u>10,000</u>	<u>10,000</u>
<b>Educational Support Services</b>								
10,629	---	-222	10,407	9,663	Educational Programs and Assessment	5,213	3,938	3,938
7,500	---	---	7,500	7,500	Student Services	15,000	15,000	15,000
<u>18,129</u>	<u>---</u>	<u>-222</u>	<u>17,907</u>	<u>17,163</u>	<i>Subtotal</i>	<u>20,213</u>	<u>18,938</u>	<u>18,938</u>
<u>18,129</u>	<u>---</u>	<u>-222</u>	<u>17,907</u>	<u>17,163</u>	<i>Total Grants-In-Aid - General Fund</i>	<u>39,713</u>	<u>28,938</u>	<u>28,938</u>
<u>18,129</u>	<u>---</u>	<u>-222</u>	<u>17,907</u>	<u>17,163</u>	<b>TOTAL GRANTS-IN-AID</b>	<u>39,713</u>	<u>28,938</u>	<u>28,938</u>
<b>STATE AID - GENERAL FUND</b>								
<b>Direct Educational Services and Assistance</b>								
22,499	650	-98	23,051	22,400	General Formula Aid	401,835	117,746	117,746
108,075	3,247	---	111,322	110,951	Nonpublic School Aid	101,615	104,664	104,664
13,641	---	100	13,741	13,493	Miscellaneous Grants-In-Aid	9,461	4,991	4,991
---	---	---	---	---	Adult and Continuing Education	---	---	---
52,000	---	---	52,000	52,000	Special Education	52,000	52,000	52,000
<u>196,215</u>	<u>3,897</u>	<u>2</u>	<u>200,114</u>	<u>198,844</u>	<i>Subtotal</i>	<u>564,911</u>	<u>279,401</u>	<u>279,401</u>
<b>Supplemental Education and Training Programs</b>								
4,860	---	---	4,860	4,854	General Vocational Education	4,860	4,860	4,860
<u>4,860</u>	<u>---</u>	<u>---</u>	<u>4,860</u>	<u>4,854</u>	<i>Subtotal</i>	<u>4,860</u>	<u>4,860</u>	<u>4,860</u>

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Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	2007 Adjusted Approp.	Requested	Recommended	
359,269	1,145	-1,775	358,639	333,951	<b>Educational Support Services</b>			
93,901	---	-5,867	88,034	86,941	Facilities Planning and School Building Aid	481,672	511,646	511,646
453,170	1,145	-7,642	446,673	420,892	Teachers' Pension and Annuity Assistance	232,422	---	---
654,245	5,042	-7,640	651,647	624,590	<i>Subtotal</i>	714,094	511,646	511,646
					<b>Total State Aid - General Fund</b>	<b>1,283,865</b>	<b>795,907</b>	<b>795,907</b>
					<b>STATE AID - PROPERTY TAX RELIEF FUND</b>			
					<b>Direct Educational Services and Assistance</b>			
5,669,554	7,048	46,779	5,723,381	5,716,734	General Formula Aid	5,443,623	5,973,838	5,973,838
80,529	---	4,501	85,030	85,016	Miscellaneous Grants-In-Aid	86,979	94,209	94,209
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	266,310	266,310
896,420	---	---	896,420	896,420	Special Education	896,420	896,420	896,420
6,911,593	7,048	51,280	6,969,921	6,963,260	<i>Subtotal</i>	6,692,112	7,296,355	7,296,355
					<b>Supplemental Education and Training Programs</b>			
38,948	---	---	38,948	38,948	General Vocational Education	38,948	38,948	38,948
38,948	---	---	38,948	38,948	<i>Subtotal</i>	38,948	38,948	38,948
					<b>Educational Support Services</b>			
307,287	---	1,867	309,154	308,067	Pupil Transportation	313,047	313,047	313,047
20,454	---	---	20,454	20,454	Facilities Planning and School Building Aid	23	158,391	158,391
1,428,741	---	-42,499	1,386,242	1,379,720	Teachers' Pension and Annuity Assistance	1,969,673	2,264,096	2,264,096
1,756,482	---	-40,632	1,715,850	1,708,241	<i>Subtotal</i>	2,282,743	2,735,534	2,735,534
8,707,023	7,048	10,648	8,724,719	8,710,449	<b>Total State Aid - Property Tax Relief Fund</b>	<b>9,013,803</b>	<b>10,070,837</b>	<b>10,070,837</b>
9,361,268	12,090	3,008	9,376,366	9,335,039	<b>TOTAL STATE AID</b>	<b>10,297,668</b>	<b>10,866,744</b>	<b>10,866,744</b>
					<b>CAPITAL CONSTRUCTION</b>			
					<b>Operation and Support of Educational Institutions</b>			
---	575	---	575	34	Marie H. Katzenbach School for the Deaf	1,950	2,400	2,400
---	575	---	575	34	<i>Subtotal</i>	1,950	2,400	2,400
					<b>Education Administration and Management</b>			
1,050	269	---	1,319	193	Administration and Support Services	500	400	400
1,050	269	---	1,319	193	<i>Subtotal</i>	500	400	400
1,050	844	---	1,894	227	<b>TOTAL CAPITAL CONSTRUCTION</b>	<b>2,450</b>	<b>2,800</b>	<b>2,800</b>
9,441,141	22,348	16,406	9,479,895	9,427,953	<b>Total Appropriation, Department of Education</b>	<b>10,409,349</b>	<b>10,975,215</b>	<b>10,975,215</b>

**30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**  
**31. DIRECT EDUCATIONAL SERVICES AND ASSISTANCE**

**OBJECTIVES**

1. To provide financial assistance to all public local education agencies to ensure their capacity to deliver the programs and services necessary to bring their students to achievement of the Core Curriculum Content Standards.
2. To provide financial assistance for the education of children attending nonpublic schools.
3. To promote local programs to improve the English and citizenship skills of foreign born adults.
4. 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 establish policy regarding school desegregation, affirmative action, and equality of opportunity for minorities and women.
5. To aid, administer, evaluate, and monitor educational programs for children and adults with educational disabilities, including those served by State and federal projects.
6. 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.
7. 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; to assure suitable educational programs to residents of State institutions.

**PROGRAM CLASSIFICATIONS**

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

01. **General Formula Aid.** The Comprehensive Educational Improvement and Financing Act of 1996 established the basis for the aid that ensures the provision of the regular education portion of a thorough and efficient (T&E) education. The Act specifies the amount of money per pupil - the T&E amount - appropriate for delivering the Core Curriculum Content Standards under certain delivery and efficiency assumptions. In recognition of legitimate local differences in cost, a flexible amount of 5% is added to and subtracted from the T&E amount to determine the T&E range, or range of spending on regular education that will be supported by the State. The T&E amount represents the cost of educating a student in the elementary school (grades 1-5). The cost of educating a kindergarten pupil is 50% of the T&E amount, as the delivery and efficiency assumptions include a half-day kindergarten program. The cost for a middle school student (grades 6-8) is 4% higher, and for a high school student (grades 9-12), 11% higher.

A district's T&E budget for regular education of its resident pupils is determined by inflating its prior year per-pupil net T&E budget by the consumer price index, provided that the increase in the consumer price index is not less than 2.5%, 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 31 poor urban districts known as Abbott districts, the T&E budget is the top of the T&E range, notwithstanding prior year spending.

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

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

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

d. **Early Childhood Aid - Aid** is provided to districts with a 20% or greater concentration of students from low income families, with a larger amount provided to districts with a 40% or greater concentration of low income pupils, for the purpose of providing preschool, full-day kindergarten, and other early childhood programs and services.

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

02. **Nonpublic School Aid.** Various types of assistance are available to Boards of Education in public school districts in New Jersey to reimburse such districts for expenses they are

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required to incur on behalf of students who are enrolled in grades K-12 in a nonpublic school, within the district, which complies with compulsory school attendance requirements and with the requirements of Title VI of the Civil Rights Act of 1964. The following aid programs are included:

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

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

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

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

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

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

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

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

b. Charter School Aid - Provides direct State aid to charter schools for first year charter school students who attended nonpublic schools prior to enrolling in the charter school; makes up the difference in the "per pupil amount" up to the State's T&E amount, if the district's per pupil program budget amount is less than the T&E amount for charter schools located in Abbott districts; and for technology improvements.

c. Charter School Aid-Council on Local Mandates - Provides direct State aid to charter schools to make up the difference in the "per pupil amount" up to the district's "program budget" amount, if capped by maximum T&E amount.

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

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

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

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

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

05. **Bilingual Education.** Categorical aid is provided to local districts for the additional costs of educating students of limited English proficiency. The division also provides technical assistance and program support (N.J.S.A. 18A:35-15). Funding is provided to school districts that meet the following criteria: (1) having greater than 20 students of limited English proficiency in any one language classification who are enrolled in approved bilingual programs; (2) having fewer than 20 students of limited English proficiency who are enrolled in approved English as a Second Language programs; or (3) 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.

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

with a concentration of low income pupils equal to or greater than 5% but less than 20% on a per-low-income pupil basis, for the purpose of providing supplemental services.

07. **Special Education.** The Comprehensive Educational Improvement and Financing Act of 1996 established a four-tier system for funding the additional costs incurred by districts in providing individualized educational programs to students with disabilities 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-language 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 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 that does not have a full child study team. Tier III pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for cognitive impairment-moderate, orthopedically impaired, auditorily impaired, communication impaired, emotionally disturbed, multiply disabled, other health impaired, and visually impaired. Tier IV pupils are pupils resident in the district meeting the classification definitions for autistic and cognitive impairment-severe and other pupils who receive one or more of the following nine services that must be specified in the pupil's individualized education program: Individual Instruction, Pupil:Teacher-Aide Ratio of 3:1 or Less, High Level Assistive Technology, Extended School Year, Intensive Related Services, Interpreter Services, Personal Aide, Residential Placement for Educational Purposes and Individual Nursing Services.

