

DEPARTMENT OF EDUCATION

OVERVIEW

In its stated mission, “The New Jersey Department of Education will provide leadership for a superior education by utilizing multiple and diverse paths to success for all children in New Jersey.”

Every initiative is dedicated to fulfilling the Department’s mission that aims for excellence, but recognizes that there are many ways to achieve it. It is a mission that encourages flexibility, innovation and collaboration.

One major focus of the mission centers on early literacy. Research has shown that children who can read by the end of grade three have a greater chance for success in school from that point on. Once students have received an excellent start to education, the Department has ensured that from pre–K through grade 12, students will be required to meet rigorous standards in nine areas. The original standards adopted in 1996 by the State Board of Education in language arts literacy, math, science, social studies, world languages, comprehensive health and physical education, and the visual and performing arts have been revised to be more specific. In 2003–2004, the State Board adopted the revised standards in the original seven areas and also added two new areas – technology and career education and consumer, family and life skills. Once the standards were adopted, the Department aligned the state assessments in grades 4, 8 and 11 to the more rigorous standards. In accordance with requirements of the No Child Left Behind Act (NCLB), the State has added a third–grade test.

As students progress from pre–K to grade 12, in order to continue to achieve success, they must have access to excellent teachers. The Department has worked with the State Board on numerous aspects of the professional development and licensing codes. Teachers have newly adopted professional standards that upgrade the quality of college preparation, as well as the quality of professional development programs and activities.

As the Department has launched initiatives, it has worked with the school districts by offering technical assistance. It also rewards innovation and excellent performance in districts with numerous award programs. Sometimes incentives do not work to improve performance in low–performing districts, so the Legislature is working on passage of the New Jersey Quality Single Accountability Continuum (NJQSAC) proposed by the Department. This replaces the old monitoring system and shifts emphasis away from compliance and continuous oversight to that of targeted support and technical assistance. Districts must be held accountable, but the Department will emphasize measures to accomplish immediate improvement rather than impose long–term sanctions that have proven ineffective.

The Department continues to channel all of its efforts into helping school districts provide a superior education for our students. In addition to monitoring its own initiatives, the Department ensures that New Jersey schools are meeting the requirements of State and federal law in regard to school safety and student achievement.

Budget Highlights

The Fiscal 2006 Budget for the Department of Education totals \$9.4 billion, an increase of \$306 million, or 3.4%, over the fiscal 2005 adjusted appropriation of \$9.1 billion.

School Aid

School Aid for fiscal 2006 is recommended at \$9.3 billion, an increase of \$305.4 million from fiscal 2005. This figure includes \$7.4 billion in direct aid awards to school districts. It also provides \$1.5 billion in State payments made on behalf of local school districts for pension and post–retirement medical benefits, debt service on pension bonds, and the employer’s share of social security payments for teachers.

School Construction

Fiscal 2006 school aid also includes \$267.8 million for the School Construction and Renovation Program and \$119.7 million in School Building Aid. This funding will provide for State school construction debt service on new and existing bond issues, as well as aid for qualifying local debt issued for school construction. Under the Educational Facilities Construction and Financing Act (EFCFA), the State provides 100% of Abbott districts’ approved construction/renovation project costs, while all other districts are guaranteed a minimum of 40% of approved project costs. This program makes funding for facilities available to approximately 250 districts that were not eligible under the prior debt service program and provides a significant increase in support to all other districts.

The Department’s Office of Facilities provides extensive review of proposed facilities projects and ensures that districts are held strictly accountable for their use of these funds. The office works closely with the Schools Construction Corporation (SCC), which is responsible for constructing school facilities projects in the 31 Abbott districts, as well as in 28 other districts with State support ratios of more than 55% or heightened monitoring status. The SCC also approves school construction grants for the State’s other operating school districts, and enters into construction contracts with those that wish to have the SCC build their projects.

Early Childhood Education

Under the Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA), all districts awarded Early Childhood Program Aid were required to provide full–day kindergarten and half–day preschool programs for four year–olds by the 2001–2002 school year. For Abbott districts, the preschool requirement was expanded to full–day, full–year programs for three and four year–olds. It is expected that the number of Abbott preschoolers served in fiscal 2006 will continue to grow as a result of the Department’s efforts. The Budget provides \$192.4 million for the expansion of preschool programs in these districts, an increase of \$10 million from fiscal 2005.

In addition, \$4 million is provided for the Early Launch to Learning Initiative (ELLI) to expand high quality preschool access for four year–olds in non–Abbott districts.

Statewide Assessment Program

The development and expansion of assessments to determine student achievement of the Core Curriculum Content Standards continues in the Fiscal 2006 Budget with an appropriation of \$23.2 million for the Statewide Assessment Program, an increase of \$7 million over fiscal 2005. This appropriation continues standards–based assessments in grades 3, 4 and 8 and a high school proficiency assessment in grade 11. The increase also provides funding for standards–based assessments in grades 5, 6 and 7. The addition of these three grade levels and the development of science assessments for grades 4, 8 and 11 will put New Jersey in compliance with federal mandates designed to ensure the success of every child.

Social Promotion Initiative

The Fiscal 2006 Budget recommendation includes an appropriation of \$1.5 million for the Social Promotion Initiative, which will be distributed through a competitive grant process to districts in need of improvement. This appropriation will provide increased funding for reading coaches and summer school instruction. Research suggests that promoting unprepared students does little to increase their achievement or life chances and it also shows that retention often has negative educational consequences. However, the real issue is not whether to retain or promote a student, but rather to determine how to identify struggling students using objective criteria and provide the needed support so they can succeed.

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Continuing Programs

The Budget recommends \$350,000 for grants to help teachers seeking National Board of Professional Teaching Standards certification. A fiscal 2006 appropriation of \$2.5 million is also recommended to support the Teacher Mentoring program. This program reimburses districts for stipends paid to experienced teachers serving as mentors to new teachers with the goal of increasing the rate of retention.

The Fiscal 2006 Budget recommends \$1.5 million in funding to establish a comprehensive web-based education data warehouse that will enable the State to determine the effectiveness and efficiency of its public education system by providing essential information about the educational performance of individual students.

The Budget continues to support the Marie H. Katzenbach School for the Deaf, providing \$2.9 million in fiscal 2006.

An appropriation of \$6.1 million for the Liberty Science Center will continue to provide science educational services for students in the Abbott districts in fiscal 2006.

The Budget provides continued funding of \$1.9 million for grants to seven higher education institutions to implement the Governor's School Program, a summer residential program at college campuses throughout the state, offering intensive experiences for artistically and academically talented high school students.

The Budget provides \$7.4 million for reading coaches and other forms of reading assistance to schools, children and communities. In the coming year, the assistance will be expanded to include mathematics education. 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 2006 Budget recommends \$7.5 million for the second year of New Jersey After 3, which promotes and partially funds after-school programs for New Jersey school children in grades K-8. The program combines the efforts of school districts, local community groups, and the State to administer after-school programs, which offer a variety of academic, recreational, and arts activities to students on-site at elementary and middle schools.

Department Accomplishments

To carry out its mission and support the Administration's education agenda, the Department of Education has identified five areas of focus for all of its actions and initiatives: teacher and administrator quality; raising student achievement; diverse and multiple paths for student success; innovative and outstanding practices and programs; and public communication, engagement, and accountability.

Teacher and administrator quality: One major accomplishment in this area of focus includes the State Board's adoption of the Department's new, revised Professional Licensure and Standards regulations that are aligned to the Core Curriculum Content Standards. The code contains the following: the new professional standards; national accreditation requirements for standards-based teacher preparation programs; a continuous path of teacher training from college preparation to ongoing professional development; and certification requirements that result in highly qualified teachers. Another major accomplishment was the implementation of two sizable national grant awards from the Wallace Foundation to develop national standards for school leaders in conjunction with the State Action for Educational Leadership Project (SAELP). The Department, working with the State Board, has raised standards for

prospective teachers, including a higher grade point average and higher Praxis scores.

Raising student achievement: The major initiative in regard to long-term results in raising student achievement has been the emphasis on high-quality early childhood education. The Department's goal is to have every child able to read, at or above grade level, by the end of grade three. The Department has increased participation in the Abbott preschool program, and it has raised the quality of the programs through preschool teaching and learning expectations aligned with the Core Curriculum Content Standards, P-3 certification of teachers and self-evaluation tools to monitor progress. The Department has conducted the revision process for the original Core Curriculum Content Standards, resulting in standards that are more rigorous and specific, and the state assessments have been aligned to the new standards. In concentrating on the achievement gap at the high school level, the Department conducted an intensive summer pilot program with 250 selected students who had not passed the High School Proficiency Assessment (HSPA). The results have triggered a task force on math instruction to identify ways to improve teaching techniques to overcome this persistent achievement gap.

Diverse and multiple paths for student success: Several of the major initiatives in this area involve the high school population. The Department worked with the State Board of Education to develop and adopt new high school graduation requirements that permit greater flexibility in teaching and learning the skills and knowledge required for graduation. The new regulations represent a shift away from seat time to optional ways for students to demonstrate proficiency in required subject matter. In conjunction with the more flexible rules, the Department has been conducting a pilot project to encourage high school seniors who have finished all graduation requirements to participate in a variety of out-of-school options to finish out their high school requirements, such as internships, community service and college or online courses.

Innovative and outstanding programs and practices: Through the use of a variety of incentives and awards, the Department has opened up possibilities for districts to share their successful educational practices with each other. In many of the programs, one of the requirements is to help other districts replicate the successful program or practice. The Department has held numerous events showcasing best practices in many areas including vocational-technical and second language learners.

