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Special Adoption

EDUCATION

COMMISSIONER OF EDUCATION

Improving Standards-Driven Instruction and Literacy in Abbott School Districts:

Implementing Standards-Driven Instruction and Effective and Efficient Practices under

Abbott v. Burke

Special Adopted Amendments: N.J.A.C. 6A:10A-1.2, 2.2, 3.2, 3.6, 7.2, 7.3 and 7.4

Adopted: February 7, 2005 by William L. Librera, Ed.D., Commissioner, Department of
Education

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Authority: P.L. 2004, c.71 (Fiscal Year 2005 Appropriations Act)

Effective Date: February 7, 2005

Expiration Date: June 30, 2005

Take notice that, in compliance with the provisions of the Fiscal Year 2005

Appropriations Act, P.L. 2004, c.71, the Commissioner of Education promulgated

amendments to N.J.A.C. 6A:10A. The amendments extend the requirement that

preschool programs implement the Early Learning Assessment System in preschool and

kindergarten classes. The section on support for students, N.J.A.C. 6A:10A-3.6, is

amended to add the requirement that a parent liaison also be included as part of the

Family Support Team. The section on cost efficiency in 2005-2006 budgets, N.J.A.C. 6A:10A-7.2, is revised to outline the Department's requirements for administrative costs as they relate to the presumptive budget requirements school districts must adhere to when submitting their 2005-2006 budget. The section on application for 2005-2006 DEOA, N.J.A.C. 6A:10A-7.3, is amended to remove the reference to instructional effectiveness. The amendments to N.J.A.C. 6A:10A-7.4 require the Department to provide the reasons for not accepting the school district's explanation for costs in excess of the midpoint average median. The amendments also require that the Department explain how the elimination of an existing program, service or other expenditure will not weaken the foundational education program when determining what program should be exempted from reallocation. The amendments also require the Department to provide reasons for reducing, reallocating or eliminating specified inefficiencies/conditions when a school district's DEOA request is tied to a specific program.

Full text of the adopted amendments follows (additions are indicated as boldface **thus**; deletions indicated in brackets [thus]):

6A:10A-1.2 Definitions

The following words and terms, as used in this chapter, shall have the following meaning unless the content indicates otherwise.

...

"Base budget" means the 2004-2005 statutory formula aids, DEOA, Education Opportunity Aid (EOA), general fund tax levy, budgeted general fund balance and

miscellaneous unrestricted revenues less an adjustment[s] for capital outlay [and capital reserve].

...

6A:10A-2.2 Preschool programs

(a) The school district board of education shall offer a full-day, full-year preschool program.

1.-4. (No change.)

5. The school district board of education shall provide a curriculum supported by evidence-based research and programs that meet the Department's Preschool Teaching and Learning Expectations: Standards of Quality, (Expectations) that are linked to the CCCS. The program and curriculum shall include, but not be limited to, the following:

i.-ii. (No change.)

iii. Implementation of the Early Learning Assessment System (ELAS) in all preschool and kindergarten classrooms by September, 2005.

6.-21. (No change.)

(b)-(g) (No change.)

6A:10A-3.2 Standards-based reform

(a)-(b) (No change.)

(c) Abbott schools and school districts shall provide an intensive early literacy program for preschool to grade three to ensure that each student reads at the appropriate grade level, with the goal of all students reading on grade level by third grade. The intensive early literacy program shall include the following components:

1.-4. (No change.)

5. A comprehensive early literacy assessment program that provides assessment in the native language, where appropriate, including:

i.-v. (No change.)

vi. Locally-devised assessment including clear and measurable indicators of progress based on the school district's curriculum and measured periodically with incremental assessments in grades one through three, and implementation of the Early Learning Assessment System (ELAS) in all preschool and kindergarten classrooms by September, 2005;

6.-12. (No change.)

(d) (No change.)

6A:10A-3.6 Support for students

(a)-(c) (No change.)

(d) Each elementary school shall coordinate adequate social and health services and referrals to improve student readiness, performance, and attendance; to identify student needs; to assure that all students receive health care and social services that are demonstrated to be essential for improved achievement; and to reduce teacher time devoted to resolving non-academic matters.

1. The school shall provide a Family Support Team that may include the school nurse, social worker, guidance counselor, teacher, and parent liaison, as appropriate. All student data and records shall remain confidential. The Family Support Team shall identify student needs, consult regularly with parents or guardians and a student's classroom teachers, provide direct services where appropriate, refer students to community social

and health providers or to the child study team for services not available in the school, and follow-up to assure the student needs were satisfied.

2. (No change.)

(e)-(j) (No change.)

6A:10A-7.2 Cost efficiency in 2005-2006 budgets

(a) (No change.)