EVALUATION DATA

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>PROGRAM DATA</b>				
<b>General Formula Aid</b>				
Resident Enrollment .....	1,446,815	1,448,232	1,440,767	1,440,450
Support Per Pupil (Per State Expenditure/Appropriation and District Budgets) .....	\$14,159	\$14,917	\$16,057	\$16,794
Local .....	\$7,597	\$7,967	\$8,429	\$8,768
State .....	\$6,032	\$6,375	\$7,061	\$7,456
Federal .....	\$530	\$575	\$567	\$570
Percent Support Per Pupil				
Local .....	53.7%	53.4%	52.5%	52.2%
State .....	42.6%	42.7%	44.0%	44.4%
Federal .....	3.7%	3.9%	3.5%	3.4%
Enrollment as of October 15 (Pre-Budget Year)				
All Districts, Total .....	1,441,748	1,446,815	1,448,232	1,440,767
Kindergarten/Preschool .....	137,722	138,331	140,531	139,162
Elementary School (Grades 1-5) .....	466,528	461,671	458,842	456,717
Middle School (Grades 6-8) .....	278,105	276,422	272,255	268,260
High School (Grades 9-12) .....	326,032	333,547	338,223	338,842
Evening School, Post Graduate .....	13,366	12,182	10,908	8,973
Special Education .....	195,020	198,805	201,260	202,467
County Vocational .....	21,234	22,316	22,883	23,218
Students in State Facilities .....	3,741	3,541	3,330	3,128
<b>Nonpublic School Aid</b>				
Textbook Aid - Pupils Enrolled .....	190,970	184,164	180,008	180,100
Auxiliary Services Aid - Students Served .....	37,298	42,166	36,849	36,807
Handicapped Aid - Students Served .....	32,618	39,937	35,683	35,175
Nursing Services Aid - Pupils Enrolled .....	191,761	185,851	181,486	181,500
<b>Bilingual Education</b>				
Limited English Speaking Students Served .....	58,365	55,394	54,043	53,668
<b>Programs for Disadvantaged Youths</b>				
Federal Title I				
Migrant Children Served .....	3,488	3,488	4,234	4,234
Disadvantaged Children Served .....	300,000	300,000	300,000	300,000
Students Eligible for Free Lunch/Free Milk				
All Districts .....	276,951	285,445	287,400	290,761
Abbott Districts .....	164,970	168,258	161,853	165,280

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	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>Special Education</b>				
Enrollments				
Local Districts .....	188,217	192,140	194,741	196,068
Regional Day Schools .....	1,051	1,038	960	941
County Vocational Special Education .....	5,752	5,627	5,559	5,458

## PERSONNEL DATA

### Position Data

#### Filled Positions by Funding Source

State Supported .....	4	5	3	4
Federal .....	104	115	108	134
Total Positions .....	108	120	111	138

#### Filled Positions by Program Class

Bilingual Education .....	4	5	6	7
Programs for Disadvantaged Youths .....	7	14	17	19
Special Education .....	97	101	88	112
Total Positions .....	108	120	111	138

### Notes:

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded.

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Repts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended	
<b><u>DIRECT STATE SERVICES</u></b>									
<b>Distribution by Fund and Program</b>									
218	---	-28	190	185	Bilingual Education	05	238	238	238
53	---	3	56	56	Special Education	07	59	59	59
<b>271</b>	<b>---</b>	<b>-25</b>	<b>246</b>	<b>241</b>	<b>Total Direct State Services</b>		<b>297<sup>(a)</sup></b>	<b>297</b>	<b>297</b>
<b>Distribution by Fund and Object</b>									
Personal Services:									
212	---	11	223	223	Salaries and Wages		238	238	238
<b>212</b>	<b>---</b>	<b>11</b>	<b>223</b>	<b>223</b>	<b>Total Personal Services</b>		<b>238</b>	<b>238</b>	<b>238</b>
21	---	-19	2	2	Materials and Supplies		21	21	21
37	---	-17	20	16	Services Other Than Personal		37	37	37
1	---	---	1	---	Maintenance and Fixed Charges		1	1	1
<b><u>GRANTS-IN-AID</u></b>									
<b>Distribution by Fund and Program</b>									
---	---	---	---	---	Miscellaneous Grants-In-Aid	03	---	10,000	10,000
---	---	---	---	---	Special Education	07	19,500	---	---
<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>Total Grants-in-Aid</b>		<b>19,500</b>	<b>10,000</b>	<b>10,000</b>
<b>Distribution by Fund and Object</b>									
Grants:									
---	---	---	---	---	Preschool Expansion and Enhancement Grants	03	---	10,000	10,000
---	---	---	---	---	Autism In-District Program Grants <sup>(b)</sup>	07	15,000	---	---
---	---	---	---	---	Special Education In-District Grants <sup>(b)</sup>	07	4,500	---	---

# EDUCATION

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended	
<b>STATE AID</b>									
<b>Distribution by Fund and Program</b>									
5,768,079	7,698	81,847	5,857,624	5,850,326	General Formula Aid	01	5,927,484	6,173,610	6,173,610
22,499	650	-98	23,051	22,400	<i>(From General Fund)</i>		401,835	117,746	117,746
5,745,580	7,048	81,945	5,834,573	5,827,926	<i>(From Property Tax Relief Fund)</i>		5,525,649	6,055,864	6,055,864
108,075	3,247	---	111,322	110,951	Nonpublic School Aid	02	101,615	104,664	104,664
94,170	---	4,601	98,771	98,509	Miscellaneous Grants-In-Aid	03	96,440	99,200	99,200
13,641	---	100	13,741	13,493	<i>(From General Fund)</i>		9,461	4,991	4,991
80,529	---	4,501	85,030	85,016	<i>(From Property Tax Relief Fund)</i>		86,979	94,209	94,209
65,578	---	---	65,578	65,578	Bilingual Education	05	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	Programs for Disadvantaged Youths	06	199,512	266,310	266,310
199,512	---	---	199,512	199,512	<i>(From Property Tax Relief Fund)</i>		199,512	266,310	266,310
948,420	---	---	948,420	948,420	Special Education	07	948,420	948,420	948,420
52,000	---	---	52,000	52,000	<i>(From General Fund)</i>		52,000	52,000	52,000
896,420	---	---	896,420	896,420	<i>(From Property Tax Relief Fund)</i>		896,420	896,420	896,420
<b>7,183,834</b>	<b>10,945</b>	<b>86,448</b>	<b>7,281,227</b>	<b>7,273,296</b>	<b>Total State Aid</b>		<b>7,339,049</b>	<b>7,657,782</b>	<b>7,657,782</b>
196,215	3,897	2	200,114	198,844	<i>(From General Fund)</i>		564,911	279,401	279,401
6,987,619	7,048	86,446	7,081,113	7,074,452	<i>(From Property Tax Relief Fund)</i>		6,774,138	7,378,381	7,378,381
					<b>Less:</b>				
(73,576)	---	---	(73,576)	(73,576)	Stabilization Growth Limitation		(73,576)	(73,576)	(73,576)
(2,450)	---	(35,166)	(37,616)	(37,616)	Growth Savings - Payment Changes		(8,450)	(8,450)	(8,450)
<b>(76,026)</b>	<b>---</b>	<b>(35,166)</b>	<b>(111,192)</b>	<b>(111,192)</b>	<b>Total Income Deductions</b>		<b>(82,026)</b>	<b>(82,026)</b>	<b>(82,026)</b>
<b>7,107,808</b>	<b>10,945</b>	<b>51,282</b>	<b>7,170,035</b>	<b>7,162,104</b>	<b>Total State Appropriation</b>		<b>7,257,023</b>	<b>7,575,756</b>	<b>7,575,756</b>
					<b>Distribution by Fund and Object</b>				
					State Aid:				
---	650	---	650	---	State Aid Supplemental Funding	01	---	---	---
7,499	---	---	7,499	7,499	Core Curriculum Standards Aid	01	384,935	117,746	117,746
3,072,819	---	-641	3,072,178	3,072,073	Core Curriculum Standards Aid (PTRF)	01	2,695,383	2,962,572	2,962,572
251,768	---	---	251,768	251,768	Supplemental Core Curriculum Standards Aid (PTRF)	01	251,768	251,768	251,768
90,000	---	---	90,000	90,000	Additional Formula Aid (PTRF)	01	86,772	179,378	179,378
15,000	---	-98	14,902	14,901	High Expectations for Learning Proficiency	01	16,900	---	---
---	---	---	---	---	High Expectations for Learning Proficiency (PTRF)	01	---	16,900	16,900
330,630	---	---	330,630	330,630	Early Childhood Aid (PTRF)	01	330,630	330,630	330,630
15,621	---	---	15,621	15,621	Instructional Supplement (PTRF)	01	15,621	15,621	15,621
111,626	---	---	111,626	111,626	Stabilization Aid (PTRF)	01	111,626	111,626	111,626
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

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Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
18,295	---	---	18,295	18,295	<b>STATE AID</b>				
130,127	---	---	130,127	130,127	Regionalization Incentive Aid (PTRF)	01	18,295	18,295	18,295
1,449,495	7,048	72,308	1,528,851	1,522,831	Consolidated Aid (PTRF)	01	129,684	129,684	129,684
					Education Opportunity Aid (PTRF)	01	1,551,209 <sup>(c)</sup> 3,847 <sup>S</sup>	1,679,294	1,679,294
192,400	---	11,540	203,940	203,940	Abbott Preschool Expansion Aid (PTRF)	01	243,200	246,300	246,300
4,000	---	-1,291	2,709	2,187	Early Launch to Learning Initiative (PTRF)	01	3,000	3,000	3,000
20,000	---	-309	19,691	19,691	Abbott-Bordered District Aid (PTRF)	01	21,903	21,903	21,903
---	---	---	---	---	Full-Day Kindergarten Supplemental Aid (PTRF)	01	---	26,182	26,182
9,969	---	240	10,209	10,209	School Choice (PTRF)	01	8,306	8,306	8,306
16,456	---	---	16,456	16,456	Aid for Enrollment Adjustments (PTRF)	01	16,456	16,456	16,456
12,000	---	98	12,098	12,098	Above Average Enrollment Growth (PTRF)	01	17,575	17,575	17,575
12,271	---	-715	11,556	11,556	Nonpublic Textbook Aid	02	10,279	10,066	10,066
29,322	---	4,338	33,660	33,660	Nonpublic Handicapped Aid	02	30,900	30,768	30,768
34,224					Nonpublic Auxiliary Services Aid	02	34,498	37,429	37,429
5,326 <sup>S</sup>	247	-2,377	37,420	37,049	Nonpublic Auxiliary/Handicapped Transportation Aid	02	4,694	4,944	4,944
4,396	---	47	4,443	4,443	Nonpublic Nursing Services Aid	02	13,800	14,013	14,013
14,636	---	-836	13,800	13,800	Nonpublic Technology Initiative	02	7,444	7,444	7,444
7,900	---	-457	7,443	7,443	Nonpublic Capital Projects Aid	02	---	---	---
---	3,000	---	3,000	3,000	Emergency Fund	03	200	200	200
200	---	---	200	---	Evening School for the Foreign Born	03	211	211	211
211	---	---	211	187	Charter School Aid (PTRF)	03	15,058	17,943	17,943
11,758	---	880	12,638	12,638	Charter Schools - Council on Local Mandates (PTRF)	03	10,500	13,335	13,335
8,300	---	-479	7,821	7,821	Educational Information and Resource Center	03	450	450	450
450	---	---	450	450	Bridge Loan Interest and Approved Borrowing Cost	03	50	50	50
50	---	---	50	27	Payments for Institutionalized Children - Unknown District of Residence (PTRF)	03	30,200	31,710	31,710
24,500	---	4,200	28,700	28,700	Community Relations Committee of the United Jewish Federation of Metrowest	03	30	30	30
30	---	---	30	30	Lawrence Township (Mercer) School District Extraordinary Aid	03	675	---	---
750	---	---	750	750	School District Of Trenton - Security	03	---	---	---
1,500	---	---	1,500	1,500	Character Education	03	---	---	---
---	---	100	100	99	Character Education (PTRF)	03	---	---	---
4,750	---	-100	4,650	4,637	Teacher Quality Mentoring (PTRF)	03	2,500	2,500	2,500
2,500	---	---	2,500	2,499	Adult and Postsecondary Education Grants (PTRF)	03	28,721	28,721	28,721
28,721	---	---	28,721	28,721	Montclair Board of Education - Desegregation Aid	03	---	---	---
500	---	---	500	500					