Public communication, engagement, and accountability: Through the Department's restructuring in 2002 into regional offices with greater accessibility to the local districts, it has been better able to communicate with districts and involve them in the development of policy. The Department has utilized task forces in early and middle school literacy, as well as teacher town meetings. It is currently working with the Legislature on the most comprehensive accountability initiative in this administration – New Jersey Quality Single Accountability Continuum. The project involved five work groups with local school board and district representation to assist in developing recommendations for regulations, transitioning districts, operational procedures, training and evaluation criteria. The Department piloted the new monitoring system in 18 districts in 2003-2004, including the three state-operated districts. The emphasis of the system is more on early intervention and technical assistance, rather than takeover and long-term oversight. Once it becomes law, it will be implemented immediately.

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

Year Ending June 30, 2004						Year Ending — June 30, 2006 —		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom- mended
61,646	2,817	-2,537	61,926	56,855	Direct State Services	63,206	69,374	69,374
9,443	—	-270	9,173	8,860	Grants—In—Aid	25,544	18,879	18,879
2,971,208	288	-18,601	2,952,895	2,937,891	State Aid	2,886,705	1,320,241	1,320,241
—	1,465	—	1,465	324	Capital Construction	—	1,050	1,050
3,042,297	4,570	-21,408	3,025,459	3,003,930	Total General Fund	2,975,455	1,409,544	1,409,544
5,158,094	6,458	129,409	5,293,961	5,285,138	Total Property Tax Relief Fund	6,104,138	7,976,023	7,976,023
8,200,391	11,028	108,001	8,319,420	8,289,068	GRAND TOTAL	9,079,593	9,385,567	9,385,567

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

Year Ending June 30, 2004						Year Ending — June 30, 2006 —		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES – GENERAL FUND								
Direct Educational Services and Assistance								
395	—	-57	338	338	Adult and Continuing Education	1,538	1,538	1,538
205	—	—	205	205	Bilingual Education	218	218	218
48	—	—	48	48	Special Education	53	53	53
648	—	-57	591	591	<i>Subtotal</i>	1,809	1,809	1,809
Operation and Support of Educational Institutions								
2,899	21	—	2,920	2,846	Marie H. Katzenbach School for the Deaf	2,899	2,899	2,899
Supplemental Education and Training Programs								
359	—	—	359	359	General Vocational Education	250	250	250
Educational Support Services								
231	—	10	241	241	Educational Technology	247	247	247
27,138	—	-2,585	24,553	22,011	Educational Programs and Assessment	25,872	32,317	32,317
445	—	150	595	595	Grants Management	627	627	627
2,064	1,109	20	3,193	2,887	Professional Development and Licensure	2,391	2,714	2,714
5,996	1	71	6,068	6,066	Service to Local Districts	6,294	6,294	6,294
844	—	-141	703	703	Office of School Choice	617	617	617
120	—	—	120	120	Early Childhood Education	123	123	123
401	—	14	415	415	Pupil Transportation	425	425	425
371	—	-371	—	—	Abbott Implementation	—	—	—
2,993	1,678	—	4,671	3,454	Facilities Planning and School Building Aid	3,246	3,246	3,246
1,361	—	—	1,361	1,356	Health, Safety, and Community Services	1,348	1,348	1,348
41,964	2,788	-2,832	41,920	37,848	<i>Subtotal</i>	41,190	47,958	47,958

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Year Ending June 30, 2004					Year Ending June 30, 2006			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2005 Adjusted Approp.	Requested	Recom- mended	
3,150	4	—	3,154	3,153	Education Administration and Management			
2,339	—	-45	2,294	2,294	School Finance	3,239	3,239	3,239
10,287	4	397	10,688	9,764	Compliance and Auditing	2,223	1,623	1,623
					Administration and Support Services	11,596	11,596	11,596
<i>15,776</i>	<i>8</i>	<i>352</i>	<i>16,136</i>	<i>15,211</i>	<i>Subtotal</i>	<i>17,058</i>	<i>16,458</i>	<i>16,458</i>
61,646	2,817	-2,537	61,926	56,855	<i>Subtotal Direct State Services – General Fund</i>	63,206	69,374	69,374
61,646	2,817	-2,537	61,926	56,855	TOTAL DIRECT STATE SERVICES	63,206	69,374	69,374
GRANTS-IN-AID – GENERAL FUND					GRANTS-IN-AID – GENERAL FUND			
Educational Support Services					Educational Support Services			
9,443	—	-620	8,823	8,510	Educational Programs and Assessment	10,544	11,379	11,379
—	—	350	350	350	Health, Safety, and Community Services	15,000	7,500	7,500
<i>9,443</i>	<i>—</i>	<i>-270</i>	<i>9,173</i>	<i>8,860</i>	<i>Subtotal</i>	<i>25,544</i>	<i>18,879</i>	<i>18,879</i>
9,443	—	-270	9,173	8,860	<i>Subtotal Grants-In-Aid – General Fund</i>	25,544	18,879	18,879
9,443	—	-270	9,173	8,860	TOTAL GRANTS-IN-AID	25,544	18,879	18,879
STATE AID – GENERAL FUND					STATE AID – GENERAL FUND			
Direct Educational Services and Assistance					Direct Educational Services and Assistance			
1,431,441	—	650	1,432,091	1,431,441	General Formula Aid	1,098,227	497,089	497,089
101,352	288	-249	101,391	100,266	Nonpublic School Aid	104,118	100,118	100,118
5,746	—	100	5,846	5,648	Miscellaneous Grants-In-Aid	10,505	730	730
1,424	—	—	1,424	1,419	Adult and Continuing Education	211	211	211
—	—	—	—	—	Special Education	52,000	52,000	52,000
<i>1,539,963</i>	<i>288</i>	<i>501</i>	<i>1,540,752</i>	<i>1,538,774</i>	<i>Subtotal</i>	<i>1,265,061</i>	<i>650,148</i>	<i>650,148</i>
4,860	—	—	4,860	4,846	Supplemental Education and Training Programs			
					General Vocational Education	4,860	4,860	4,860
242,310	—	-2,452	239,858	235,064	Educational Support Services			
1,184,075	—	-16,650	1,167,425	1,159,207	Facilities Planning and School Building Aid	305,263	387,459	387,459
<i>1,426,385</i>	<i>—</i>	<i>-19,102</i>	<i>1,407,283</i>	<i>1,394,271</i>	Teachers' Pension and Annuity Assistance	1,311,521	277,774	277,774
2,971,208	288	-18,601	2,952,895	2,937,891	<i>Subtotal</i>	<i>1,616,784</i>	<i>665,233</i>	<i>665,233</i>
					<i>Subtotal State Aid – General Fund</i>	2,886,705	1,320,241	1,320,241
STATE AID – PROPERTY TAX RELIEF FUND					STATE AID – PROPERTY TAX RELIEF FUND			
Direct Educational Services and Assistance					Direct Educational Services and Assistance			
3,522,325	3,186	132,167	3,657,678	3,649,299	General Formula Aid	4,508,278	5,137,995	5,137,995
58,423	—	-100	58,323	58,312	Miscellaneous Grants-In-Aid	61,991	59,471	59,471
65,578	—	—	65,578	65,578	Bilingual Education	65,578	65,578	65,578
199,512	—	—	199,512	199,512	Programs for Disadvantaged Youths	199,512	199,512	199,512
948,420	—	—	948,420	948,420	Special Education	896,420	896,420	896,420
<i>4,794,258</i>	<i>3,186</i>	<i>132,067</i>	<i>4,929,511</i>	<i>4,921,121</i>	<i>Subtotal</i>	<i>5,731,779</i>	<i>6,358,976</i>	<i>6,358,976</i>
38,948	—	—	38,948	38,948	Supplemental Education and Training Programs			
					General Vocational Education	38,948	38,948	38,948

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Year Ending June 30, 2004					Year Ending June 30, 2006			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2005 Adjusted Approp.	Requested	Recom- mended
					Educational Support Services			
17,337	3,272	-2,458	18,151	17,750	Office of School Choice	25,169	25,169	25,169
305,952	—	-200	305,752	305,720	Pupil Transportation	307,287	307,287	307,287
1,599	—	—	1,599	1,599	Facilities Planning and School Building Aid	955	775	775
—	—	—	—	—	Teachers' Pension and Annuity Assistance	—	1,244,868	1,244,868
324,888	3,272	-2,658	325,502	325,069	<i>Subtotal</i>	333,411	1,578,099	1,578,099
5,158,094	6,458	129,409	5,293,961	5,285,138	<i>Subtotal State Aid – Property Tax Relief Fund</i>	6,104,138	7,976,023	7,976,023
8,129,302	6,746	110,808	8,246,856	8,223,029	TOTAL STATE AID	8,990,843	9,296,264	9,296,264
					CAPITAL CONSTRUCTION			
					Operation and Support of Educational Institutions			
—	957	—	957	204	Marie H. Katzenbach School for the Deaf	—	—	—
					Education Administration and Management			
—	508	—	508	120	Administration and Support Services	—	1,050	1,050
—	1,465	—	1,465	324	<i>Subtotal Capital Construction</i>	—	1,050	1,050
8,200,391	11,028	108,001	8,319,420	8,289,068	TOTAL APPROPRIATION	9,079,593	9,385,567	9,385,567

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 established 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; and to assure suitable educational programs to residents of state institutions.

