



NJDOE News

Contact: Bob DeSando
For Release: April 13, 2000

Commissioner of Education Discusses Department Budget At Assembly Committee Hearing

Attached is a copy of Commissioner of Education David C. Hespe's remarks before the Assembly Budget Committee today.

#

Remarks by Commissioner of Education David Hespe

Assembly Budget Committee

April 13, 2000

Good morning Chairman Lance, Vice Chairman Malone and members of the committee. It is a pleasure to be here with you this morning to discuss the Department of Education's budget for fiscal year 2001.

In FY01, the Whitman administration will be distributing to the state's 618 school districts more than \$6.6 billion dollars in state aid - a record amount that is 7.6 percent higher than this year's adjusted total.

During her six years in office, Governor Whitman has made an extraordinary commitment to the public school children of New Jersey. State aid to education has risen by more than \$1.8 billion. On average, state aid now accounts for 44.6 percent of local school budgets. That percentage also represents an all-time high.

The Department of Education budget for FY01 represents nearly a third of the entire state budget. New Jersey's investment in the future of our children is enormous.

When I began as Commissioner a little more than a year ago, I pledged that I would listen to the input and concerns of citizens and stakeholders alike before making decisions.

I have visited nearly a hundred school districts. I have met with countless education officials and legislators. Much of what I heard was sound and sensible, and it has helped Governor Whitman and I to shape policies that have made things better for our children.

In part, this success is due to the extraordinary work of local educators and administrators who agreed to work with department representatives last summer to make the CEIFA formula even better.

The CEIFA working groups examined several facets of the funding formula - special education, transportation, the ability of a school district to pay for education, and stabilization aid.

As a result of the input I received, and with the support of Governor Whitman, several changes to the formula were made. These changes are incorporated in the proposed budget and will have a positive impact on school districts in the 2000-2001 school year.

Among the major recommendations of the working groups that were embraced by the Whitman administration were an expansion of supplemental core curriculum standards aid so that no districts but the wealthiest will have to spend at a rate higher than \$1.72 per \$100 of equalized property value to meet their local T&E share.

We are funding extraordinary special education costs at a minimum of 50 percent, regardless of a district's ability to pay. In addition, we are beginning a four-year phase-out of the PI or perceptually impaired pupil cap.

And we are fully funding the transportation aid formula in CEIFA.

Another significant change to the CEIFA formula that was recommended by the working groups was a 2 percent ceiling on lost school aid to cushion school districts from any sudden and drastic fluctuation in formula-driven state aid.

The previous 10 percent cap on losses was just too high for many school districts to cope with. The 2 percent cap will allow many districts to keep important education programs for children in place in the coming year.

You should know that we have reconvened the "ability-to-pay" CEIFA working group to examine the use of wealth criteria in the formula.

We have also submitted additional changes to the Legislature as a result of discussions over the last few months that will enhance the CEIFA working group recommendations.

Again, we are taking these steps because the Whitman administration is committed to making this formula as fair as possible.

The foundation of our reform efforts is the rigorous academic standards that, with the help of the Legislature, were put in place four years ago.

These standards will enable all children to learn at the same high level, so that they may be prepared for the challenges of our new century ... in college and in the workplace.

We have also put in place a comprehensive assessment program that will enable us to know how well students are measuring up to the new, higher standards so that adjustments can be made to put them in a strong position to pass the 11th grade high school graduation test.

Testing is never popular. But it is absolutely necessary. Standards without assessments would be an abdication of responsibility and a great disservice to our children. We have not, and will not, turn a deaf ear to constructive criticism and suggestions about how our assessment program can be improved.

Already, as a result of the input we have received from parents, educators, administrators – and students – we have instituted a number of changes that will improve our assessment system without sacrificing the essence of the program.

We have shortened the 8th grade test by 90 minutes and the 4th grade test by 60 minutes. We have placed sample tests on our web site so parents and teachers can see the types of questions that will be asked and better prepare students.

We have agreed to get the test results back to school districts more quickly so that curriculum adjustments can be made in a more timely manner.

We also are investigating the possibility of getting more information to the school districts about the test results themselves.

Additionally, we will administer part of the 4th grade test in the fall of 5th grade.

I believe we have demonstrated that the department is not only willing to listen, but that it is also prepared to act when it is in the best interest of the children.

The Whitman administration has always been a strong proponent of school choice. It is our belief that parents ought to be able to choose the most appropriate educational program for their children. Since the 1997-98 school year, New Jersey has had a thriving charter school program. We now have 47 charter schools in place serving more than 9,000 students. In September, we will have 61 schools in operation. Surveys have shown a very high level of parental satisfaction with charter schools. This is also evidenced by the nearly 3,000 children on waiting lists.

Our interdistrict school choice program is in its infancy, and that, too, has gotten off to a very solid start.

We have 10 school districts that have volunteered to be choice districts, and many students have decided to leave their school district of residence in order to take advantage of these programs. Again, as with charter schools, parents have shown themselves to be very enthusiastic about our school choice program.

I recently visited the choice districts of Kenilworth and Folsom, and I came away very impressed by the enthusiasm I saw and the commitment of parents and the school districts to make their programs work.

In the 2000-2001 school year, we have proposed a total of \$6 million in additional aid for these programs. That is on top of the aid these programs are already slated to receive. We are adding these funds to the charter school program to ease the burden on school districts that found themselves losing aid because of nonpublic school students who were coming back into the system to attend charter schools. We are adding the funds to the choice program to provide the necessary resources to the choice districts and to assist districts that are losing students.

We believe that the addition of the resources to both the choice and charter schools program will make those programs stronger and give parents the choices they desire for their children.

In the 2000-2001 school year, we will be expending \$2.6 billion in the Abbott school districts. These resources will be used primarily for the implementation of whole school reform and preschool for three- and four-year-olds.