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Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
<b>STATE AID</b>									
1,000	---	---	1,000	1,000	Montclair Board of Education - Minority Student Achievement Network	03	1,000	---	---
4,000	---	---	4,000	4,000	Englewood Implementation Aid	03	4,000	4,000	4,000
1,000	---	---	1,000	1,000	Edison School District	03	1,300	---	---
750	---	---	750	750	Wallington School District	03	---	---	---
2,200	---	---	2,200	2,200	Ewing School District	03	---	---	---
1,000	---	---	1,000	1,000	Collingswood School District	03	---	---	---
---	---	---	---	---	East Brunswick School District	03	1,300	---	---
---	---	---	---	---	South Plainfield School District	03	195	---	---
---	---	---	---	---	NJSIAA Steriod Testing	03	50	50	50
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
---	---	---	---	---	Targeted At-Risk Aid (PTRF)	06	---	66,798	66,798
896,420	---	---	896,420	896,420	Special Education Aid (PTRF)	07	896,420	896,420	896,420
52,000	---	---	52,000	52,000	Extraordinary Special Education Costs Aid	07	52,000	52,000	52,000
<i>Less:</i>									
(76,026)	---	(35,166)	(111,192)	(111,192)	<i>Income Deductions</i>	---	(82,026)	(82,026)	(82,026)
<u>7,108,079</u>	<u>10,945</u>	<u>51,257</u>	<u>7,170,281</u>	<u>7,162,345</u>	<b>Grand Total State Appropriation</b>	---	<u>7,276,820</u>	<u>7,586,053</u>	<u>7,586,053</u>
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
19,879	---	---	19,879	19,879	Bilingual Education	05	21,530	16,790	16,790
308 <sup>S</sup>	3,148	---	23,335	22,437	Programs for Disadvantaged Youths	06	287,097	286,810	286,810
301,584	11,118	-97	312,605	286,557	Special Education	07	343,370	356,650	356,650
<u>344,807</u>	<u>38,601</u>	<u>-180</u>	<u>383,228</u>	<u>344,479</u>	<b>Total Federal Funds</b>	---	<u>651,997</u>	<u>660,250</u>	<u>660,250</u>
<u>666,578</u>	<u>52,867</u>	<u>-277</u>	<u>719,168</u>	<u>653,473</u>	<b>All Other Funds</b>				
---	---	10,000	10,000	10,000	Miscellaneous Grants-In-Aid	03	---	---	---
---	---	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<b>Total All Other Funds</b>	---	---	---	---
<u>7,774,657</u>	<u>63,812</u>	<u>60,980</u>	<u>7,899,449</u>	<u>7,825,818</u>	<b>GRAND TOTAL ALL FUNDS</b>	---	<u>7,928,817</u>	<u>8,246,303</u>	<u>8,246,303</u>

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

(a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program.

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

(b) Fiscal 2008 expenditures will be supported by the fiscal 2007 appropriation.

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

(c) The fiscal year 2007 appropriation has been adjusted to reflect the transfer of funds from Education Opportunity Aid to Direct State Services authorized by language in the fiscal 2007 Appropriations Act.

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

Of the amount appropriated hereinabove for Preschool Expansion and Enhancement Grants, such sums as are necessary for the purpose of paying the cost of an independent needs assessment of existing "non-Abbott" preschool programs shall be transferred to the Office of Early Childhood Education in Direct State Services, subject to the approval of the Director of the Division of Budget and Accounting.

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

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

Notwithstanding the provisions of section 14 of P.L.1977, c.193 (C.18A:46-19.8) for the purpose of computing Nonpublic Handicapped Aid for pupils requiring the following services, the per pupil amounts for the 2007-2008 school year shall be: \$1,326.17 for an initial evaluation or reevaluation for examination and classification; \$380.00 for an annual review for examination and classification; \$930.00 for speech correction; and \$826.00 for supplementary instruction services, provided however, that the commissioner may adjust the per pupil amounts based upon the nonpublic pupil population and the need for services.

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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 2007-2008 school year for the purposes of computing Nonpublic Auxiliary Services Aid shall equal \$908.80, provided however, that the commissioner may adjust the per pupil amounts based upon the nonpublic pupil population and the need for services.

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, 2006 and the rate per pupil shall be \$77.20.

Nonpublic Technology Initiative aid shall be paid to school districts and allocated for nonpublic school pupils at the rate of \$40 per pupil in a manner that is consistent with the provisions of the federal and State constitutions.

Such sums received in the "School District Deficit Relief Account," established pursuant to P.L.2006, c.15 (C.18A:7A-54 et seq.), including loan repayments, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for Extraordinary Special Education Costs Aid shall be charged first to receipts of the supplemental fee established pursuant to section 2 of P.L.2003, c.113 (C.46:15-7.1) credited to the Extraordinary Aid Account. Notwithstanding the provisions of that law to the contrary, the amount appropriated for Extraordinary Special Education Costs Aid from receipts deposited in the Extraordinary Aid account shall not exceed the amount appropriated hereinabove.

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

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Additional Formula Aid shall be distributed to school districts that are not recipients of Education Opportunity Aid. An eligible district's allocation shall be the sum of the amount allocated in 2006-2007 school year and an amount that equals 3% of the total State aid amount payable for the 2006-2007 school year for the following aid categories: Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Early Childhood Program Aid, Instructional Supplement Aid, Demonstrably Effective Program Aid, Stabilization Aid, Stabilization Aid 2, Stabilization Aid 3, Large Efficient District Aid, Aid for Districts with High Senior Citizens Populations, Regionalization Incentive Aid, Adult and Post-Secondary Education Grants, Bilingual Education Aid, Special Education Aid, County Vocational Program Aid, Transportation Aid, School Choice, Aid for Enrollment Adjustments, Consolidated Aid, and Above Average Enrollment Growth.

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 affirmative action as is necessary to ensure the effective and efficient expenditure of funds for the implementation of all of the Abbott v. Burke programs, reforms and remedies. In addition, in fulfilling this responsibility, the Commissioner shall promulgate regulations to govern the receipt and expenditure of State aid by the Abbott districts and the programs, positions and services supported thereby. Notwithstanding the provisions of P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, any such regulations adopted by the commissioner shall be deemed adopted immediately upon filing with the Office of Administrative Law, except that any such regulations related to the submission of district budgets shall be adopted in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), and such regulations shall remain in effect for a minimum of two years, as provided in the May 9, 2006 order in Abbott v. Burke. 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 amount appropriated hereinabove for Education Opportunity Aid shall provide resources to equalize spending between "I" and "J" districts and "Abbott districts," and provide aid to fund additional needs of "Abbott districts." Notwithstanding the provisions of any law or regulation to the contrary, Education Opportunity Aid shall be provided to each "Abbott district" whose per pupil regular education expenditure for 2007-2008 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 2007-2008. The minimum amount of aid shall be determined as follows: funds shall be allocated in the amount of the difference between each "Abbott district's" per pupil regular education expenditure for 2007-2008 and the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2006-2007 indexed by the actual percentage increase in the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2006-2007 over the per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2005-2006. In calculating the per pupil regular education expenditure of each "Abbott district" for 2007-2008, regular education expenditure shall equal the sum of the general fund tax levy for 2006-2007, 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 2007-2008 indexed by the district's enrollment growth rate used to determine the estimated enrollments of October 2007; 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, 2007 as reflected on the Application for State School Aid for 2008-2009. In calculating the actual per pupil regular education expenditure of each "Abbott district" for 2007-2008, regular education expenditure shall equal the sum of the actual general fund tax levy for 2007-2008, 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). 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 2007-2008. In calculating the actual per pupil average regular education expenditure of districts in district factor groups "I" and "J" for 2007-2008, regular education expenditure shall equal the sum of the general fund tax levy for 2007-2008, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid and all forms of stabilization aid pursuant to section 10 of P.L.1996, c.138 (C.18A:7F-10); enrollments shall be the resident enrollment for preschool through grade 12 as of October 15, 2007 as reflected on the Application for State School Aid for 2008-2009; 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.

Of the amount hereinabove appropriated for Education Opportunity Aid, each “Abbott district’s” initial allocation shall be the greater of the amount calculated in accordance with the provisions hereinabove for equalized spending or the district’s final adjusted 2006–2007 Education Opportunity Aid, including any supplemental award. The district’s Education Opportunity Aid allocation shall be reduced by an amount equal to any general fund tax levy increase required by the commissioner. After calculating the “Abbott district’s” actual regular education expenditure, State aid shall be reduced by the difference between the required general fund tax levy increase and the total general fund tax levy increase from 2006–2007 to 2007–2008.