PROGRAM CLASSIFICATIONS

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

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

A district's T&E budget for regular education of its resident pupils is determined by inflating its prior year per-pupil net T&E budget by the consumer price index, provided that the increase in the consumer price index is not less than 3 percent, and multiplying that amount by the district's weighted

enrollment, and then subtracting out categorical aid for the budget year. If the result falls outside the T&E range, the T&E budget is then the top or bottom of the range, as appropriate. For the 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 required to incur on behalf of students who are enrolled in grades K–12 in a nonpublic school, within the district, which complies with compulsory school attendance requirements and with the requirements of Title VI of the Civil Rights Act of 1964. The following aid programs are included:
- a. **Nonpublic Textbook Aid**—Supports the purchase and lending of textbooks upon individual request (N.J.S.A. 18A:58–37.1 et seq.). State aid is paid in an amount equal to the State average budgeted textbook expense per public school pupil for the prebudget year, for all nonpublic students enrolled in grades K–12 of a nonpublic school on the last school day prior to October 16 of the prebudget year.
 - b. **Nonpublic Auxiliary Services Aid**—Aid for compensatory education, English as a second language, and home instruction (N.J.S.A. 18A:46A–1 et seq.) is provided upon consent of the parent or guardian. State aid is paid for providing services to nonpublic pupils equivalent to the services provided to pupils enrolled in the public schools.
 - c. **Nonpublic Handicapped Aid**—Provides identification, examination, classification, supplemental and speech correction services (N.J.S.A. 18A:46–19.1 et seq.) for each student who is enrolled full time. State aid is paid to each school district in an amount sufficient to provide examination, classification, supplemental and speech correction services to nonpublic pupils.
 - d. **Nonpublic Auxiliary/Handicapped Transportation Aid**—Provides for transporting nonpublic pupils to public schools or neutral sites, for auxiliary/handicapped services that cannot be provided constitutionally in sectarian schools.
 - e. **Nonpublic Nursing Services Aid**—Provides funds for Boards of Education to provide basic nursing services for nonpublic school pupils who are enrolled full time in nonpublic schools within the school district (N.J.S.A. 18A:40–23).
 - f. **Nonpublic Technology Initiative**—Provides funds for Boards of Education to provide technology to nonpublic school students. The goal of the nonpublic technology initiative program is to provide nonpublic school pupils with computers, educational software, distance learning equipment and other technologies that can improve their education by meeting their specific educational needs and to give nonpublic school teachers the skills, resources and incentives to use educational technologies effectively to improve teaching and learning in the classroom.
03. **Miscellaneous Grants-in-Aid.** The following programs are included:
- a. **Emergency Fund**—Allows the Commissioner, with the approval of the State Board of Education, to distribute funds to meet unforeseen conditions in any school district (N.J.S.A. 18A:58–11).
 - b. **Payments for Institutionalized Children—Unknown District of Residence**—Provides for the payment of State aid for educational services to students in grades K–12 who are homeless or a resident in an institution of the Department of Corrections, the Department of Human Services or Juvenile Justice Commission, and for whom a local school district of residence has not been identified.
 - c. **Distance Learning Network Aid**—Provided to all districts on a per-pupil basis for the purchase of computers, software and supplies, equipment, wiring, access fees, professional development, staffing, maintenance, and other uses that may be necessary for the establishment of effective distance learning networks.
 - d. **Adult, Post Graduate, and Postsecondary Vocational Aid**—State aid is distributed for pupils enrolled in approved adult high schools, post graduate programs and approved full-time postsecondary programs of county vocational schools.
 - e. **Rewards and Recognition**—This program was established by the Comprehensive Educational Improvement and Financing Act of 1996 to provide grants to districts with schools demonstrating high levels of achievement or significant gains in achievement on statewide tests.
04. **Adult and Continuing Education.** The activities in this program classification ensure that persons aged 16 or older who are no longer enrolled in school are provided with the opportunity to earn a New Jersey high school diploma through the General Education Development (GED) assessment process. In addition, the appropriation for the 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. Technical assistance and program support are provided (N.J.S.A. 18A:35–15). Funds are provided to school districts with 20 or more students of limited English proficiency in any one language classification who are enrolled in approved bilingual programs, to districts with fewer than 20 students of limited English proficiency who are enrolled in an approved English as a Second Language program, and to districts operating other programs approved by the State Board of Education.
- The Bureau of Bilingual Education administers, monitors, and evaluates State and federal grant programs related to the education of limited English proficient students and develops administrative code to implement laws related to the provision of programs and services. The Bureau provides and/or coordinates professional development and technical assistance activities for school district professionals, and assists in the implementation of mandated statewide testing programs as they relate to the limited English speaking population.
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 Supplemental 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

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system for funding the additional costs incurred by districts in providing individualized educational programs to special education pupils in public and private school settings, and to non-classified pupils in certain State facilities. Pupils are aided in their district of residence. Pupils classified solely for speech correction services are considered in the T&E amount and aided through general formula aid and thus do not generate special education aid. Tier I aid is paid for students receiving related services such as, but not limited to, occupational therapy, physical therapy, speech and counseling. A classified pupil may generate aid for up to four services covered by Tier I aid, and classified pupils generating aid under other tiers are eligible for Tier I aid as well. Tier II pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for specific learning disability, traumatic brain injury or cognitive impairment, mild or educable mentally retarded and preschool disabled and all classified pupils receiving services pursuant to Chapter

46 of Title 18A in shared time county vocational programs in a county vocational school which does not have a full child study team. Tier III pupils are pupils resident in the district not receiving Tier IV intensive services meeting the criteria for cognitive impairment-moderate, orthopedically impaired, auditorily impaired, communication impaired, emotionally disturbed, multiply disabled, other health impaired, and visually impaired. Tier IV pupils are pupils resident in the district meeting the classification definitions for autistic and cognitive impairment-severe and other pupils who receive one or more of the following nine services that must be specified in the pupil's individualized education program: Individual Instruction, Pupil:Teacher-Aide Ratio of 3:1 or Less, High Level Assistive Technology, Extended School Year, Intensive Related Services, Interpreter Services, Personal Aide, Residential Placement for Educational Purposes and Individual Nursing Services.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
General Formula Aid				
Resident Enrollment	1,424,773	1,441,748	1,447,065	1,458,354
Support Per Pupil (Per State Expenditure/Appropriation and District Budgets)	\$12,505	\$13,234	\$13,726	\$14,184
Local	\$6,702	\$7,103	\$7,077	\$7,374
State	\$5,344	\$5,628	\$6,133	\$6,291
Federal	\$459	\$503	\$516	\$519
Percent Support Per Pupil				
Local	53.6%	53.7%	51.5%	52.0%
State	42.7%	42.5%	44.7%	44.3%
Federal	3.7%	3.8%	3.8%	3.7%
Enrollment as of October 15 (Pre-Budget Year)				
All Districts, Total	1,395,131	1,424,773	1,441,748	1,447,065
Kindergarten/Preschool	126,180	134,731	137,722	138,718
Elementary School (Grades 1-5)	474,159	470,886	466,528	461,671
Middle School (Grades 6-8)	273,743	277,674	278,105	276,422
High School (Grades 9-12)	304,626	314,981	326,032	333,547
Evening School, Post Graduate	12,405	13,592	13,366	12,045
Special Education	180,082	187,989	195,020	198,805
County Vocational	20,244	21,081	21,234	22,316
Students in State Facilities	3,692	3,839	3,741	3,541
Nonpublic School Aid				
Textbook Aid - Pupils Enrolled	203,239	195,543	190,970	190,970
Auxiliary Services Aid - Students Served	40,104	38,424	37,298	37,856
Handicapped Aid - Students Served	31,682	30,888	32,618	33,914
Nursing Services Aid - Pupils Enrolled	204,354	197,114	191,761	191,761
Adult and Continuing Education				
Adult Literacy				
Adults Enrolled	37,704	40,000	41,000	41,500
High School Equivalency				
Adults Enrolled	15,500	15,500	15,800	16,000
Adults Earning State Diplomas	8,500	8,500	8,800	8,800
Evening School for the Foreign Born				
Number of Programs	48	48	61	60
Aliens Enrolled	3,942	3,688	4,318	4,500
Bilingual Education				
Limited English Speaking Students Served	56,712	57,548	58,365	55,394

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	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Programs for Disadvantaged Youths				
Federal Title I				
Migrant Children Served	3,488	3,488	3,488	3,488
Disadvantaged Children Served	287,741	300,000	300,000	300,000
Students Eligible for Free Lunch/Free Milk				
All Districts	293,324	280,281	276,951	285,445
Abbott Districts	179,439	171,741	164,970	168,258

Special Education

Enrollments				
Local Districts	173,203	181,238	188,217	192,140
Regional Day Schools	1,197	1,076	1,051	1,038
County Vocational Special Education	5,682	5,675	5,752	5,627

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	6	5	9	9
Federal (a)	78	85	84	110
All Other	1	1	1	2
Total Positions	85	91	94	121

Filled Positions by Program Class

Adult and Continuing Education (a)	3	5	11	7
Bilingual Education	6	7	7	8
Programs for Disadvantaged Youths	5	1	2	16
Special Education	71	78	74	90
Total Positions	85	91	94	121

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Pursuant to Reorganization Plan #001-2004 entitled "A Plan For the Transfer, Consolidation and Reorganization of the State's Workforce Development System Into the Department of Labor", Adult Basic Education Position Data is now reflected in the Department of Labor and Workforce Development.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2004					Year Ending June 30, 2006				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2005 Prog. Class.	Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES									
Distribution by Fund and Program									
395	—	-57	338	338	Adult and Continuing Education	04	1,538	1,538	1,538
205	—	—	205	205	Bilingual Education	05	218	218	218
48	—	—	48	48	Special Education	07	53	53	53
648	—	-57	591	591	Total Direct State Services		1,809 (a)	1,809	1,809
Distribution by Fund and Object									
Personal Services:									
303	—	-57	246	246	Salaries and Wages		251	251	251
303	—	-57	246	246	Total Personal Services		251	251	251
21	—	—	21	21	Materials and Supplies		21	21	21
62	—	—	62	62	Services Other Than Personal		62	62	62
1	—	—	1	1	Maintenance and Fixed Charges		1	1	1
Special Purpose:									
261	—	—	261	261	General Education Develop- ment - GED	04	1,474 (b)	1,474	1,474