(b) Each school district board of education shall ensure economies and efficiencies are being attained in the delivery of programs and services through the use of, but not limited to, the Department Efficiency Study and a review of administrative cost limits. The review of administrative costs limits to ensure that per pupil administrative costs do not increase by more than 2.5 percent or the cost of living, whichever is greater, will be performed by the [Department when the budgets are reviewed] Division pursuant to (d) through (f) below.

(c) (No change.)

(d) Pursuant to N.J.S.A. 18A:7F-5, per pupil administrative cost limits for 2005-2006 shall be calculated as follows:

1. Per pupil administrative cost limits are calculated individually for each of the three regions, North, Central and South, using audited expenditure data from the 2003-2004 school year. Each district board of education will receive a statement of its regional administrative cost limit with the annual state aid notices. The district board of education shall prepare and submit to the Department a proposed budget consistent with N.J.S.A

18A:7F-5, N.J.S.A. 18A:22-1 et seq. and N.J.A.C. 6A:23, in which the advertised per pupil administrative costs do not exceed the lower of the following:

i. The school district's advertised per pupil administrative costs for the 2004-2005 school year adjusted in (b)2 below if applicable, inflated by the cost of living or 2.5 percent, whichever is greater; or

ii. The per pupil administrative cost limits for the school district's region as defined in (b)1 above.

2. A district board of education may submit to the Department a revision to the school districts 2004-2005 advertised per pupil administrative cost if upon review and recommendation by the school district's auditor, the district board of education determines the costs were not budgeted in the 2004-2005 budget consistent with the Uniform Minimum Chart of Accounts for New Jersey Public Schools and the definition of administrative cost.

i. The district board of education shall include in such submission documentation of the existing and revised per pupil cost calculations based on auditor recommendation.

ii. The district board of education shall submit to the Division all such revisions for review and approval as part of the 2005-2006 budget approval process.

(e) Each school district shall submit to the Division no later than February 10, 2005, the calculation of the school district's status within the administrative cost limits and the projected enrollment report generated by the district-wide budget software. School districts that exceed the administrative cost limit shall document for the Division why the excessive administrative costs are required to provide a thorough and efficient education to their students. The supporting documentation shall address all detailed appropriation lines in the per pupil administrative cost calculation in the district-wide budget software including, but not limited to, legal fees, audit fees, district board of education memberships and dues, and miscellaneous expenditures.

(f) The Division shall review the school district's administrative cost limits calculated in (d) above and the documentation supporting its need to have administrative costs in excess of the administrative cost limit to provide a thorough and efficient education to its students, to assist the school district to submit a presumptive budget, and to calculate the school district's approved excess per pupil administrative costs.

(g) School districts' per pupil administrative costs in excess of the administrative cost limit in 2005-2006 as approved by the Division will not be automatically considered necessary costs for the 2006-2007 fiscal year and beyond. A demonstration of constitutional need for the excess per pupil administrative costs must be demonstrated each budget year.

[(d)] (h) EOA in an Abbott school district in 2005-2006 shall be calculated as the greater of EOA formula funding (which includes spending for regular education as defined in

Abbott v. Burke 136 *N.J.* 444 (1994) and 119 *N.J.* 287 (1990) in each Abbott school district that equals the average per pupil spending of New Jersey school districts in the "I" and "J" categories of the District Factor Groups) as reported by the Department in the State aid printouts following the Governor's Budget message or EOA using the presumptive budget formula pursuant to [(e)] (i) below.

[(e)] (i) The 2005-2006 presumptive budget shall be calculated as the 2004-2005 base budget increased by 2.5 percent or cost of living, whichever is greater, plus approved incremental new school facility costs.

[(f)] (j) Each school district that expects to open a new school facility during 2005-2006 shall submit to the Department, no later than November 30, 2004, a request for incremental new school facility costs, on a form provided by the Department. The Department shall review the request and make a determination [as] of the amount necessary to meet the incremental new facility costs. This approved amount will be part of the presumptive budget calculation.

[(g)] (k) EOA using the presumptive budget formula shall be calculated as the 2005-2006 presumptive budget less 2004-2005 general fund tax levy, 2005-2006 statutory aids, 2005-2006 budgeted DEPA and ECPA carryovers, 2005-2006 budgeted general fund balance and 2005-2006 miscellaneous unrestricted revenues.

[(h)] (l) School districts may increase their presumptive budget by increasing general fund local tax levy over fiscal year 2005 general fund local tax levy, SEMI reimbursements, Impact Aid and any other general fund revenues not included in the base

budget included in [(e)] (i) above. If DEOA is not requested by the school district, any increase in these additional revenues, including local tax levy, shall be available for purposes approved by the school district board of education.