The amount hereinabove appropriated for Education Opportunity Aid shall also be used to ensure that every “Abbott district” is at parity and for any additional aid amount awarded by the commissioner as part of the Department’s budget review process. Any “Abbott district” that fails to submit any required documentation or fails to submit its annual audit by November 15, 2007 may have its State aid withheld upon the commissioner’s request to the Director of the Division of Budget and Accounting. The additional award may be adjusted by a reallocation of the district’s undesignated fund balance in excess of two percent based on the annual audit filed pursuant to N.J.S.18A:23-1.

Notwithstanding the provisions of any law or regulation to the contrary, as a condition of receiving Education Opportunity Aid, an “Abbott district” shall examine all available group options for every insurance policy held by the district, including any self-insurance plan administered by the New Jersey School Boards Association Insurance Group on behalf of districts, and shall participate in the most cost effective plans. As a further condition, all “Abbott districts” shall take steps to maximize the district’s participation in the federal Universal Service Program (E-rate) and the ACT telecommunications program offered through the New Jersey Association of School Business Administrators, shall participate in the ACES energy program offered through the New Jersey School Boards Association unless a district can demonstrate that it receives the goods or services at a cost less than or equal to the cost achieved by participants, and shall take appropriate steps to maximize the district’s participation in the Special Education Medicaid Initiative (SEMI) program, with maximum participation defined by the Commissioner of Education and shall refinance all outstanding debt for which a three percent net present value savings threshold is achievable. An “Abbott district” that fails to meet any of these requirements may have payment of Education Opportunity Aid withheld until such time as these requirements are met. The commissioner is authorized to establish any additional condition on the disbursement of Education Opportunity Aid that the commissioner deems appropriate to ensure effective and efficient spending in the “Abbott districts.”

Notwithstanding the provisions of any law or regulation to the contrary, as a condition of receiving Education Opportunity Aid, an “Abbott district” shall raise a general fund tax levy which shall be no less than the sum of the general fund tax levy raised in 2006–2007 and the increase in the levy from 2006–2007 to 2007–2008 that may be required by the commissioner. The required levy increase shall be such that an “Abbott district’s” total equalized tax rate shall not be below 120 percent of the State average total equalized tax rate unless such increase would result in an increase in the average household’s tax liability of more than \$125 when using the 2006 tax data as published by the Department of Community Affairs. The required increase would be further limited by the cap on district tax levy increases pursuant to P.L.2007, c. , now pending before the Legislature as Assembly Bill, No.1.

Notwithstanding the provisions of any law or regulation to the contrary, the allocation of the amount hereinabove appropriated for Education Opportunity Aid to an “Abbott district” shall be reduced by the amount of proceeds received by the district from the sale of district surplus property, which shall be appropriated by the district for regular education operations. Surplus property means that property which is not being replaced by other property under a grant agreement with the New Jersey Schools Construction Corporation.

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 2007–2008 for the projected expansion of preschool programs in “Abbott districts” with “Abbott” status in 2001–2002. For any district receiving “Abbott” status after 2001–2002, the increase in approved budgeted costs for the purpose of funding will be based on the year “Abbott” status was obtained. 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 2007–2008 fiscal year. Such documentation may include expenditure, enrollment, and attendance data that may be subject to an audit. Appropriate adjustments to a district’s Abbott Preschool Expansion Aid amount may be made by the commissioner based on actual need.

From the amount appropriated hereinabove for the Early Launch to Learning Initiative, an amount not to exceed \$325,000 shall be transferred to the Office of Early Childhood Education in Direct State Services for the support of two staff persons and related operational costs to administer the program, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, 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; when a charter school is located in an “Abbott district,” to distribute an amount equal to the difference between the per pupil T&E amount for a given grade level and the program budget of an “Abbott district” when that “Abbott district’s” program budget is below the T&E amount; to distribute \$40 for each student enrolled in the charter school; and to distribute aid to charter schools pursuant to the provisions of subsection d. of section 12 of P.L.1995, c.426 (C.18A:36A-12).

The amount hereinabove appropriated for Full-Day Kindergarten Supplemental Aid shall be distributed to school districts with October 2006 resident enrollments that include full-day kindergarten students. Eligible district allocations shall be calculated by applying the ratio of 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 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 to the product of the district’s October 2006 resident full-day kindergarten enrollment and the amount calculated for PW for fiscal 2002 in accordance with subsection a. of section 13 of P.L.1996, c.138 (C.18A:7F-13). For the purposes of this provision, the

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October 2006 resident enrollment figures refer to the actual resident enrollments as reported to the Department on the Application for State School Aid.

The amount hereinabove appropriated for Targeted At-Risk Aid shall be distributed to districts with concentrations of low-income pupils greater than or equal to 15% as of October 2006 based on data reported to the Department on the October 2006 Application for State School Aid (ASSA). A district with a concentration rate equal to or greater than 15% but less than 20% will receive an allocation equal to \$250 per low-income pupil. A district with a concentration rate equal to or greater than 20% will receive an allocation equal to \$500 per low-income pupil. A recipient district shall be required to obtain the approval of the Department of Education for the planned uses of targeted at-risk funds. To facilitate monitoring of the uses of the funds, districts shall be required to maintain separate program and service accounts in the special revenue section of the district budgets and financial records in accordance with GAAP and specifications prescribed by the Commissioner of Education. If a district successfully demonstrates to the Department that it is already providing high-quality programs to address the needs of low-income students, Targeted At-Risk Aid may be transferred from the special revenue section of the district budget to the general revenue section. For the purposes of this section, a low-income pupil is defined as a pupil included in the calculation of modified district enrollment and reported as low-income free or low-income reduced in the ASSA and low-income concentration rate is defined as the percentage of the low-income pupils to the modified district enrollment as defined in section 3 of P.L.1996, c.138 (C.18A:7F-3).

Notwithstanding the provisions of section 12 of P.L.1995, c.426 (C.18A:36A-12), or any law or regulation to the contrary, the State shall pay on behalf of a resident district an amount not to exceed the difference between the district's 2007-2008 total actual charter school payment and the estimated appropriations used in completing the school district's 2006-2007 budget as stated in the 2006-2007 Potential Charter School Aid notification letter based on actual documented needs.

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

## 30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT

### 32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS

#### OBJECTIVES

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

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.

13. **Positive Learning Understanding Support Program.** The PLUS program, established in 1994, will continue with a projected enrollment of 11 students. Nine residential pupils will participate for ten months. The PLUS program responds to the needs of deaf and hard-of-hearing students with behavioral difficulties. This program provides educational services that address the social, cultural, behavioral, and psychological needs of students in elementary through high school who also have emotional disturbances. Tuition paid by the districts that send these children to the Katzenbach School will fully support the costs of the program.

#### 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 46 percent of the school's 213 students on a five-day-a-week basis. Special programs to broaden the population served by the school include preschool age deaf, adult deaf, emotionally disturbed and deaf-blind students. The

#### EVALUATION DATA

PROGRAM DATA	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>Marie H. Katzenbach School for the Deaf</b>				
Annual Enrollment .....	208	215	214	213
Day Pupils .....	122	128	117	113
Extended Day Pupils .....	-	-	3	3
Residential Pupils .....	86	87	94	97
Gross Annual Cost Per Student .....	\$61,779	\$60,191	\$62,178	\$69,141

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	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
Annual Payments From Local School Boards				
For Regular Day Pupils .....	\$30,209	\$31,115	\$32,049	\$35,500
For Extended Day Pupils .....	-	-	\$36,856	\$40,825
For Residential Pupils .....	\$37,112	\$38,225	\$39,372	\$44,375
Direct Annual State Support Per Student .....	\$14,284	\$14,409	\$15,164	\$15,235
Annual Graduates .....	24	27	13	15
Annual Graduates Enrolled in College .....	8	5	3	5
Annual Graduates Employed .....	16	22	10	10
<b>Regional Schools for the Handicapped</b>				
Annual Enrollment in Schools Operated Under Contract .....	1,051	1,038	960	941

## PERSONNEL DATA

### Position Data

#### Filled Positions by Funding Source

State Supported .....	24	30	29	30
Federal .....	14	13	13	12
All Other .....	163	161	182	202
<b>Total Positions .....</b>	<b>201</b>	<b>204</b>	<b>224</b>	<b>244</b>

#### Filled Positions by Program Class

Marie H. Katzenbach School for the Deaf .....	186	192	208	228
Positive Learning Understanding Support Program .....	15	12	16	16
<b>Total Positions .....</b>	<b>201</b>	<b>204</b>	<b>224</b>	<b>244</b>

### Notes:

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded.

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended	
<b><u>DIRECT STATE SERVICES</u></b>									
<b>Distribution by Fund and Program</b>									
2,899	9,770	322	12,991	12,941	Marie H. Katzenbach School for the Deaf	12	13,306	14,727	14,727
2,899	23	179	3,101	3,098	(From General Fund)		3,245	3,245	3,245
---	9,747	143	9,890	9,843	(From All Other Funds)		10,061	11,482	11,482
---	716	---	716	716	Positive Learning Understanding Support Program	13	1,061	1,028	1,028
---	716	---	716	716	(From All Other Funds)		1,061	1,028	1,028
<b>2,899</b>	<b>10,486</b>	<b>322</b>	<b>13,707</b>	<b>13,657</b>	<b>Total Direct State Services</b>		<b>14,367<sup>(a)</sup></b>	<b>15,755</b>	<b>15,755</b>
---	(10,463)	(143)	(10,606)	(10,559)	<b>Less:</b>				
					All Other Funds		(11,122)	(12,510)	(12,510)
<b>2,899</b>	<b>23</b>	<b>179</b>	<b>3,101</b>	<b>3,098</b>	<b>Total State Appropriation</b>		<b>3,245</b>	<b>3,245</b>	<b>3,245</b>
<b>Distribution by Fund and Object</b>									
Personal Services:									
1,425	443 8,667 <sup>R</sup>	322	10,857	10,856	Salaries and Wages		11,560	12,560	12,560
1,425	9,110	322	10,857	10,856	<b>Total Personal Services</b>		<b>11,560</b>	<b>12,560</b>	<b>12,560</b>
815	11 767 <sup>R</sup>	---	1,593	1,583	Materials and Supplies		1,618	1,770	1,770
193	32 170 <sup>R</sup>	---	395	381	Services Other Than Personal		376	440	440
295	16 328 <sup>R</sup>	---	639	618	Maintenance and Fixed Charges		618	770	770