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Year Ending June 30, 2004					Year Ending June 30, 2006				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recommended	
STATE AID									
Distribution by Fund and Program									
5,032,342	3,186	142,067	5,177,595	5,168,566	General Formula Aid	01	5,694,581	5,711,110	5,711,110
1,431,441	—	650	1,432,091	1,431,441	(From General Fund)		1,098,227	497,089	497,089
3,600,901	3,186	141,417	3,745,504	3,737,125	(From Property Tax Relief Fund)		4,596,354	5,214,021	5,214,021
101,352	288	-249	101,391	100,266	Nonpublic School Aid	02	104,118	100,118	100,118
64,169	—	—	64,169	63,960	Miscellaneous Grants-In-Aid	03	72,496	60,201	60,201
5,746	—	100	5,846	5,648	(From General Fund)		10,505	730	730
58,423	—	-100	58,323	58,312	(From Property Tax Relief Fund)		61,991	59,471	59,471
1,424	—	—	1,424	1,419	Adult and Continuing Education	04	211	211	211
65,578	—	—	65,578	65,578	Bilingual Education	05	65,578	65,578	65,578
65,578	—	—	65,578	65,578	(From Property Tax Relief Fund)		65,578	65,578	65,578
199,512	—	—	199,512	199,512	Programs for Disadvantaged Youths	06	199,512	199,512	199,512
199,512	—	—	199,512	199,512	(From Property Tax Relief Fund)		199,512	199,512	199,512
948,420	—	—	948,420	948,420	Special Education	07	948,420	948,420	948,420
—	—	—	—	—	(From General Fund)		52,000	52,000	52,000
948,420	—	—	948,420	948,420	(From Property Tax Relief Fund)		896,420	896,420	896,420
6,412,797	3,474	141,818	6,558,089	6,547,721	Total State Aid		7,084,916	7,085,150	7,085,150
1,539,963	288	501	1,540,752	1,538,774	(From General Fund)		1,265,061	650,148	650,148
4,872,834	3,186	141,317	5,017,337	5,008,947	(From Property Tax Relief Fund)		5,819,855	6,435,002	6,435,002
Less:									
(73,576)	—	—	(73,576)	(73,576)	Stabilization Growth Limitation		(73,576)	(73,576)	(73,576)
(5,000)	—	(9,250)	(14,250)	(14,250)	Growth Savings – Payment Changes		(14,500)	(2,450)	(2,450)
(78,576)	—	(9,250)	(87,826)	(87,826)	Total Deductions		(88,076)	(76,026)	(76,026)
6,334,221	3,474	132,568	6,470,263	6,459,895	Total State Appropriation		6,996,840	7,009,124	7,009,124
Distribution by Fund and Object									
State Aid:									
—	—	650	650	—	State Aid Supplemental Funding	01	—	—	—
1,431,128	—	—	1,431,128	1,431,128	Core Curriculum Standards Aid	01	1,098,227	497,089	497,089
1,649,190	—	-734	1,648,456	1,648,456	Core Curriculum Standards Aid (PTRF)	01	1,982,091	2,583,229	2,583,229
251,768	—	—	251,768	251,768	Supplemental Core Curriculum Standards Aid (PTRF)	01	251,768	251,768	251,768
—	—	—	—	—	Additional Formula Aid (PTRF)	01	90,000	90,000	90,000
—	—	—	—	—	High Expectations for Learning Proficiency (PTRF)	01	17,000	—	—
330,630	—	—	330,630	330,630	Early Childhood Aid (PTRF)	01	330,630	330,630	330,630
—	—	—	—	—	Positive Achievement and Cost Effectiveness (PTRF)	01	2,500	—	—
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, 2004					Year Ending June 30, 2006				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		Prog. Class.	2005 Adjusted Approp.	Requested	Recom- mended
STATE AID									
18,295	—	—	18,295	18,295	Regionalization Incentive Aid (PTRF)	01	18,295	18,295	18,295
130,127	—	—	130,127	130,127	Consolidated Aid (PTRF)	01	130,127	130,127	130,127
914,414	3,186	142,109	1,059,709	1,051,330	Education Opportunity Aid (PTRF) ^{(d)(e)}	01	1,298,414 102,052 ^S	1,449,495	1,449,495
142,400	—	42	142,442	142,442	Abbott Preschool Expansion Aid (PTRF)	01	182,400	192,400	192,400
—	—	—	—	—	Early Launch to Learning Initiative (PTRF)	01	15,000	4,000	4,000
16,456	—	—	16,456	16,456	Aid for Enrollment Adjustments (PTRF)	01	16,456	16,456	16,456
313	—	—	313	313	Formula Entitlement Amelioration Aid	01	—	—	—
—	—	—	—	—	Above Average Enrollment Growth (PTRF)	01	12,000	—	—
11,652	—	-6	11,646	11,645	Nonpublic Textbook Aid	02	12,271	12,271	12,271
27,536	—	3,698	31,234	30,497	Nonpublic Handicapped Aid	02	26,789	26,789	26,789
32,506	—	—	—	—	Nonpublic Auxiliary Services Aid	02	34,912	34,912	34,912
3,650 ^S	288	-3,839	32,605	32,535	Nonpublic Auxiliary/Handicapped Transportation Aid	02	3,610	3,610	3,610
3,436	—	393	3,829	3,512	Nonpublic Nursing Services Aid	02	14,636	14,636	14,636
13,954	—	-24	13,930	13,930	Nonpublic Technology Initiative	02	7,900	7,900	7,900
8,118	—	-221	7,897	7,897	Seton Hall Prep – Expansion	02	—	—	—
250	—	-250	—	—	St. Peter's Prep – Field Remediation	02	—	—	—
250	—	—	250	250	Nonpublic Capital Projects Aid	02	3,000	—	—
—	—	—	—	—	Settlement Music School	02	1,000	—	—
200	—	—	200	75	Emergency Fund	03	200	200	200
—	—	—	—	—	EIRC – P20 Program	03	125	—	—
450	—	—	450	450	Educational Information and Resource Center	03	450	450	450
200	—	—	200	200	East Brunswick High School Renovation and Equipment	03	—	—	—
66	—	—	66	23	Bridge Loan Interest and Approved Borrowing Cost	03	50	50	50
500	—	—	500	500	Swedesboro/Woolwich School District – Extraordinary Enrollment Aid	03	—	—	—
500	—	—	500	500	Chad School Foundation	03	—	—	—
17,217	—	—	22,952	22,952	Payments for Institutionalized Children – Unknown District of Residence (PTRF)	03	21,400 4,500 ^S	23,500	23,500
5,735 ^S	—	—	—	—	Community Relations Committee of the United Jewish Federation of Metrowest	03	30	30	30
30	—	—	30	—	North Bergen School District – Facilities Leasing	03	1,900	—	—
—	—	—	—	—	Lawrence Township (Mercer) School District Extraordinary Aid	03	750	—	—
1,500	—	—	1,500	1,500	School District Of Trenton – Security	03	1,500	—	—
—	—	100	100	100	Character Education	03	—	—	—
4,750	—	-100	4,650	4,642	Character Education (PTRF)	03	4,750	4,750	4,750
2,000	—	—	2,000	1,997	Teacher Quality Mentoring (PTRF)	03	2,500	2,500	2,500

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Year Ending June 30, 2004					Year Ending June 30, 2006				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recommended	
STATE AID									
28,721	—	—	28,721	28,721	Adult and Postsecondary Education Grants (PTRF)	03	28,721	28,721	28,721
—	—	—	—	—	County Special Services Restoration Aid (PTRF)	03	120	—	—
—	—	—	—	—	Montclair Board of Education – Desegregation Aid	03	500	—	—
1,000	—	—	1,000	1,000	Montclair Board of Education – Minority Student Achievement Network	03	1,000	—	—
1,300	—	—	1,300	1,300	Englewood Implementation Aid	03	4,000	—	—
211	—	—	211	206	Evening School for the Foreign Born	04	211	211	211
1,213	—	—	1,213	1,213	High School Equivalency	04	— ^(b)	—	—
—	—	—	—	—	Adult Literacy ^(c)	04	—	—	—
65,578	—	—	65,578	65,578	Bilingual Education Aid (PTRF)	05	65,578	65,578	65,578
199,512	—	—	199,512	199,512	Demonstrably Effective Program Aid (PTRF)	06	199,512	199,512	199,512
896,420	—	—	896,420	896,420	Special Education Aid (PTRF)	07	896,420	896,420	896,420
—	—	—	—	—	Extraordinary Special Education Costs Aid	07	52,000	52,000	52,000
52,000	—	—	52,000	52,000	Extraordinary Special Education Costs Aid (PTRF)	07	—	—	—
<u>(78,576)</u>	<u>—</u>	<u>(9,250)</u>	<u>(87,826)</u>	<u>(87,826)</u>	Less:				
<u>6,334,869</u>	<u>3,474</u>	<u>132,511</u>	<u>6,470,854</u>	<u>6,460,486</u>	<i>Deductions</i>		<u>(88,076)</u>	<u>(76,026)</u>	<u>(76,026)</u>
					Grand Total State Appropriation		6,998,649	7,010,933	7,010,933
OTHER RELATED APPROPRIATIONS									
Federal Funds									
—	312	—	312	312	Miscellaneous Grants–In–Aid	03	—	—	—
17,205	1,271	45	18,521	13,740	Bilingual Education	05	16,738	20,748	20,748
327,523	—	—	—	—	Programs for Disadvantaged Youths	06	298,560	306,232	306,232
539 ^S	26,370	–195	354,237	300,262	Special Education	07	324,723	339,306	339,306
<u>296,358</u>	<u>39,321</u>	<u>–861</u>	<u>334,818</u>	<u>285,582</u>	Total Federal Funds		<u>640,021</u>	<u>666,286</u>	<u>666,286</u>
<u>641,625</u>	<u>67,274</u>	<u>–1,011</u>	<u>707,888</u>	<u>599,896</u>	GRAND TOTAL ALL FUNDS		7,638,670	7,677,219	7,677,219
<u>6,976,494</u>	<u>70,748</u>	<u>131,500</u>	<u>7,178,742</u>	<u>7,060,382</u>					

Notes — Direct State Services – General Fund

- (a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.
- (b) The fiscal year 2005 appropriation has been adjusted for the transfer of High School Equivalency to General Education Development–GED.