The budget before you today also contains \$104 million for supplemental Abbott funding, an amount that may well go higher once we complete our review of the supplemental funding requests filed by the districts.

Many of you are following our efforts to resolve the fiscal crisis in the Newark School District. Lax financial controls in the business office and other administrative and operational shortcomings contributed to that problem.

The department has forwarded a report to the Legislature regarding those issues and has made concrete recommendations to make sure those problems never happen again.

We are committed to accounting for all of the dollars spent in the Newark School District. That commitment of accountability for education dollars extends to all districts in the state. We have demonstrated this level of commitment in districts throughout the state, and we will continue that commitment in the future.

Beginning in September, the implementation of whole school reform will have begun in every Abbott district elementary school.

Whole school reform is a school-based program, rather than district-based, that features the rebuilding of the educational program of every school from the ground up. In the earliest grades there is a concentration on intensive reading instruction. There are tutors and small class sizes. As time goes forward, there is more intensive instruction in all of the subject areas. Each school has its own budget and school management team led by the principal, which makes all of the decisions for the school.

We are the only state in the nation implementing this whole school reform on such a large scale. It has been, and will continue to be, a challenge.

But it is a challenge we can and must meet because whole school reform offers the greatest opportunity we have ever seen to improve the education of disadvantaged school children.

Our preschool program for three- and four-year-olds in the Abbott districts will also have a profound and positive impact on the education of children who would otherwise start school at a distinct disadvantage because of socio-economic conditions in their communities.

We are now in the process of fulfilling the potential of this program. Last year we indicated that we would have full-day, full-year programs within the next two years, and we are on track to accomplish that. We also are committed to producing expectations or standards for these important early childhood programs. Work began on these standards last fall when I appointed a task force to study the issue. This panel produced draft standards back in February, which were posted on our web site and were the subject of three public hearings. We are now putting the final touches on these standards, and they will be made public next week. We are very proud of the end product of this process, which began well before the Supreme Court became involved in the issue late last year.

We are also fulfilling our promise to have certified teachers in every Abbott district preschool classroom. Earlier this year, the State Board of Education approved a preschool- through-grade three certification which will ensure that everyone who steps into an Abbott preschool classroom has the knowledge and skills necessary to teach our youngest children.

It also should be noted that the administration's new budget increases the funding for early childhood education in the Abbott districts by \$69 million.

This will enable us to increase the per-pupil amount for preschool programs from \$8,000 to \$9,000, and it will begin the process of providing full-day, full-year programs.

We will do all we can to ensure that Abbott school children have the best preschool programs possible and that the community providers are offering the high-quality programs we expect.

School facilities for both the Abbott and non-Abbott districts continues to be one of the highest priorities of this administration. As you know, we have had a facilities proposal on the table for more than a year. The \$10 billion plan proposed by Governor Whitman will not only fulfill the Supreme Court's mandate in the Abbott districts but support construction in every school district. It is our hope that the Legislature will come to an agreement on a program soon so we can break ground and provide all of our children with the safe and secure school buildings that they deserve.

In the coming fiscal year, we will also be implementing several new initiatives proposed by the Governor. These include the expansion of our mentoring programs for beginning teachers.

Governor Whitman has proposed spending \$8.7 million so that our newest teachers can receive support and guidance as they gain experience during their first two years on the job - not just their first year. We will pilot programs in 15 school districts in September. Regulations will be in place by early 2001, and we expect statewide implementation in September 2001.

Currently, the mentoring process only takes place during the first year of a teacher's career. Beginning in fiscal year 2002, the state will provide \$14 million each year to continue mentoring in the second year and to mentor a new class of first-year teachers.

The department will also be developing a Virtual Academy in the new fiscal year to provide high-quality, cost-effective technical assistance and professional development for teachers using interactive television, teleconferencing and the Internet. We will be providing an additional half million dollars in the proposed budget for this program. These funds will augment existing department resources.

The administration is also proposing to spend \$4.75 million in FY 2001 for character education programs to be implemented in about 25 percent of the schools in the state. Funding will be available to underwrite the cost of a program in at least one school in every district.

This will be the first year of an anticipated four-year phase-in. Although the program is voluntary, it will be made available to every school in New Jersey. Character education programs reinforce the basics of good character such as trustworthiness, respect, responsibility, fairness, caring, and citizenship.

It is our hope that these programs will promote pro-social student behaviors and create a caring, disciplined school climate that is conducive to learning.

The Governor also announced a new initiative to make it easier for parents to become involved in their child's school by offering state employees the opportunity to take up to two hours of paid leave per month. This program will allow parents to participate in special events, share a special skill or interest, and help teachers and children. We are also encouraging business leaders to adopt the same policy for their employees.

Governor Whitman is keenly aware that parental involvement is an essential ingredient in the success of public education. With her support, we will be expanding a program called FANS - Families Achieving the New Standards - that is specifically designed for parents. The goal of the FANS program is to give parents information they can use to help their children at home so those children can achieve our rigorous standards.

Right now we have a FANS program for math and science underway. It is privately funded, and it has worked extremely well. The department is collaborating with Rutgers University on a FANS program for language arts literacy and with Fairleigh Dickenson University on a FANS program for world languages. The Governor's budget contains \$1.2 million for year two of the language arts literacy and world languages programs ... and for year one of two new FANS projects - one for social studies and another for the visual and performing arts.

If our children are to achieve what we want them to achieve, parental involvement is key, and the FANS project will help make it happen.

We expect this to be an exciting year for education in New Jersey, and we look forward to working closely with the Legislature as we administer a long list of existing initiatives and begin to implement several exciting new proposals.

I will be pleased to answer your questions.

#