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Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
<b>DIRECT STATE SERVICES</b>								
Special Purpose:								
40	---	---	40	40				
					12	40	40	40
131	23 29 R	---	183	179		155	175	175
<b>Less:</b>								
---	(10,463)	(143)	(10,606)	(10,559)		(11,122)	(12,510)	(12,510)
<b>CAPITAL CONSTRUCTION</b>								
<b>Distribution by Fund and Program</b>								
---	575	---	575	34				
					12	1,950	2,400	2,400
---	575	---	575	34		1,950	2,400	2,400
<b>Total Capital Construction</b>						<b>1,950</b>	<b>2,400</b>	<b>2,400</b>
<b>Distribution by Fund and Object</b>								
<b>Marie H. Katzenbach School for the Deaf</b>								
---	168	---	168	---	12	1,950	2,400	2,400
---	121	---	121	3	12	---	---	---
---	82	---	82	11				
					12	---	---	---
---	5	---	5	---	12	---	---	---
---	66	---	66	---	12	---	---	---
---	106	---	106	---	12	---	---	---
---	27	---	27	20	12	---	---	---
<b>2,899</b>	<b>598</b>	<b>179</b>	<b>3,676</b>	<b>3,132</b>		<b>5,195</b>	<b>5,645</b>	<b>5,645</b>
<b>OTHER RELATED APPROPRIATIONS</b>								
---	10,463	143	10,606	10,559		11,122	12,510	12,510
<b>Total All Other Funds</b>								
<b>Federal Funds</b>								
826	173	-58	941	646	12	732	846	846
<b>826</b>	<b>173</b>	<b>-58</b>	<b>941</b>	<b>646</b>		<b>732</b>	<b>846</b>	<b>846</b>
<b>3,725</b>	<b>11,234</b>	<b>264</b>	<b>15,223</b>	<b>14,337</b>		<b>17,049</b>	<b>19,001</b>	<b>19,001</b>

## Notes -- Direct State Services - General Fund

(a) The fiscal year 2007 appropriation has been adjusted for the reallocation of State appropriations supporting information technology services to the Office of Information Technology within the Department of Treasury.

## 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 law or regulation to the contrary, in addition to the amount appropriated hereinabove to the Marie H. Katzenbach School for the Deaf for the 2007-2008 academic year, payments from local boards of education to the school at an annual rate and payment schedule adopted by the Commissioner of Education and the Director of the Division of Budget and Accounting are appropriated.

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

The unexpended balance at the end of the preceding fiscal year, in the receipt account of the Marie H. Katzenbach School for the Deaf is appropriated for expenses of operating the school.

The unexpended balance at the end of the preceding fiscal year, in the receipt account of the Positive Learning Understanding Support (PLUS) program is appropriated for the expenses of operating the Marie H. Katzenbach School for the Deaf.

## Language Recommendations -- Capital Construction

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

**30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT**  
**33. SUPPLEMENTAL EDUCATION AND TRAINING PROGRAMS**

**OBJECTIVES**

1. To provide quality educational programs that further develop the academic, vocational, and technical skills of vocational-technical education students through high standards.
2. To provide quality programs to New Jersey students to assist them in clarifying career goals, exploring career possibilities, experiencing career applications of academic knowledge and skills, developing employability 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 for vocational-technical students to support linkages between secondary and postsecondary vocational, technical, and career programs, including two-year and four-year collegiate programs.
4. To provide students strong experience in and understanding of all aspects of an industry, including the academic, technical, and technological requirements for career development and lifelong learning.
5. To provide professional development and technical assistance to vocational and technical educators.

In order for the State to qualify to receive federal grant money 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 money.

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

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

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

**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 funds 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).

**EVALUATION DATA**

	<b>Actual FY 2005</b>	<b>Actual FY 2006</b>	<b>Revised FY 2007</b>	<b>Budget Estimate FY 2008</b>
<b>PROGRAM DATA</b>				
<b>General Vocational Education</b>				
Secondary Vocational Education				
Annual Enrollments . . . . .	106,298	110,770	117,400	123,378
Annual Graduates or Completions . . . . .	29,359	34,345	33,305	35,470
Annual Grade 11-12 Occupational Program Enrollments . . . . .	55,106	57,896	59,708	62,151
<b>PERSONNEL DATA</b>				
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported . . . . .	4	5	6	6
Federal . . . . .	25	25	20	21
All Other . . . . .	1	---	---	---
Total Positions . . . . .	30	30	26	27
Filled Positions by Program Class				
General Vocational Education . . . . .	30	30	26	27
Total Positions . . . . .	30	30	26	27

**Notes:**

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded.

# EDUCATION

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
<b>DIRECT STATE SERVICES</b>									
<b>Distribution by Fund and Program</b>									
250	---	-5	245	244	General Vocational Education	20	345	345	345
<u>250</u>	<u>---</u>	<u>-5</u>	<u>245</u>	<u>244</u>	<b>Total Direct State Services</b>		<b>345 (a)</b>	<b>345</b>	<b>345</b>
<b>Distribution by Fund and Object</b>									
Personal Services:									
199	---	29	228	228	Salaries and Wages		294	294	294
<u>199</u>	<u>---</u>	<u>29</u>	<u>228</u>	<u>228</u>	<b>Total Personal Services</b>		<b>294</b>	<b>294</b>	<b>294</b>
26	---	-25	1	---	Materials and Supplies		26	26	26
25	---	-9	16	16	Services Other Than Personal		25	25	25
<b>STATE AID</b>									
<b>Distribution by Fund and Program</b>									
43,808	---	---	43,808	43,802	General Vocational Education	20	43,808	43,808	43,808
4,860	---	---	4,860	4,854	(From General Fund)		4,860	4,860	4,860
38,948	---	---	38,948	38,948	(From Property Tax Relief Fund)		38,948	38,948	38,948
<u>43,808</u>	<u>---</u>	<u>---</u>	<u>43,808</u>	<u>43,802</u>	<b>Total State Aid</b>		<b>43,808</b>	<b>43,808</b>	<b>43,808</b>
4,860	---	---	4,860	4,854	(From General Fund)		4,860	4,860	4,860
38,948	---	---	38,948	38,948	(From Property Tax Relief Fund)		38,948	38,948	38,948
<b>Distribution by Fund and Object</b>									
State Aid:									
4,860	---	---	4,860	4,854	Vocational Education	20	4,860	4,860	4,860
38,948	---	---	38,948	38,948	County Vocational Program Aid (PTRF)	20	38,948	38,948	38,948
<u>44,058</u>	<u>---</u>	<u>-5</u>	<u>44,053</u>	<u>44,046</u>	<b>Grand Total State Appropriation</b>		<b>44,153</b>	<b>44,153</b>	<b>44,153</b>
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
26,620	3,616	122	30,358	25,957	General Vocational Education	20	26,650	26,645	26,645
<u>26,620</u>	<u>3,616</u>	<u>122</u>	<u>30,358</u>	<u>25,957</u>	<b>Total Federal Funds</b>		<b>26,650</b>	<b>26,645</b>	<b>26,645</b>
<b>All Other Funds</b>									
---	158	---	158	---	General Vocational Education	20	---	---	---
<u>---</u>	<u>158</u>	<u>---</u>	<u>158</u>	<u>---</u>	<b>Total All Other Funds</b>		<b>---</b>	<b>---</b>	<b>---</b>
<u>70,678</u>	<u>3,774</u>	<u>117</u>	<u>74,569</u>	<u>70,003</u>	<b>GRAND TOTAL ALL FUNDS</b>		<b>70,803</b>	<b>70,798</b>	<b>70,798</b>

### Notes -- Direct State Services - General Fund

(a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program.

## 30. EDUCATIONAL, CULTURAL, AND INTELLECTUAL DEVELOPMENT 34. EDUCATIONAL SUPPORT SERVICES

### OBJECTIVES

1. 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.
2. To provide curriculum leadership for local school districts in various instructional areas.
3. 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.

4. To create comprehensive assessments that will measure students' progress toward achieving the new content standards.
5. To design and implement mandated professional development for teachers and school leaders to enable them to accomplish new educational initiatives in schools and districts throughout the State.

6. To approve college teacher training programs based on professional standards and issue educational certificates upon verification of eligibility.
7. To provide oversight and guide implementation of the Charter School Program Act of 1995.
8. 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.
9. To successfully implement the equal educational opportunity mandates of the New Jersey Supreme Court in *Abbott v. Burke*.
10. To provide technical and financial assistance for transportation of public and nonpublic students at minimum expense to the State and local school districts.
11. To ensure provision of suitable educational facilities in local school districts through inspections and financial assistance.
12. To assist the schools in understanding the comprehensive and challenging K-12 curriculum content areas and communicate the depth and scope of the standards and frameworks.
13. To maximize resources to support the Department's mission and priorities; to assure accountability for use of the Department's grant resources.
14. 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**

30. **Educational Programs and Assessment.** Coordinates standards-based reform initiatives to improve teaching and learning; identifies and promotes research-based programs to assist school improvement and other innovation efforts, including early literacy initiatives and gifted and talented programs; coordinates with the higher education community to ensure that there are sufficient numbers of highly qualified teachers; and oversees the statewide assessment program.

To ensure that New Jersey's students are prepared for lives as productive citizens, Core Curriculum Content Standards (CCCS) have been adopted in mathematics, language arts literacy (reading, writing, listening, viewing, and speaking), science, the arts, social studies, world languages, gifted education, comprehensive health/physical education, technological literacy, and career education and consumer, family and life skills. Supporting the CCCS, curriculum frameworks have been developed to help teachers help their students to master the knowledge and skills identified in the standards. Professional development requirements are in place for teachers and administrators. 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. A similar professional development requirement for school leaders was implemented in 2004. Additional professional development initiatives include the National Board for Professional Teaching Standards subsidy program and the State Action for Education Leadership Project (SAELP).

Research-based programmatic initiatives include the Governor's Literacy Initiative and the federal Reading First program, both geared at ensuring that all children read at or above grade level by the end of the third grade. The Charter

School Program Act of 1995 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. The Inter-district Public School Choice Program provides options for parents and students in participating districts.