Notes — State Aid – General Fund

- (b) The fiscal year 2005 appropriation has been adjusted for the transfer of High School Equivalency to General Education Development–GED.
- (c) The fiscal 2004 data and the fiscal 2005 appropriation have been adjusted to reflect the transfer of Adult Literacy to the Department of Labor and Workforce Development.

Notes — State Aid – Property Tax Relief Fund

- (d) The fiscal 2004 data has been adjusted to reflect the consolidation of Abbott v. Burke Parity Remedy and Additional Abbott v. Burke State Aid.
- (e) The fiscal 2005 appropriation has been adjusted to reflect the consolidation of Education Access Aid and Education Opportunity Aid.

Language Recommendations — State Aid – General Fund

Receipts from nonpublic schools handicapped and auxiliary recoveries are appropriated for the payment of additional aid in accordance with section 17 of P.L.1977, c.192 (C.18A:46A–14) and section 14 of P.L.1977, c.193 (C.18A:46–19.8). Notwithstanding the provisions of section 14 of P.L.1977, c.193 (C.18A:46–19.8) for the purpose of computing Nonpublic Handicapped Aid for pupils requiring the following services, the per pupil amounts for the 2005–2006 school year shall be: \$1,225.00 for an initial

evaluation or reevaluation for examination and classification; \$380.00 for an annual review for examination and classification; \$930.00 for speech correction; and \$826.00 for supplementary instruction services.

Notwithstanding the provisions of section 9 of P.L.1977, c.192 (C.18A:46A-9), the per pupil amount for compensatory education for the 2005-2006 school year for the purposes of computing Nonpublic Auxiliary Services Aid shall equal \$856.25.

Notwithstanding the provisions of section 9 of P.L.1991, c.226 (C.18A:40-31), the amount appropriated hereinabove for Nonpublic Nursing Services Aid shall be made available to local school districts based upon the number of pupils enrolled in each nonpublic school on the last day prior to October 16, 2004 and the rate per pupil shall be \$74.25.

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

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 any 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 any other law or regulation to the contrary, the amount provided to each district from the amounts hereinabove appropriated for Consolidated Aid and Additional Formula Aid shall be included in the calculation of the spending growth limitation pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5).

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

Of the amount hereinabove appropriated for Education Opportunity Aid, an amount not to exceed \$14,686,000, shall be transferred to the Department of Education’s operating budget, subject to the approval of the Director of the Division of Budget and Accounting, for the purpose of managing and supervising implementation of Abbott remedies. In addition, the unexpended balance at the end of the preceding fiscal year, in the Education Opportunity Aid account is appropriated for the same purpose and with the same conditions as are applied to the fiscal year 2005 appropriation for this purpose.

The amount hereinabove appropriated for Education Opportunity Aid will provide resources to equalize spending between “I” and “J” districts and “Abbott districts,” and provide aid to fund additional needs of “Abbott districts”. Notwithstanding any other law to the contrary, Education Opportunity Aid shall be provided to each “Abbott district” whose per pupil regular education expenditure for 2005-2006 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 2005-2006. 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 2005-2006 and the actual per pupil average regular education expenditure of districts in district factor groups “I” and “J” for 2004-2005 indexed by the actual percentage increase in the per pupil average regular education expenditure of districts in district factor groups “I” and “J” for 2004-2005 over the per pupil average regular education expenditure of districts in district factor groups “I” and “J” for 2003-2004. In calculating the per pupil regular education expenditure of each “Abbott district” for 2005-2006, regular education expenditure shall equal the sum of the general fund tax levy for 2004-2005, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid and all forms of stabilization aid pursuant to section 10 of P.L.1996, c.138 (C.18A:7F-10); enrollments shall initially be those resident enrollments for preschool through grade 12 contained on the Application for State School Aid for 2005-2006 indexed by the district’s enrollment growth rate used to determine the estimated enrollments of October 2005; 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 14, 2005 as reflected on the Application for State School Aid for 2006-2007. 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 2005-2006. In calculating the actual per pupil average regular education expenditure of districts in district factor groups “I” and “J” for 2005-2006, regular education expenditure shall equal the sum of the general fund tax levy for 2005-2006, 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 14, 2005 as reflected on the Application for State School Aid for 2006-2007; 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 2004-2005 Education Opportunity Aid allocation, including any supplemental award.

The amount hereinabove appropriated for Education Opportunity Aid shall also be used for the following purposes: ensuring that every “Abbott district” is at parity; the incremental cost of opening new facilities as approved by the Commissioner of Education; and other education priorities as established by the commissioner, to be distributed in the form of grants. Awards for new facilities and approved grants are considered restricted and must be spent for the approved purpose and accounted for in a special revenue fund. Any “Abbott district” that fails to submit the required documentation or fails to submit its annual audit by November 15, 2005 may have its State aid withheld upon the commissioner’s request to the Director of the Division of Budget and Accounting.

EDUCATION

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

The amount appropriated hereinabove as Abbott Preschool Expansion Aid is for the purpose of funding the increase in the approved budgeted costs from 2001–2002 to 2005–2006 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” shall be required to provide such supporting documentation as deemed necessary to verify that the actual expansion in the preschool program has occurred in the 2005–2006 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.

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

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

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

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

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT

32. OPERATION AND SUPPORT OF EDUCATIONAL INSTITUTIONS

OBJECTIVES

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

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 52 percent of the school’s 228 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 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 will continue for its ninth year with a projected enrollment of 12 students. Nine residential pupils will participate for ten months. Tuition paid by the districts that send these children to the Katzenbach School will fully support the costs of the program.

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Marie H. Katzenbach School for the Deaf				
Annual Enrollment	209	214	226	228
Day Pupils	118	121	126	110
Residential Pupils	91	93	100	118
Gross Annual Cost Per Student	\$52,368	\$51,238	\$52,606	\$54,382
Annual Payments From Local School Boards				
For Regular Day Pupils	\$28,475	\$29,329	\$30,209	\$31,115
For Residential Pupils	\$34,982	\$36,031	\$37,112	\$38,225
Direct Annual State Support Per Student	\$13,871	\$13,299	\$12,827	\$12,715
Annual Graduates	19	21	24	27
Annual Graduates Enrolled in College	6	9	8	5
Annual Graduates Employed	13	12	16	22
Regional Schools for the Handicapped				
Annual Enrollment in Schools Operated Under Contract	1,197	1,076	1,051	1,038
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	20	27	23	25
Federal	13	14	14	14
All Other	153	163	166	170
Total Positions	186	204	203	209
Filled Positions by Program Class				
Marie H. Katzenbach School for the Deaf	174	191	188	194
Positive Learning Understanding Support Program	12	13	15	15
Total Positions	186	204	203	209

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

EDUCATION

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2004					Year Ending June 30, 2006				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
2,899	8,389	—	11,288	10,965	Marie H. Katzenbach School for the Deaf	12	11,889	12,399	12,399
2,899	21	—	2,920	2,846	(From General Fund)		2,899	2,899	2,899
—	8,368	—	8,368	8,119	(From All Other Funds)		8,990	9,500	9,500
—	892	—	892	797	Positive Learning Understanding Support Program	13	1,122	1,090	1,090
—	892	—	892	797	(From All Other Funds)		1,122	1,090	1,090
2,899	9,281	—	12,180	11,762	Total Direct State Services		13,011	13,489	13,489
—	(9,260)	—	(9,260)	(8,916)	Less: All Other Funds		(10,112)	(10,590)	(10,590)
2,899	21	—	2,920	2,846	Total State Appropriation		2,899	2,899	2,899
Distribution by Fund and Object									
Personal Services:									
1,425	187 8,082 ^R	39	9,733	9,553	Salaries and Wages		10,126	10,565	10,565
1,425	8,269	39	9,733	9,553	Total Personal Services		10,126	10,565	10,565
815	11 243 ^R	-27	1,042	1,010	Materials and Supplies		1,401	1,440	1,440
193	93 43 ^R	-12	317	292	Services Other Than Personal		344	344	344
295	19 321 ^R	—	635	613	Maintenance and Fixed Charges		742	742	742
40	—	—	40	40	Special Purpose:				
					Transportation Expenses for Students	12	40	40	40
131	54 228 ^R	—	413	254	Additions, Improvements and Equipment		358	358	358
—	(9,260)	—	(9,260)	(8,916)	Less: All Other Funds		(10,112)	(10,590)	(10,590)
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
—	957	—	957	204	Marie H. Katzenbach School for the Deaf	12	—	—	—
—	957	—	957	204	Total Capital Construction		—	—	—
Distribution by Fund and Object									
Marie H. Katzenbach School for the Deaf									
—	11	—	11	1	Re-roofing of Various Buildings	12	—	—	—
—	204	—	204	41	Fire Protection	12	—	—	—
—	209	—	209	88	Bathroom Renovations	12	—	—	—
—	177	—	177	72	Small Capital Projects				
—	5	—	5	—	Contingency	12	—	—	—
—	5	—	5	—	Upgrade Campus Lighting	12	—	—	—
—	351	—	351	2	Sprinkler Systems	12	—	—	—
2,899	978	—	3,877	3,050	Grand Total State Appropriation		2,899	2,899	2,899

