

School Aid Funding Impact

**Jefferson Township
Board of Education**

JTPS State Aid Funding History

- School Funding Reform Act of 2008 (SFRA)
 - Was not implemented until 2011
 - Districts received less State aid 2010-2011 school year
 - Budgets were capped at a 2% increase starting in July 2011
 - State aid was based on enrollment, a snapshot of the 2010-2011 school year
 - Equalization aid has remained the same from the 2013-2014 school year through the 2017-2018 school year
- S-2 Enacted in July 2018

S-2 Basics

- Apply School Funding Reform Act of 2008 (SFRA) as enacted
- S-2 calculates a difference between the school district's total state aid allocation in the current budget year and the pre-budget year (differential)
- Districts with a positive difference, aka “over-funded” districts, receive the following:
 - 2019-2020: prior year aid **LESS** 13% of the differential
 - 2020-2021: prior year aid **LESS** 23% of the differential
 - 2021-2022: prior year aid **LESS** 37% of the differential
 - 2022-2023: prior year aid **LESS** 55% of the differential
 - 2023-2024: prior year aid **LESS** 76% of the differential
 - 2024-2025: prior year aid **LESS** 100% of the differential

S-2 Impact on JTBOE State Aid Allocation

Estimates based on 2019-2020 Equalization Aid Calculations

BUDGET YEAR	CURRENT YEAR INCREMENTAL LOSS	TOTAL LOSS vs. ORIGINAL 18-19 AID
18-19	-554,620	-554,620
19-20	-1,193,302	-1,747,922
20-21	-1,836,767 (Estimated)	-3,584,689
21-22	-2,275,196 (Estimated)	-5,859,885
22-23	-2,130,690 (Estimated)	-7,990,575
23-24	-1,324,902 (Estimated)	-9,3315,477
24-25	-418,390 (Estimated)	-9,733,867

**CUMULATIVE
EXPECTED
LOSSES =
-38,787,036**

Formula Aid Volatility

Uncapped SFRA Aid =
Equalization Aid + Special Education Aid + Security Aid + Transportation Aid

- 18-19 Uncapped SFRA Aid = \$9,193,744
- 19-20 Uncapped SFRA Aid = \$6,329,402
- 1 year change in Uncapped SFRA Aid = \$2,864,342 or 31% reduction
- 1 year change in weighted average enrollment = 4.9% decline

Unpredictability and volatility of Equalization Aid due to lack of transparency in multipliers presents a significant challenge when developing a multi-year budget strategy

Resource Management at Jefferson Township

- Closed Drummond School
 - Relocated administrative offices, net decrease of one facility and five staff
- Annual staffing review
 - Reduction in Central Office Staff (Director of Curriculum, Asst. Business Administrator, and Director of Transportation and Educational Facilities)
 - Enrollment impact on staffing of certificated instructional positions
 - Review of support staffing (Aides, Secretarial, Custodial, Maintenance, Technology)
- Yearly review of health benefit provider costs
- Seek out additional sources of revenue
 - 2018 Referendum to address most critical infrastructure needs
 - Review of all grant opportunities -- limited eligibility
 - Began charging tuition for general education preschool program

Pre-S2 Accomplishments--Curriculum and Instruction

- 1:1 laptop program for students in grades 6-12
- PARCC/NJSLA: laptops, infrastructure, personnel to support devices
- Full-day kindergarten
- Makerspaces
- STEM electives
- Increased number of English language learners
- Significant revisions to district curricula to align to standards and best practices
- Special education programs including an extensive transition program for our grade 12 - age 21 students
- Increased offering of Advanced Placement courses
- PSATs offered for all sophomores and juniors at no cost
- Use of a student data management system to analyze the performance of our students to make improvements in the educational process
- Implementation of the Next Generation Science Standards
- Entered partnership with MCST for Environmental Science Academy

Pre-S2 Accomplishments--Operations and Management

- District-wide safety and security enhancements
 - Increased number of students sent for risk assessments
 - Implementing a visitor management system
 - Additional camera coverage for buildings & buses
 - Installing retention vestibules in some buildings
 - Hiring an additional hall monitor
- Transportation upgrades to comply with new standards
 - Three-point seat belts
 - External stop cameras
 - Driver monitoring
 - Fleet management
- Address need of aging facilities
 - Shared-services agreements with Township (Athletic Complex turfed, Sewer plant maintenance, Renovation of Drummond School to Central Offices, Use of Municipal Garage for district vehicle maintenance)
 - High School auditorium upgrade including new seats, new flooring and HVAC replacement
 - Roofing projects
 - Boiler Replacements
 - Asbestos abatement

Budget Challenges

- Drastic and unpredictable increases in health care
 - 2010-2011 Cost of family plan = \$23,065.92
 - 2019-2020 Cost of family plan = \$38,651.16
 - Increase in costs = 67.5%
- Increase in number of homeless students (tuition, transportation)
- Increase in special education students enrolling in our district (teachers, aides, transportation)
- Increase in number of students at vocational schools due to the number of satellite academies (no school aid received, tuition costs, transportation)
- Increase in number of students sent for evaluations: risk to self/others, chemical screens, etc.

Administrative Burden

- AchieveNJ (observations, SGOs, corrective action plans)
 - 2010-2011 Total Evaluations = 779 for 607 staff
 - 2019-2020 Total Evaluations = 967 for 592 staff
 - Increase of 24% with less administrative staff
- HIB (paperwork, parent contact, attorney fees)
- Curricular changes (five-year cycle)
- Addition of in-house academies to reduce pull to MCST
- Chapter 78 requires monitoring of employee contributions
- Pass the Trash, Affordable Care Act

2019-2020 Budget Response

- Eliminated instructional and support positions
- Removed all facility improvement projects from operating budget
- Reduced supply accounts
- Reduced staff professional development spending
- Discontinued upgrades to student laptops, impacting overall technology device management program
- Postponed purchase of two buses, impacting overall fleet management program
- Realigned central office and building support staff
- Initiated tuition for our inclusive preschool disabled program
- Implemented a parking fee for High School student drivers

Long-Term Consequences

- Decrease in student achievement
- Deterioration of facilities and infrastructure
- Elimination of non-core programs
- Reduction of technology
- Lack of ability to compete with neighboring towns
- Inability to attract quality teachers
- Increased costs to parents who are already overtaxed

We Need Your Support!

- Fairly fund ALL 1.4 million of New Jersey's students to ensure the education of the whole child
 - Slow down, or suspend, S-2 until a study of the school funding formula is conducted
 - Revisit school funding formula to reflect what schools are currently providing as a thorough and efficient education, not the definition from 2008
 - Department of Education to provide transparency in the determination of equalization aid
 - Reduce the disproportionate burden on Jefferson Township taxpayers