To ensure that New Jersey has sufficient numbers of highly qualified teachers, several strategies are employed, including partnerships with college and university placement offices and a public relations campaign promoting careers in education. The division is working collaboratively with key higher education administrators and faculty to ensure the success of this program. The teacher quality preparation initiatives unit provides 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 statewide assessment program includes testing in language arts literacy and mathematics in grades 3 through 8 and at the high school level. Science assessments are in place for grades 4, 8, and the high school level. The Alternate Proficiency Assessment is administered to students with severe cognitive disabilities. All assessments are based on the Core Curriculum Content Standards in the academic areas being assessed. For individuals aged 16 or older who are no longer enrolled in school, the General Education Development (GED) assessment process provides an opportunity to earn a New Jersey high school diploma.

31. **Grants Management.** Establishes and maintains systems to acquire, manage, and distribute approximately \$742 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 ensure efficiency, accountability, and integrity in the management of the Department's subgrant funds. The Office of Grants Management 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 Strategic Initiative and Accountability facilitates the Department's efforts to identify and obtain new resources, to coordinate or consolidate existing resources to support educational priorities, and to resolve appeals related to the grants management process.
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. The Office of Licensure and Credentials, which also administers the State Board of Examiners, is supported by a fee structure.

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33. **Service to Local Districts.** Consists of the following regulatory functions: the tasks of educational planning and evaluation/accreditation (required by N.J.S.A. 18A:7A-1 et seq.); accelerated intervention of Level II districts, including an external team review, report, 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.
35. **Early Childhood Education.** Responsible for the oversight of early childhood education statewide, including the development, administration and implementation of early childhood education and coordination with other K-12 initiatives. The Office of Early Childhood Education coordinates policy, program development, and evaluation for early childhood education in accordance with State mandates. The Office has developed Abbott Preschool Program Implementation Guidelines that provide instructions for districts on developing their program plans to assure accountability and implementation of early childhood programs. The Office provides technical support and oversight to school districts; reviews literature; collaborates with other State departments and State and national experts on early childhood education; organizes and facilitates the delivery of professional development; and develops evaluation data to track the progress and implementation of early childhood education programs.
36. **Pupil Transportation.** Monitors, analyzes, and evaluates local districts' transportation systems and records in order to increase the safety, cost-effectiveness, and accountability of transportation operations. Develops safety education programs and provides technical assistance to local boards of education to promote safety and to efficiently administer transportation services. The Department trains county and local district personnel to administer transportation services according to statute and code. Transportation Aid is provided 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.** Focuses on high quality early childhood education for 3 and 4 year-olds that will ensure that every child will be reading at or above grade level by the end of third grade; literacy instruction and a literacy-rich curriculum in the primary grades; small classes; the development of research-based educational programs designed to close the achievement gap between urban and suburban students; continuous school improvement through the use of a data-driven accountability system; standards-driven school improvement to ensure that every student is provided the opportunity to achieve the Core Curriculum Content Standards; professional development focused on improving classroom instruction; collaboration with all stakeholders, including the Education Law Center, district and school staff, parents, and representatives from higher education, professional organizations and the community at large; school-based decision-making relying on fruitful collaboration and cooperation with the district's central office; and fiscal accountability to improve efficiency and effectiveness of Abbott spending.
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 are 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 for school construction projects approved under the provisions of EFCFA. School Construction Debt Service Aid provides aid for local debt for EFCFA projects.
39. **Teachers' Pension and Annuity Assistance.** The State provides the employer's share to the Teachers' Pension and Annuity Fund (N.J.S.A. 18A:66-33) in amounts actuarially determined by using experience of the preceding year as certified to the Governor by the Fund's Board of Trustees. All public school teachers are required to contribute to the Fund, except for optional participation of certain persons based on age, veteran's status, or teacher status prior to specified dates. Janitorial employees of local boards of education also are covered.
40. **Student 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, student conduct, school safety and security, comprehensive health education, school health services, HIV/AIDS education, family life education, bilingual education, character education, social emotional learning, equal education opportunities, adult literacy, and basic skills. Holocaust and Genocide Education was mandated by the State Legislature in 1994. The New Jersey Commission on Holocaust Education has as its central mission the study, development, recommendation, and dissemination of curricular materials to local school districts on a wide range of genocides, with the goal of eradicating ethnic and racial intolerance and fostering tolerance for cultural diversity. The Commission coordinates activities to assist districts in implementing the mandate, including the dissemination of instructional materials, the provision of staff training, and the establishment of Holocaust Education demonstration sites.

EVALUATION DATA

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>PROGRAM DATA</b>				
<b>Educational Programs and Assessment</b>				
High School Proficiency Assessment – Mathematics				
Students Ranked Proficient . . . . .	28.4%	26.6%	29.0%	29.0%
Students Ranked Advanced Proficient . . . . .	47.1%	49.3%	49.0%	49.0%
Students Ranked Partially Proficient . . . . .	24.5%	24.1%	22.0%	22.0%
High School Proficiency Assessment – Language Arts Literacy				
Students Ranked Proficient . . . . .	16.8%	21.9%	17.0%	17.0%
Students Ranked Advanced Proficient . . . . .	63.6%	61.6%	64.0%	64.0%
Students Ranked Partially Proficient . . . . .	19.6%	16.5%	19.0%	19.0%
High School Equivalency				
Adults Enrolled . . . . .	15,800	15,500	17,500	18,500
Adults Earning State Diplomas . . . . .	9,500	9,200	10,800	11,400
Charter Schools Licensed . . . . .	50	51	54	59
<b>Grants Management</b>				
Discretionary Contracts Awarded Annually . . . . .	337	324	324	324
Entitlement Contracts Awarded Annually . . . . .	4,849	5,589	5,205	5,205
<b>Professional Development And Licensure</b>				
Annual Evaluations (Non-Issuance)(a) . . . . .	2,419	1,104	---	---
Certificates Awarded Annually(b) . . . . .	17,500	17,500	27,000	30,000
Academic Credentials Issued Annually . . . . .	450	500	500	500
County Substitute Certificate Applications Received Annually . . . . .	23,000	25,000	25,000	25,000
Certificates of Eligibility Issued Annually . . . . .	15,600	17,590	18,000	18,250
Training Contracts Approved Annually . . . . .	6,846	7,000	7,000	8,256
Annual Induction Evaluations . . . . .	20,538	21,000	21,000	24,750
<b>Service to Local Districts</b>				
Needs Identified				
Districts Monitored Annually . . . . .	150	148	100	100
School Level Objectives Approved Annually . . . . .	4,500	4,500	4,500	4,500
Level II and Level III Monitors of School Districts Annually . . . . .	9	9	9	9
Assistance Rendered				
Districts Certified Annually . . . . .	70	69	60	60
Districts Conditionally Certified for One Year Annually . .	80	80	40	40
District Objectives Achieved Annually . . . . .	4,300	4,300	4,300	4,300
<b>PERSONNEL DATA</b>				
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported . . . . .	287	266	233	266
Federal . . . . .	55	47	44	52
All Other . . . . .	30	35	45	48
Total Positions . . . . .	372	348	322	366
Filled Positions by Program Class				
Educational Programs and Assessment . . . . .	107	93	73	89
Grants Management . . . . .	31	30	30	28
Professional Development and Licensure . . . . .	30	36	46	50
Service to Local Districts . . . . .	67	61	51	63
Early Childhood Education . . . . .	16	16	15	20
Pupil Transportation . . . . .	6	5	5	6
Abbott Implementation . . . . .	68	65	61	66
Facilities Planning and School Building Aid . . . . .	28	29	28	30
Student Services . . . . .	19	13	13	14
Total Positions . . . . .	372	348	322	366

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**Notes:**

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded. All Other includes positions supported by fees.

(a) Annual Evaluations were suspended in fiscal year 2006 and discontinued in fiscal year 2007.

(b) The Certificates Awarded Annually amount increased based on an updated data collection system implemented in fiscal year 2007.

**APPROPRIATIONS DATA**  
(thousands of dollars)

Orig. & (S)Supplemental	Year Ending June 30, 2006				Prog. Class.	2007 Adjusted Approp.	Year Ending June 30, 2008	
	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended			Requested	Recommended
<b><u>DIRECT STATE SERVICES</u></b>								
<b>Distribution by Fund and Program</b>								
27,472	4,500	-1,677	30,295	23,408				
627	---	17	644	644	30	24,454	28,004	28,004
2,714	1,427	---	4,141	3,783	31	690	690	690
4,294	1	1,658	5,953	5,920	32	2,966	2,966	2,966
123	---	2,488	2,611	2,611	33	3,307	6,397	6,397
425	---	-88	337	337	35	2,479	2,706	2,706
---	---	10,846	10,846	10,846	36	472	472	472
3,246	1,304	-525	4,025	3,652	37	10,910	11,120	11,120
1,348	---	-58	1,290	1,249	38	2,720	2,720	2,720
					40	1,398	1,398	1,398
<b>40,249</b>	<b>7,232</b>	<b>12,661</b>	<b>60,142</b>	<b>52,450</b>		<b>49,396</b> (a)	<b>56,473</b>	<b>56,473</b>
<b>Distribution by Fund and Object</b>								
Personal Services:								
	462							
13,406	1,449 <sup>R</sup>	1,322	16,639	14,901		12,609	15,699	15,699
---	---	---	---	1,373		---	---	---
<b>13,406</b>	<b>1,911</b>	<b>1,322</b>	<b>16,639</b>	<b>16,274</b>		<b>12,609</b>	<b>15,699</b>	<b>15,699</b>
425	81	-194	312	225		425	425	425
1,351	715	-361	1,705	1,368		981	981	981
52	2	-2	52	42		52	52	52
Special Purpose:								
16,225	4,500	-49	20,676	16,076	30	16,225	20,725	20,725
135	---	---	135	118	30	135	135	135
152	---	---	152	131	30	152	152	152
6,650	---	-1,350	5,300	3,509	30	3,709	2,759	2,759
1,474	---	-27	1,447	1,028	30	1,474	1,474	1,474
---	---	2,432	2,432	2,432	35	2,345 (b)	2,572	2,572
---	---	10,846	10,846	10,846	37	10,910 (b)	11,120	11,120
244	---	---	244	236	40	244	244	244
135	---	9	144	135	40	135	135	135
---	23	35	58	30		---	---	---
<b><u>GRANTS-IN-AID</u></b>								
<b>Distribution by Fund and Program</b>								
10,629	---	-222	10,407	9,663	30	5,213	3,938	3,938
7,500	---	---	7,500	7,500	40	15,000	15,000	15,000
<b>18,129</b>	<b>---</b>	<b>-222</b>	<b>17,907</b>	<b>17,163</b>		<b>20,213</b>	<b>18,938</b>	<b>18,938</b>