Year Ending June 30, 2004					Year Ending June 30, 2006			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
OTHER RELATED APPROPRIATIONS								
—	9,260	—	9,260	8,916	<i>Total All Other Funds</i>		10,590	10,590
Federal Funds								
854	107	—	961	487	Marie H. Katzenbach School for the Deaf	12 702	702	702
<u>854</u>	<u>107</u>	<u>—</u>	<u>961</u>	<u>487</u>	<i>Total Federal Funds</i>		<u>702</u>	<u>702</u>
3,753	10,345	—	14,098	12,453	GRAND TOTAL ALL FUNDS		14,191	14,191

Language Recommendations — Direct State Services – General Fund

Notwithstanding the provisions of N.J.S.18A:61-1 and N.J.S.18A:46-13, or any other statute, in addition to the amount appropriated hereinabove to the Marie H. Katzenbach School for the Deaf for the 2005-2006 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 any law to the contrary, accumulated and current year interest earnings in the State Facilities for the Handicapped Fund established pursuant to section 12 of P.L. 1973, c.149 are appropriated for capital improvements and maintenance of facilities for the eleven regional day schools throughout the State and the Marie H. Katzenbach School for the Deaf as authorized in the State Facilities for the Handicapped Bond Act, P.L. 1973, c.149, subject to the approval of the Director of the Division of Budget and Accounting.

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

OBJECTIVES

1. To 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.

To be eligible for these monies under the Carl D. Perkins Vocational and Technical Education Act, the State must match this federal grant award on a dollar for dollar basis (P.L. 105-332).

In order for the State to qualify to receive federal grant monies under the Perkins Act, New Jersey is required to provide a maintenance of effort equal to, or greater than, the amount of effort in the prior fiscal year. Failure to provide such maintenance of effort disqualifies a state from receipt of Perkins monies.

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

The Department also develops new and innovative vocational, 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 Adult Programs; maintains liaison with agencies and personnel on the local, State, and federal levels; and develops the annual revisions of the State Plan for Vocational Education. These activities maximize educational opportunities and minimize costly duplication of effort.

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.

EDUCATION

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

mandates requiring that special populations be given full opportunity to participate in vocational programs.

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

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA (a)				
General Vocational Education				
Secondary Vocational Education				
Annual Enrollments	158,317	167,374	173,467	178,827
Annual Graduates or Completions	46,229	48,371	50,132	51,525
Annual Grade 11–12 Occupational Program Enrollments ..	72,154	75,843	79,023	82,634

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

	2003	2004	2005	2006
State Supported	6	4	6	5
Federal	18	18	15	26
All Other	2	—	—	1
Total Positions	26	22	21	32

Filled Positions by Program Class

	2003	2004	2005	2006
General Vocational Education	26	22	21	32
Total Positions	26	22	21	32

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

(a) Pursuant to Reorganization Plan #001–2004 entitled “A Plan For the Transfer, Consolidation and Reorganization of the State’s Workforce Development System Into the Department of Labor”, Adult Basic Education Program Data is now reflected in the Department of Labor and Workforce Development.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2004					Year Ending June 30, 2006			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
359	—	—	359	359	20	250	250	250
359	—	—	359	359		250 (a)	250	250
Distribution by Fund and Object								
Personal Services:								
308	—	—	308	308		199	199	199
308	—	—	308	308		199	199	199
26	—	—	26	26		26	26	26
25	—	—	25	25		25	25	25
<u>STATE AID</u>								
Distribution by Fund and Program								
43,808	—	—	43,808	43,794	20	43,808	43,808	43,808
4,860	—	—	4,860	4,846		4,860	4,860	4,860
38,948	—	—	38,948	38,948		38,948	38,948	38,948
43,808	—	—	43,808	43,794		43,808	43,808	43,808

EDUCATION

Year Ending June 30, 2004					Year Ending June 30, 2006				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recom-mended	
4,860	—	—	4,860	4,846		4,860	4,860	4,860	
38,948	—	—	38,948	38,948		38,948	38,948	38,948	
STATE AID									
						4,860		4,860	
						38,948		38,948	
Distribution by Fund and Object									
State Aid:									
4,860	—	—	4,860	4,846	Vocational Education (b)	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
44,167	—	—	44,167	44,153	Grand Total State Appropriation		44,058	44,058	44,058
OTHER RELATED APPROPRIATIONS									
Federal Funds									
24,998	3,188	37	28,223	25,534	General Vocational Education	20	25,257	25,257	25,257
24,998	3,188	37	28,223	25,534	Total Federal Funds		25,257	25,257	25,257
All Other Funds									
—	557	—	557	2	General Vocational Education	20	217	217	217
—	557	—	557	2	Total All Other Funds		217	217	217
69,165	3,745	37	72,947	69,689	GRAND TOTAL ALL FUNDS		69,532	69,532	69,532

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

Notes — State Aid – General Fund

(b) The fiscal 2004 data has been adjusted to reflect the transfer of the Vocational Education Apprenticeship Program to the Department of Labor and Workforce Development.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT

34. EDUCATIONAL SUPPORT SERVICES

OBJECTIVES

1. To provide statewide coordination for the effective and efficient use of technology to enhance instruction for student achievement of the Core Curriculum Content Standards.
2. To ensure that all schools and districts meet State standards for a thorough and efficient system of education, pursuant to the Comprehensive Educational Improvement and Financing Act of 1996 and other laws and regulations.
3. To provide educational improvement and technical assistance to local school districts in the areas of needs assessment, planning, dissemination, diffusion, development, evaluation, and staff in-service training.
4. To provide curriculum leadership for local school districts in various instructional areas.
5. To establish curriculum frameworks, which can guide the districts' instructional decisions for schools and teachers in designing programs to meet the content standards in all subject areas.
6. To create comprehensive assessments that will measure students' progress toward achieving the new content standards.
7. To design and implement mandated professional development for teachers and school leaders to enable them to accomplish these new educational initiatives in schools and districts throughout the state.
8. To approve college teacher training programs based on professional standards and issue educational certificates upon verification of eligibility.
9. To provide oversight and guide implementation of the Charter School Program Act of 1995.
10. 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.
11. To provide technical and financial assistance for transportation of public and nonpublic students at minimum expense to the State and local school districts.
12. To ensure provision of suitable educational facilities in local school districts through inspections and financial assistance.
13. 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.
14. To maximize resources to support the Department's mission and priorities; to assure accountability for use of the Department's grant resources.
15. To provide program resources, technical assistance and demonstration projects supporting school efforts to reduce student violence and disruption, so that school environments are safe, disciplined, and conducive to learning.

PROGRAM CLASSIFICATIONS

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

To ensure greater equity in the quality of instruction across the State, curriculum frameworks have been developed in eight areas: the arts, health/physical education, language arts literacy, mathematics, science, social studies, world languages, and cross content workplace readiness standards (now the technological literacy and career education and consumer, family and life skills). To assist all students in achieving the high expectations of the standards, teachers must 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. The division is also responsible for overseeing the development of standards for teachers and administrators, professional development initiatives, the National Board for Professional Teaching Standards subsidy program and the State Action for Education Leadership Project (SAELP).

The statewide assessment program includes testing in language arts literacy and mathematics in grades 3 through 8 and at the high school level. Science assessments, already in place for grades 4 and 8, will be included in the high school assessment beginning in 2006. 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.

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

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

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

31. **Grants Management.** Establishes and maintains systems to acquire, manage and distribute approximately \$730 million in State and federal grant funds to school districts, colleges, community-based organizations and other eligible grant recipient agencies in a manner that supports initiatives that enhance the educational experience of children and adult learners and that promote statewide educational excellence. The grant management systems are designed to ensure efficiency, accountability and integrity in the management of the Department's subgrant funds. The Office 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 Grant Appeals and Funding Acquisition 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.
33. **Service to Local Districts.** Consists of the following regulatory functions: the tasks of educational planning and evaluation/accreditation (required by N.J.S.A. 18A:7A-1 et seq.); accelerated intervention of Level II districts, including an external team review and report and review and approval of corrective action plans and quarterly progress reports; review and approval of school district budgets for all districts receiving early childhood and demonstrably effective program aid, audits and spending growth limitation increases; supervision of school and special elections; review and approval of private schools for the disabled; and oversight of transportation, teacher certification and reporting procedures. These functions are performed by the Department's county and regional offices, which also maintain liaison between the local school districts and the Department.
34. **Office of School Choice.** Responsible for the implementation and oversight of the Charter School Program Act of 1995, which allows for the creation of new types of public schools

to provide parents and students with a variety of educational options. Charter schools are designed to stimulate reform in the traditional public school system and serve as one of the State's strategies to bring about significant improvements in student achievement. In addition, the office administers the Inter-district Public School Choice Program.

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

tions and the community at large; school-based decision-making relying on fruitful collaboration and cooperation with the district's central office; and fiscal accountability to improve efficiency and effectiveness of Abbott spending.

