School Aid Funding Impact

Jefferson Township Board of Education
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

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

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
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