[(i)] (m) School district budgets that can support all 2005-2006 expenditures at or below the presumptive budget calculated in (i) above, and are within the administrative cost limits shall be considered efficient for 2005-2006 and not require further fiscal or efficiency review beyond a review to ensure all supporting documents are complete and revenues are accurately budgeted and that all required educational programs are funded. School districts considered efficient in 2005-2006 pursuant to this subsection shall continue to work toward reducing individual inefficient costs identified in N.J.A.C. 6A:10A-7.1 and subsection (c) above. Individual inefficient costs identified in N.J.A.C. 6A:10A-7.1 and subsection (c) above shall not be automatically considered allowable costs in 2006-2007 and beyond.

(n) School district budgets at or below the presumptive budget calculated in (i) above, but are above the administrative cost limits, shall submit to the Division documentation why the excessive administrative costs are necessary for a thorough and efficient education as set forth in (e) and (f) above. If approved for 2005-2006, the excessive administrative costs shall not preclude the Division's acceptance of the presumptive budget.

(o) School district budgets that exceed the presumptive budget calculated in (i) above, request discretionary education opportunity aid and are above the administrative cost limits shall submit to the Division documentation why the excessive administrative costs

are necessary for a thorough and efficient education as set forth in (e) and (f) above. The Division shall review all documentation as a part of its budget approval.

6A:10A-7.3 School district board of education application for discretionary education opportunity aid for 2005-2006

(a)-(d) (No change.)

(e) To be eligible for DEOA, the school district shall meet the standards for a foundational education program. Failure to meet the standards set forth below shall cause the school district to be ineligible to receive DEOA for the 2005-2006 school year.

1. The school district shall have a preschool-12 curriculum that is aligned with the CCCS at every grade level and with the preschool Expectations and meets these additional standards:

i.-iii. (No change.)

iv. Instructional materials, including software and textbooks shall be consistent with the curriculum; [and]

v. The curriculum shall be used as one standard to review teachers' content mastery and instructional skills to determine what professional development is required[.]; and

vi. The school district shall demonstrate substantial progress by first completing the development of the preschool to third grade curriculum for literacy during this school year.

2.-4. (No change.)

(f) The school district board of education shall consider all available resources, reallocations and potential efficiencies before submitting a request for DEOA as follows:

1.-8. (No change.)

9. Positions, programs and services or other appropriations that are not [instructionally] effective;

10.-15. (No change.)

(g) The school district's request for DEOA shall include and the Department shall review the following:

1.-5. (No change.)

6. A demonstration that costs that exceed the midpoint average median identified in the Department Efficiency Study are necessary and justifiable.

i. Through its request for FY 2006 DEOA, the school district shall be provided with a reasonable opportunity to demonstrate that any costs in excess of the midpoint average median are necessary and justifiable, based on individual school district circumstances, including, but not limited to, particular needs of the school district's students, facilities, or other relevant factors.

ii. (No change.)

7.-11. (No change.)

(h) (No change.)

6A:10A-7.4 Department review of school district board of education application for discretionary education opportunity aid (DEOA) for 2005-2006

(a)-(b) (No change.)

(c) The Department shall review the districtwide budget to ensure appropriations are efficient as compared to the Department Efficiency Study and shall identify inefficient costs and areas for reallocation. If the school district's costs exceed the midpoint average median identified in the Department Efficiency Study and the explanation of the school district, pursuant to N.J.A.C. 6A:10A-7.3(g)6, that such costs in excess of the midpoint average median are necessary and justifiable based on individual school district circumstances, is not accepted by the Department, then the Department shall identify, provide the reasons for and quantify the reductions in that category that can be reasonably expected to be achieved during the 2005-2006 school year and provide an explanation on how the reductions will be applied. Any funds so identified shall be used to address priorities in the following order: more effective instruction, spending for greater efficiency, funding for inflation, and to reduce the school district's request for DEOA. Expenditures to be reviewed shall include, but not be limited to, administration and student support salaries, health benefits, facilities, regular transportation, special education transportation, supplies and equipment, utilities, adjusted classroom instruction costs and total educational purchased services.

(d)-(i) (No change.)

(j) In determining whether an existing program, service or expenditure should be exempt from reallocation, in whole or part, the Department shall consider whether:

1. Elimination of the existing program, service or other expenditure would undermine or weaken the foundational education program; and

2. (No change.)

(k) The Department shall issue a DEOA award letter on or before May 31, 2005. Therein, the Department shall direct reductions and/or reallocations of spending, reduction or elimination of specified inefficiencies/conditions of the award and shall establish the conditions for the distribution of DEOA. The Department shall also provide reasons for these determinations when the DEOA request is tied to a specific proposed program.

1.-3. (No change.)