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

38. **Facilities Planning and School Building Aid.** Approves architectural review, master plans, and site acquisitions; evaluates facilities for educational adequacy, health and safety; and periodically surveys public school buildings. Reviews and approves long-range facilities plans, as well as applications for school facilities projects. Project review includes the determination of consistency with the district's long-range plan and compliance with facilities efficiency standards and area allowances per FTE student derived from those standards. Based on that review, the preliminary eligible costs for State financing will be calculated. School Building Aid provides State support for debt service on projects approved prior to the enactment of the Educational Facilities Construction and Financing Act of 2000 (EFCFA). The School Construction and Renovation Fund provides for State debt service and increased aid for local debt for school construction projects approved under the provisions of EFCFA.
39. **Teachers' Pension and Annuity Assistance.** The State provides the employer's share to the Teachers' Pension and Annuity Fund (N.J.S.A. 18A:66-33) in amounts actuarially determined by using experience of the preceding year as certified to the Governor by the Fund's Board of Trustees. All public school teachers are required to contribute to the Fund, except for optional participation of certain persons based on age, veteran's status or teacher status prior to specified dates. Janitorial employees of local boards of education also are covered.
40. **Health, Safety, and Community Services.** Provides statewide leadership to assist school districts in promoting positive student development and behavior. Specifically, the Department develops and implements policy and programs in the following areas: violence prevention, substance abuse prevention and education, comprehensive health education, suicide prevention, school health services, HIV/AIDS education, family life education, bilingual education, character education, equal education opportunities, adult literacy, and basic skills.

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

EDUCATION

EVALUATION DATA

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PROGRAM DATA				
Grants Management				
Discretionary Contracts Awarded Annually	599	381	381	450
Entitlement Contracts Awarded Annually	5,042	5,067	5,067	5,067
Professional Development And Licensure				
Annual Evaluations (Non-Issuance)	8,320	8,000	10,500	12,000
Certificates Awarded Annually	16,640	16,500	16,800	17,500
Academic Credentials Issued Annually	416	400	450	500
County Substitute Certificate Applications Received Annually	15,004	10,000	23,000	25,000
Certificates of Eligibility Issued Annually	14,460	14,000	15,600	16,500
Training Contracts Approved Annually	7,241	8,000	6,846	7,000
Annual Induction Evaluations	21,723	24,000	20,538	21,000
Service To Local Districts				
Needs Identified				
Districts Monitored Annually	125	147	150	148
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	73	62	70	69
Districts Conditionally Certified for One Year Annually ..	52	85	80	80
District Objectives Achieved Annually	4,300	4,300	4,300	4,300
Curriculum Assistance				
Staff Time Spent on Compliance Assistance	25%	25%	25%	25%
Staff Time Spent on Regulatory Functions	25%	25%	25%	25%
Staff Time Spent on Curriculum Assistance	25%	25%	25%	25%
Staff Time Spent on Program Improvement Assistance ...	25%	25%	25%	25%
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	303	316	320	354
Federal	62	74	71	80
All Other	1	1	—	—
Total Positions	366	391	391	434
Filled Positions by Program Class				
Educational Technology	5	5	4	4
Educational Programs and Assessment	64	91	98	99
Grants Management	23	34	32	35
Professional Development and Licensure	29	31	31	44
Service to Local Districts	89	79	81	85
Office of School Choice	16	10	10	9
Early Childhood Education	14	14	15	21
Pupil Transportation	7	6	6	6
Abbott Implementation	67	66	66	79
Facilities Planning and School Building Aid	35	32	29	33
Health, Safety, and Community Services	17	23	19	19
Total Positions	366	391	391	434

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Orig. & (S) Supplemental	Year Ending June 30, 2004				Prog. Class.	2005 Adjusted Approp.	Year Ending June 30, 2006	
	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended			Requested	Recommended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
231	—	10	241	241	29	247	247	247
27,138	—	-2,585	24,553	22,011	30	25,872	32,317	32,317
445	—	150	595	595	31	627	627	627
2,064	1,109	20	3,193	2,887	32	2,391	2,714	2,714
5,996	1	71	6,068	6,066	33	6,294	6,294	6,294
844	—	-141	703	703	34	617	617	617
120	—	—	120	120	35	123	123	123
401	—	14	415	415	36	425	425	425
371	—	-371	—	—	37	—	—	—
2,993	1,678	—	4,671	3,454	38	3,246	3,246	3,246
1,361	—	—	1,361	1,356	40	1,348	1,348	1,348
41,964	2,788	-2,832	41,920	37,848		41,190^(a)	47,958	47,958
Distribution by Fund and Object								
Personal Services:								
14,924	1,078 1,395 ^R	-267	17,130	14,974		14,573 709 ^S	15,605	15,605
—	—	—	—	1,129		—	—	—
14,924	2,473	-267	17,130	16,103		15,282	15,605	15,605
441	—	-64	377	311		425	425	425
1,349	—	—	—	—		—	—	—
2,500 ^S	297	-46	4,100	3,727		1,335	1,335	1,335
54	7	-6	55	43		52	52	52
Special Purpose:								
55	—	—	55	55	30	55	—	—
13,225	—	—	13,225	12,405	30	16,225	23,225	23,225
135	—	—	135	126	30	135	135	135
100	—	—	100	100	30	—	—	—
52	—	—	52	52	30	152	152	152
8,250	—	-2,085	6,165	4,452	30	6,650	6,650	6,650
500	—	-500	—	—	30	500	—	—
244	—	—	244	244	40	244	244	244
135	—	—	135	130	40	135	135	135
—	11	136	147	100		—	—	—
GRANTS-IN-AID								
Distribution by Fund and Program								
9,443	—	-620	8,823	8,510	30	10,544	11,379	11,379
—	—	350	350	350	40	15,000	7,500	7,500
9,443	—	-270	9,173	8,860		25,544	18,879	18,879

EDUCATION

Year Ending June 30, 2004					Year Ending June 30, 2006				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recommended	
GRANTS-IN-AID									
Distribution by Fund and Object									
Special Purpose:									
—	—	—	—	—					
1,654	—	—	1,654	1,654	30	—	1,500	1,500	
6,100	—	—	6,100	6,100	30	1,929	1,929	1,929	
—	—	—	—	—	30	6,100	6,100	6,100	
—	—	—	—	—	30	1,000	750	750	
589	—	-170	419	365	30	415	—	—	
750	—	-275	475	342	30	750	750	750	
350	—	-175	175	49	30	350	350	350	
—	—	300	300	300	40	—	—	—	
—	—	20	20	20	40	—	—	—	
—	—	20	20	20	40	—	—	—	
—	—	—	—	—	40	15,000	7,500	7,500	
—	—	10	10	10	40	—	—	—	
STATE AID									
Distribution by Fund and Program									
17,337	3,272	-2,458	18,151	17,750	34	25,169	25,169	25,169	
17,337	3,272	-2,458	18,151	17,750		25,169	25,169	25,169	
305,952	—	-200	305,752	305,720	36	307,287	307,287	307,287	
305,952	—	-200	305,752	305,720		307,287	307,287	307,287	
243,909	—	-2,452	241,457	236,663	38	306,218	388,234	388,234	
242,310	—	-2,452	239,858	235,064		305,263	387,459	387,459	
1,599	—	—	1,599	1,599		955	775	775	
1,184,075	—	-16,650	1,167,425	1,159,207	39	1,311,521	1,522,642	1,522,642	
1,184,075	—	-16,650	1,167,425	1,159,207		1,311,521	277,774	277,774	
—	—	—	—	—		—	1,244,868	1,244,868	
1,751,273	3,272	-21,760	1,732,785	1,719,340		1,950,195	2,243,332	2,243,332	
1,426,385	—	-19,102	1,407,283	1,394,271		1,616,784	665,233	665,233	
324,888	3,272	-2,658	325,502	325,069		333,411	1,578,099	1,578,099	
Distribution by Fund and Object									
State Aid:									
6,537	—	—	6,537	6,537	34	7,969	7,969	7,969	
5,500	3,272	-2,657	6,115	5,714	34	10,500	11,700	11,700	
5,300	—	199	5,499	5,499		1,200 ^S	—	—	
305,652	—	—	305,652	305,652	34	5,500	5,500	5,500	
300	—	-200	100	68	36	307,187	307,187	307,187	
1,599	—	—	1,599	1,599	36	100	100	100	
129,101	—	-2,500	126,601	126,601	38	955	775	775	
107,350	—	—	107,350	107,350	38	121,272	119,679	119,679	
5,859 ^S	—	48	113,257	108,463	38	183,991	267,780	267,780	
424,035	—	—	424,035	415,883	39	524,979	—	—	