# EDUCATION

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended
<b>GRANTS-IN-AID</b>								
<b>Distribution by Fund and Object</b>								
Grants:								
1,929	---	---	1,929	1,929	30	---	---	---
6,100	---	---	6,100	6,100				
750	---	-222	528	495	30	3,000	3,000	3,000
350	---	---	350	24	30	188	188	188
1,500	---	---	1,500	1,115	30	---	---	---
7,500	---	---	7,500	7,500	40	15,000	15,000	15,000
<b>STATE AID</b>								
<b>Distribution by Fund and Program</b>								
307,287	---	1,867	309,154	308,067	36	313,047	313,047	313,047
307,287	---	1,867	309,154	308,067				
379,723	1,145	-1,775	379,093	354,405				
359,269	1,145	-1,775	358,639	333,951	38	481,695	670,037	670,037
20,454	---	---	20,454	20,454		481,672	511,646	511,646
1,522,642	---	-48,366	1,474,276	1,466,661		23	158,391	158,391
93,901	---	-5,867	88,034	86,941	39	2,202,095	2,264,096	2,264,096
1,428,741	---	-42,499	1,386,242	1,379,720		232,422	---	---
2,209,652	1,145	-48,274	2,162,523	2,129,133		1,969,673	2,264,096	2,264,096
453,170	1,145	-7,642	446,673	420,892	<b>Total State Aid</b>			
1,756,482	---	-40,632	1,715,850	1,708,241		2,996,837	3,247,180	3,247,180
						714,094	511,646	511,646
						2,282,743	2,735,534	2,735,534
<b>Distribution by Fund and Object</b>								
State Aid:								
307,187	---	1,867	309,054	308,064	36	312,947	312,947	312,947
100	---	---	100	3				
775	---	---	775	775	36	100	100	100
100,000	---	130	100,130	100,130	38	23	---	---
19,679	---	---	19,679	19,679	38	116,826	---	---
31,742	---	---	31,742	31,737	38	---	112,997	112,997
---	---	---	---	---	38	33,394	---	---
227,527	1,145	-1,905	226,767	202,084	38	---	45,394	45,394
589,118	---	-42,499	546,619	545,309	38	331,452	511,646	511,646
68,727	---	-612	68,115	68,115	39	616,540	642,445	642,445
655,750	---	---	655,750	650,538	39	661,383	661,383	661,383
---	---	---	---	---	39	691,750	717,150	717,150
25,789	---	612	26,401	26,401	39	32,471	---	---
1	---	---	1	1	39	---	30,952	30,952
6,960	---	-5,867	1,093	---	39	104,853	---	---

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Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
89,357	---	---	89,357	89,357					
86,940	---	---	86,940	86,940					
---	---	---	---	---					
<b>2,268,030</b>	<b>8,377</b>	<b>-35,835</b>	<b>2,240,572</b>	<b>2,198,746</b>					
<b>STATE AID</b>									
					Post Retirement Medical Other Than TPAF (PTRF)	39	---	108,694	108,694
					Debt Service on Pension Obligation Bonds	39	95,097	---	---
					Debt Service on Pension Obligation Bonds (PTRF)	39	---	<u>103,472</u>	<u>103,472</u>
					<b>Grand Total State Appropriation</b>		<b>3,066,446</b>	<b>3,322,591</b>	<b>3,322,591</b>
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
94,444					Educational Programs and Assessment	30	89,313	86,772	86,772
999 <sup>S</sup>	11,835	---	107,278	89,816					
2,458					Grants Management	31	---	---	---
1,133 <sup>S</sup>	40	---	3,631	250					
100 <sup>S</sup>	100	---	200	123	Professional Development and Licensure	32	100	156	156
30,911					Student Services	40	<u>29,576</u>	<u>28,855</u>	<u>28,855</u>
502 <sup>S</sup>	9,103	-10	40,506	23,432	<b>Total Federal Funds</b>		<b>118,989</b>	<b>115,783</b>	<b>115,783</b>
<u>130,547</u>	<u>21,078</u>	<u>-10</u>	<u>151,615</u>	<u>113,621</u>					
<b>All Other Funds</b>									
	2,710				Educational Programs and Assessment	30	101	1	1
---	213 <sup>R</sup>	---	2,923	720					
---	3,220	-1,500	1,720	559	Professional Development and Licensure	32	864	1,000	1,000
	86				Student Services (e)	40	<u>40</u>	<u>40</u>	<u>40</u>
---	102 <sup>R</sup>	500	688	611	<b>Total All Other Funds</b>		<b>1,005</b>	<b>1,041</b>	<b>1,041</b>
---	<u>6,331</u>	<u>-1,000</u>	<u>5,331</u>	<u>1,890</u>	<b>GRAND TOTAL ALL FUNDS</b>		<b>3,186,440</b>	<b>3,439,415</b>	<b>3,439,415</b>
<u>2,398,577</u>	<u>35,786</u>	<u>-36,845</u>	<u>2,397,518</u>	<u>2,314,257</u>					

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

- (a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program, which includes \$136,000 in appropriated receipts, and for the transfer of funds to the Interdepartmental Salary and Other Benefits Account.
- (b) The fiscal year 2007 appropriation has been adjusted to reflect the transfer of funds from Education Opportunity Aid to Direct State Services authorized by language in the fiscal 2007 Appropriations Act.

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

- (c) The fiscal year 2006 data has been adjusted to separately report School Construction Debt Service Aid.
- (d) The fiscal year 2006 data has been adjusted to report the non-contributory insurance component.

**Notes -- All Other Funds**

- (e) In addition to the resources reflected in All Other Funds above, funding will be transferred from the Department of Treasury to support operations and services related to the Project DARE (Drug Abuse Resistance Education) in fiscal 2008. The recent history of such receipts is reflected in the Department of Education's budget.

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

From the amount appropriated hereinabove for the Governor's Literacy Initiative, the sum of \$900,000 may be transferred to the Commission for the Blind and Visually Impaired for increased Braille lessons for blind children, subject to the approval of the Director of the Division of Budget and Accounting.

From the amount hereinabove appropriated for the Governor's Literacy Initiative, there is appropriated, \$300,000 for a grant for the Learning Through Listening program at the New Jersey Unit of the Recording for the Blind and Dyslexic.

Receipts from the State Board of Examiners' fees in excess of those anticipated and the unexpended program balances at the end of the preceding fiscal year, are appropriated for the operation of the Professional Development and Licensure programs.

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

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

The amount hereinabove appropriated for the Governor's Literacy Program shall be used to provide grants to districts to improve instruction in language arts literacy and mathematics. In awarding such grants, the Commissioner of Education shall use criteria including the School Improvement Status based upon the federal No Child Left Behind Act and student performance on the New Jersey Assessment of Skills and Knowledge.

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

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

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

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

The unexpended balance at the end of the preceding fiscal year in the School Construction and Renovation Fund account is appropriated for the same purpose.

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

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.

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

Notwithstanding the provisions of section 2 of P.L.1996, c.96 (C.39:3B-1.2) and section 3 of P.L.1996, c.96 (C.39:3B-1.3), or any law or regulation to the contrary, the amount appropriated hereinabove for School Bus Crossing Arms shall be provided to the owners of newly manufactured vehicles equipped with a crossing control arm upon submission to the Department of Education of a complete application for reimbursement within one year of the vehicle purchase date.

Notwithstanding the provisions of section 2 of P.L.1981,c.57 (C.18A:39-1a), or any law or regulation to the contrary, the additional costs of providing transportation shall be provided from the amount hereinabove appropriated for Transportation Aid, except that the maximum amount of nonpublic school transportation costs per pupil provided for in N.J.A.18A:39-1 shall equal \$826.

Of the amount appropriated hereinabove for School Building Aid, the calculation of each eligible district's allocation shall include the amount based on school bond and lease purchase agreement payments for interest and principal payable during the 2007-2008 school year pursuant to section 10 of P.L.2000, c.72 (C.18A:7G-10) and the adjustments required based on the difference between the amounts calculated using actual 2005-2006 principal and interest amounts and the amounts allocated and paid in 2005-2006.

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 percent. 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.

Such additional sums as may be required for Teachers' Pension and Annuity Fund - Post Retirement Medical 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.

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

**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; to collect, edit, review, and compile statistical information for the Commissioner's Annual Report.

6. To provide Department level executive and management leadership in implementing laws affecting the educational system of the State.
7. To support the State Board of Education in its function of establishing goals and policies, as well as resolving conflicts in the educational system.
8. To improve fiscal and management practices of local school districts and the Department.

**PROGRAM CLASSIFICATIONS**

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

# EDUCATION

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 direction, management, and general administrative support services. The State Board of Education (N.J.S.A. 18A:4-3 et seq.) consists of 13 members appointed by the Governor with the consent of the Senate. The Board sets policy for the Department as well as local school districts and hears appeals from the Commissioner's decisions on controversies and disputes. The Commissioner of Education 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 rendering decisions on alleged violations of that Act. In addition, numerous citizens' councils are formally established to provide advice to the Department in specific areas of responsibility.

Support services include oversight of information and educational technology and infrastructure for statewide connectivity so that all students will have access to resources needed to achieve the Core Curriculum Content Standards, budgeting, accounting, purchasing, personnel and payroll as well as administrative services such as printing, mail, and facilities. The Department has developed a student data handbook; a statewide student information data warehouse is underway to assist educators and federal reporting requirements. Executive services include providing support to the State Board of Education and the School Ethics Commission, assisting the Commissioner in developing policy positions on legislative initiatives, and providing accountability information to the public. Federal funds include the consolidated administration of federal programs under the No Child Left Behind Act and educational technology grants to schools.

## EVALUATION DATA

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>PROGRAM DATA</b>				
<b>Compliance and Auditing</b>				
Annual Compliance and Fiscal Reviews of School Districts . . .	4	4	4	4
Annual Audits of Applications for State School Aid . . . . .	40	41	50	50
Annual Monitoring of Private Schools for the Disabled . . . . .	18	27	28	28
Annual Audits of Title I Funds . . . . .	30	35	23	30
Annual Grant Audits . . . . .	26	26	26	26
<b>PERSONNEL DATA</b>				
<b>Affirmative Action Data</b>				
Male Minority . . . . .	70	66	70	70
Male Minority % . . . . .	7.4	6.9	7.4	7.4
Female Minority . . . . .	195	192	195	195
Female Minority % . . . . .	20.7	20.2	20.7	20.7
Total Minority . . . . .	265	258	265	265
Total Minority % . . . . .	28.1	27.1	28.1	28.1
<b>Position Data</b>				
<b>Filled Positions by Funding Source</b>				
State Supported . . . . .	169	174	167	186
Federal . . . . .	39	43	36	45
All Other . . . . .	28	29	28	12
Total Positions . . . . .	236	246	231	243
<b>Filled Positions by Program Class</b>				
School Finance . . . . .	41	40	39	42
Compliance and Auditing . . . . .	23	22	21	23
Administration and Support Services . . . . .	172	184	171	178
Total Positions . . . . .	236	246	231	243

**Notes:**

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded.

APPROPRIATIONS DATA  
(thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
<b><u>DIRECT STATE SERVICES</u></b>									
<b>Distribution by Fund and Program</b>									
3,239	1	212	3,452	3,401	School Finance	42	3,773	3,773	3,773
2,193	3	262	2,458	2,454	Compliance and Auditing	43	2,236	2,036	2,036
11,593	2,155	336	14,084	13,636	Administration and Support Services	99	10,226	10,564	10,564
<b>17,025</b>	<b>2,159</b>	<b>810</b>	<b>19,994</b>	<b>19,491</b>	<b>Total Direct State Services</b>		<b>16,235 (a)</b>	<b>16,373</b>	<b>16,373</b>
<b>Distribution by Fund and Object</b>									
<b>Personal Services:</b>									
13,369	---	182	13,551	13,551	Salaries and Wages		13,754	13,892	13,892
<b>13,369</b>	<b>---</b>	<b>182</b>	<b>13,551</b>	<b>13,551</b>	<b>Total Personal Services</b>		<b>13,754</b>	<b>13,892</b>	<b>13,892</b>
300	---	-105	195	154	Materials and Supplies		301	301	301
1,101	---	57	1,158	1,134	Services Other Than Personal		884	884	884
67	---	-20	47	37	Maintenance and Fixed Charges		67	67	67
<b>Special Purpose:</b>									
---	---	227	227	227	Early Childhood Enrollment Audits	42	178 (b)	178	178
570 <sup>S</sup>	3	---	573	573	Internal Auditing	43	600	600	600
---	---	390	390	390	Early Childhood Compliance Audits	43	298 (b)	298	298
50	---	85	135	132	State Board of Education Expenses	99	85	85	85
1,500	2,153	-46	3,607	3,209	Student Registration and Record System	99	---	---	---
68	---	---	68	68	Affirmative Action and Equal Employment Opportunity Program	99	68	68	68
---	3	40	43	16	Additions, Improvements and Equipment		---	---	---
<b><u>CAPITAL CONSTRUCTION</u></b>									
<b>Distribution by Fund and Program</b>									
1,050	269	---	1,319	193	Administration and Support Services	99	500	400	400
<b>1,050</b>	<b>269</b>	<b>---</b>	<b>1,319</b>	<b>193</b>	<b>Total Capital Construction</b>		<b>500</b>	<b>400</b>	<b>400</b>
<b>Distribution by Fund and Object</b>									
<b>Division of Administration</b>									
---	81	---	81	3	Roof Replacement and HVAC Repairs, Regional Day Schools	99	---	---	---
450	---	---	450	159	Health and Life Safety Projects	99	---	---	---
600	188	---	788	31	Fire Sprinkler Systems, Various Regional Day Schools	99	500	400	400
<b>18,075</b>	<b>2,428</b>	<b>810</b>	<b>21,313</b>	<b>19,684</b>	<b>Grand Total State Appropriation</b>		<b>16,735</b>	<b>16,773</b>	<b>16,773</b>
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
14,873	3,001	---	17,874	16,258	Administration and Support Services	99	9,992	9,992	9,992
<b>14,873</b>	<b>3,001</b>	<b>---</b>	<b>17,874</b>	<b>16,258</b>	<b>Total Federal Funds</b>		<b>9,992</b>	<b>9,992</b>	<b>9,992</b>
<b>All Other Funds</b>									
---	425 <sup>R</sup>	---	457	457	Compliance and Auditing	43	692	610	610
---	<b>457</b>	<b>---</b>	<b>457</b>	<b>457</b>	<b>Total All Other Funds</b>		<b>692</b>	<b>610</b>	<b>610</b>
<b>32,948</b>	<b>5,886</b>	<b>810</b>	<b>39,644</b>	<b>36,399</b>	<b>GRAND TOTAL ALL FUNDS</b>		<b>27,419</b>	<b>27,375</b>	<b>27,375</b>

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## Notes -- Direct State Services - General Fund

- (a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program as well as the reallocation of State appropriations supporting information technology services to the Office of Information Technology within the Department of Treasury.
- (b) The fiscal year 2007 appropriation has been adjusted to reflect the transfer of funds from Education Opportunity Aid to Direct State Services authorized by language in the fiscal 2007 Appropriations Act.

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

Receipts derived from fees for school district personnel background checks and unexpended balances at the end of the preceding fiscal year of such receipts are appropriated for the cost of operation.

The unexpended balance at the end of the preceding fiscal year in the Student Registration and Record System account are appropriated for the same purpose.

Costs attributable to EdSmart and EasyIEP shall be paid from revenue received from the Special Education Medicaid Initiative (SEMI) and the Medicaid Administrative Claiming (MAC) programs and are appropriated for these purposes to the Student Registration and Record System account upon recommendation from the Commissioner of the Department of Education, subject to the approval of the Director of the Division of Budget and Accounting.

In the event that revenues received from the Special Education Medicaid Initiative (SEMI) and the Medicaid Administrative Claiming (MAC) programs are insufficient to satisfy costs attributable to EdSmart and EasyIEP, there are appropriated to the Student Registration and Record System account such sums as may be required as the Director of the Division of Budget and Accounting shall determine.

## DEPARTMENT OF EDUCATION

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

Of the amount appropriated hereinabove from the General Fund for the Department of Education, or otherwise available from federal sources, there are appropriated funds to establish a School Security Planning and Assurance Unit within the Department of Education, staffed to plan, coordinate, and conduct an on-going comprehensive security assessment and vulnerability reduction program for school sites Statewide, in collaboration with schools and law enforcement, subject to the approval of the Director of the Division of Budget and Accounting.

Such additional sums as may be necessary are appropriated for implementation of the recommendations of the reorganization study performed in accordance with P.L.2007, JR-3, subject to the approval of the Director of the Division of Budget and Accounting.

Additional sums as may be necessary for the Department of Education for additional oversight costs as required by pending legislation for financial oversight of schools or school funding reform are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

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

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

### Language Recommendations -- State Aid - General Fund

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

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

### Language Recommendations -- State Aid - General Fund

The unexpended balances at the end of the preceding fiscal year 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 the provisions of any law or regulation 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 the provisions of any law or regulation to the contrary, each district shall receive no less of a total State aid amount payable for the 2007–2008 school year than the sum of the district’s total State aid amount payable for the 2006–2007 school year for the following aid categories: Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Early Childhood Program Aid, Instructional Supplement Aid, Demonstrably Effective Program Aid, Stabilization Aid, Stabilization Aid 2, Stabilization Aid 3, Large Efficient District Aid, Aid for Districts with High Senior Citizen Populations, Regionalization Incentive Aid, Adult and Postsecondary Education Grants, Bilingual Education Aid, Special Education Aid, County Vocational Program Aid, Transportation Aid, High Expectations for Learning Proficiency, Consolidated Aid, School Choice, Abbott-Bordered District Aid, Above Average Enrollment Growth, and Aid for Enrollment Adjustments, taking into consideration the June 2007 payment made in July 2007.

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

Notwithstanding the provisions of section 8 of P.L.1996, c.138 (C.18A:7F-8), five percent of the total payments to local districts for Education Opportunity Aid, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Special Education, Transportation, Early Childhood programs, Demonstrably Effective programs, Instructional Supplement, Bilingual, County Vocational Educational program, other aid pursuant to P.L.1996, c.138, School Choice, Consolidated Aid, Abbott-Bordered District Aid and Additional Formula Aid, as provided by the Department of Education to the local school districts for the 2007–2008 school year in the 2007–08 General Fund and Special Revenue Fund State Aid Payments Schedule, shall be paid on the 8th and 22nd of each month from September through June, with the last school aid payment being subject to the approval of the State Treasurer.

From the amounts hereinabove, such sums as are required to satisfy delayed June 2007 school aid payments are appropriated and the State Treasurer is hereby authorized to make such payment in July 2007.

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

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Education may reduce the total State Aid amount payable for the 2007–2008 school year for a district in which an independent audit of the 2006–2007 school year conducted pursuant to N.J.S.18A:23-1 identifies any deviation from the Uniform Minimum Chart of Accounts after the recalculation of the district’s actual “Total Administrative Costs” pursuant to N.J.A.C.6:23A-2.4.

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Education may reduce State aid payments to any district by any amounts found to be in violation of restrictions placed on travel expenditures in accordance with regulations adopted by the commissioner.

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Education may withhold State aid payments to a school district that has not submitted in final form the data elements requested for inclusion in a Statewide data warehouse within 60 days of the department’s initial request or its request for additional information, whichever is later.

In the event sufficient balances are not available in the “School District Deficit Relief Account” for amounts recommended by the Commissioner of Education to the State Treasurer for advance State Aid payments in accordance with section 5 of P.L.2006, c.15 (C.18A:7A-58 et seq.), the Director of the Division of Budget and Accounting is authorized to transfer such sums as required from available balances in State Aid accounts.

Notwithstanding the provisions of any law or regulation to the contrary, the amount of Department of Education State aid appropriations made available to the Department of Human Services, the Department of Children and Families, the Department of Corrections or the Juvenile Justice Commission 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 facilities under contract with the applicable Department shall not exceed the actual costs of the education of those children in such facilities.

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

#### **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.