EDUCATION

Year Ending June 30, 2004					Year Ending June 30, 2006					
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recommended		
STATE AID										
—	—	—	—	—						
						Teachers' Pension and Annuity Fund – Post Retirement Medical (PTRF)	39	—	589,118	589,118
—	—	—	—	—		Teachers' Pension and Annuity Fund	39	—	94,516	94,516
611,143	—	-16,650	594,493	594,427		Social Security Tax	39	624,750	—	—
—	—	—	—	—		Social Security Tax (PTRF)	39	—	655,750	655,750
1	—	—	1	1		Minimum Pension for Pre-1955 Retirees	39	1	1	1
65,384	—	—	65,384	65,384		Post Retirement Medical Other Than TPAF	39	82,012	96,317	96,317
83,512	—	—	83,512	83,512		Debt Service on Pension Obligation Bonds	39	79,779	86,940	86,940
1,802,680	6,060	-24,862	1,783,878	1,766,048		Grand Total State Appropriation		2,016,929	2,310,169	2,310,169
OTHER RELATED APPROPRIATIONS										
Federal Funds										
15,000	3,231	—	18,231	15,614		Educational Technology	29	13,670	13,670	13,670
98,316						Educational Programs and Assessment	30	99,301	97,201	97,201
611 ^S	5,960	362	105,249	90,051		Grants Management	31	3,120	3,120	3,120
2,160	567	699	3,426	1,019		Professional Development and Licensure	32	—	—	—
159 ^S	—	—	159	5		Service to Local Districts	33	1,736	1,736	1,736
2,003	264	-384	1,883	611		Office of School Choice	34	207	207	207
240	10	—	250	123		Facilities Planning and School Building Aid	38	—	—	—
—	1,752	—	1,752	1,752		Health, Safety, and Community Services	40	33,902	31,814	31,814
28,050	3,922	-143	31,829	25,088		Total Federal Funds		151,936	147,748	147,748
146,539	15,706	534	162,779	134,263		All Other Funds				
—	60 ^R	—	136	91		Educational Technology	29	—	—	—
—	4,215 ^R	—	4,984	1,111		Educational Programs and Assessment	30	51	51	51
—	769 ^R	—	769	—		Professional Development and Licensure	32	523	1,400	1,400
—	2,716 ^R	—	2,716	3		Early Childhood Education	35	2,280	2,610	2,610
—	921 ^R	—	921	—		Abbott Implementation	37	11,892	11,586	11,586
—	2,118 ^R	—	2,118	2,118		Facilities Planning and School Building Aid	38	698	906	906
—	8,506 ^R	—	8,506	8,506		Health, Safety, and Community Services	40	290	290	290
—	77 ^R	250	434	361		Total All Other Funds		15,734	16,843	16,843
—	107 ^R	—	107	—		GRAND TOTAL ALL FUNDS		2,184,599	2,474,760	2,474,760
1,949,219	41,331	-24,078	1,966,472	1,912,501						

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program, which includes \$248,000 in appropriated receipts.

Language Recommendations — Direct State Services – General Fund

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

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

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

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The unexpended balance at the end of the preceding fiscal year, in the inspection of school construction account and receipts in excess of the amount anticipated, are appropriated for the operation of the school construction inspection program.

Language Recommendations — Grants-In-Aid – General Fund

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

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 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 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 2005–2006 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 2003–2004 principal and interest amounts and the amounts allocated and paid in 2003–2004.

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

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

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

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

Notwithstanding any provision of law to the contrary, in addition to the amount hereinabove appropriated for the Teachers' Pension and Annuity Fund, there is hereby appropriated an amount as determined by the State Treasurer to fund the pension cost contribution by the State to the Teachers' Pension and Annuity Fund, payment for which shall be credited against amounts on deposit in the benefit enhancement fund created pursuant to N.J.S.18A:66–16.

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

Language Recommendations — State Aid – Property Tax Relief Fund

Notwithstanding any law 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's district of residence is 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).

Notwithstanding the provisions of section 12 of P.L.1995, c.426 (C.18A:36A–12) and any other provision to the contrary, if necessary, the State shall pay on behalf of a resident district an amount not to exceed the difference between the district's 2005–2006 total actual charter school payment and the estimated appropriations used in completing the school district's 2004–2005 budget as stated in the 2004–2005 Potential Charter School Aid notification letter.

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

Notwithstanding the provisions of section 2 of P.L.1981, c.57 (C.18A:39–1a) and any other law or provision to the contrary, the maximum amount of nonpublic school transportation costs per pupil provided for in N.J.S.18A:39–1 shall equal \$771.

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 other 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 with a manufacture date of 2004 or later, as noted on the vehicle registration, upon submission to the Department of Education of a complete application for reimbursement within one year of the vehicle purchase date.

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.

30. EDUCATIONAL, CULTURAL AND INTELLECTUAL DEVELOPMENT
35. EDUCATION ADMINISTRATION AND MANAGEMENT

OBJECTIVES

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

PROGRAM CLASSIFICATIONS

42. **School Finance.** Responsible for the calculation and distribution of Education State Aid in accordance with the applicable statutes; provides leadership in the development of uniform school district accounting and administrative practices; provides support for research and consulting services for start-up requirements needed for reorganization under N.J.S.A. 18A:7A-1 et seq., including an analysis of school business practices, dissemination of modern budgeting materials, and further design of reporting requirements.

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

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

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

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.

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 and hears appeals from the Commissioner's decisions on controversies and disputes. Numerous citizens' councils are formally established to provide advice to the Department in specific areas of responsibility.

EVALUATION DATA

PROGRAM DATA	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
Compliance and Auditing				
Annual Compliance and Fiscal Reviews of School Districts	4	4	4	4
Annual Audits of Applications for State School Aid	50	50	50	50
Annual Monitoring of Private Schools for the Disabled	16	30	30	30
Annual Audits of Title I Funds	44	40	35	40
Annual Grant Audits	13	26	26	26

EDUCATION

	Actual FY 2003	Actual FY 2004	Revised FY 2005	Budget Estimate FY 2006
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	70	66	70	70
Male Minority %	7.3	7.0	7.4	7.4
Female Minority	190	192	195	195
Female Minority %	19.8	20.4	20.7	20.7
Total Minority	260	258	265	265
Total Minority %	27.0	27.4	28.1	28.1

Position Data

Filled Positions by Funding Source

State Supported	164	170	167	173
Federal	45	46	47	49
All Other	23	28	28	31
Total Positions	232	244	242	253

Filled Positions by Program Class

School Finance	44	45	44	46
Compliance and Auditing	26	26	24	26
Administration and Support Services	162	173	174	181
Total Positions	232	244	242	253

Notes:

Actual payroll counts are reported for fiscal years 2003 and 2004 as of December and Revised fiscal year 2005 as of September. The Budget Estimate for fiscal year 2006 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2004					Year Ending June 30, 2006				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recom- mended	
DIRECT STATE SERVICES									
Distribution by Fund and Program									
3,150	4	—	3,154	3,153	School Finance	42	3,239	3,239	3,239
2,339	—	-45	2,294	2,294	Compliance and Auditing	43	2,223	1,623	1,623
10,287	4	397	10,688	9,764	Administration and Support Services	99	11,596	11,596	11,596
15,776	8	352	16,136	15,211	Total Direct State Services		17,058^(a)	16,458	16,458
Distribution by Fund and Object									
Personal Services:									
11,931	—	352	12,283	12,283	Salaries and Wages		13,131	13,131	13,131
11,931	—	352	12,283	12,283	Total Personal Services		13,131	13,131	13,131
300	—	-94	206	206	Materials and Supplies		300	300	300
1,092	—	66	1,158	1,158	Services Other Than Personal		1,092	1,092	1,092
67	—	—	67	67	Maintenance and Fixed Charges		67	67	67
Special Purpose:									
74	—	—	74	74	Educational Facilities		—	—	—
					Construction - Finance	42	—	—	—
562 ^S	—	—	562	562	Internal Auditing	43	600 ^S	—	—
50	—	—	50	50	State Board of Education		—	—	—
					Expenses	99	50	50	50
1,500	—	—	1,500	578	Student Registration and		—	—	—
					Record System	99	1,500	1,500	1,500
68	—	—	68	68	Affirmative Action and Equal		—	—	—
					Employment Opportunity	99	68	68	68
					Program		—	—	—
					Efficiency and Effectiveness	99	250	250	250
					Study		—	—	—

EDUCATION

Year Ending June 30, 2004					Year Ending June 30, 2006				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2005 Adjusted Approp.	Requested	Recommended	
132	—	—	132	132	<u>DIRECT STATE SERVICES</u>				
—	8	28	36	33	99	—	—	—	
					<u>CAPITAL CONSTRUCTION</u>				
					Distribution by Fund and Program				
—	508	—	508	120	99	—	1,050	1,050	
—	508	—	508	120	Total Capital Construction				1,050
					Distribution by Fund and Object				
					Division of Administration				
—	78	—	78	17	99	—	—	—	
					99	—	450	450	
—	430	—	430	103	99	—	600	600	
15,776	516	352	16,644	15,331	Grand Total State Appropriation				17,508
					OTHER RELATED APPROPRIATIONS				
					Federal Funds				
—	196	240	436	244	42	385	385	385	
421	150	-1	570	202	43	187	187	187	
5,881	1,631	61	7,573	5,893	99	5,552	5,552	5,552	
6,302	1,977	300	8,579	6,339	Total Federal Funds				6,124
					All Other Funds				
—	160 ^R	—	160	160	42	221	218	218	
—	194 ^R	45	248	240	43	323	302	302	
—	18	—	18	18	99	—	—	—	
—	381	45	426	418	Total All Other Funds				544
22,078	2,874	697	25,649	22,088	GRAND TOTAL ALL FUNDS				23,726

Notes — Direct State Services – General Fund

(a) The fiscal year 2005 appropriation has been adjusted for the allocation of salary program.

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.

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

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

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

EDUCATION

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.

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 Fiscal Year 2006 Governor's Budget Message first shall be charged to the State Lottery Fund.

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

Language Recommendations — State Aid – General Fund

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

Notwithstanding any other law or regulation to the contrary, each district shall receive no less of a total State aid amount payable for the 2005–2006 school year than the sum of the district's total State aid amount payable for the 2004–2005 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, School Choice, Consolidated Aid, Additional Formula Aid and Aid for Enrollment Adjustments, taking into consideration the June 2005 payment made in July 2005.

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

Notwithstanding the provisions of section 8 of P.L.1996, c.138 (C.18A:7F-8), five percent of the total payments to local districts for Education Opportunity Aid, Core Curriculum Standards Aid, Supplemental Core Curriculum Standards Aid, Special Education, Transportation, Early Childhood programs, Demonstrably Effective programs, Instructional Supplement, Bilingual, County Vocational Educational program, other aid pursuant to P.L.1996, c.138, School Choice, Consolidated Aid and Additional Formula Aid, as provided by the Department of Education to the local school districts for the 2005–2006 school year in the 2005–06 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 2005 school aid payments are appropriated and the State Treasurer is hereby authorized to make such payment in July 2005.

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

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.