

ASSEMBLY BUDGET COMMITTEE TESTIMONY FROM THE
DEPARTMENT OF EDUCATION
DELIVERED BY COMMISSIONER CHRIS CERF

Thursday, April 11, 2013

Introduction

Good morning Chairman Prieto, Vice-Chairman Schaer and members of the Assembly Budget Committee, and thank you for inviting me to speak with you today.

Before I discuss the specifics of the Governor's proposed education budget this year – which is the largest appropriation of state education dollars in New Jersey history – I wanted to take some time to outline the works we have undertaken as an agency over the past two years to ensure these funds are spent in ways that helps us fulfill our central mission: graduating every student in New Jersey ready for college or a career.

As I have conveyed to each of you before, my central focus as Commissioner has been on how we work with and support districts in order to improve the academic achievement of all schools while closing the achievement gaps where they exist. With this in mind, we shifted the structure of the Department around the four building blocks that we believe will have the biggest impact on student achievement: Academics, Talent, Performance & Accountability, and Innovation. Through this refocus at the State level, we are investing in setting high academic standards and helping teachers meet those; ensuring that we recruit, support, and retain the best educators in the country; implementing a new school accountability system and providing timely and actionable data for districts and educators; and launching innovative and successful school models, especially in our highest need communities.

I'd like to take this opportunity to provide you with brief updates on each of these areas:

Talent: With the passage of the TEACH NJ Act last summer, we are well on our way towards State-wide implementation of a reformed teacher evaluation system in the 2013-2014 school year. We are currently in the second year of our teacher evaluation pilot and the first year of our principal evaluation pilot. The lessons we have learned through these pilots have greatly informed our work, and our interim report from the evaluation advisory group, or EPAC as it is known, and the report from Rutgers University on findings from the first year were released in February.

The information from our pilots, feedback from our partner organizations, and findings from national studies all helped inform the creation of our proposed regulations, which we introduced to the state board last month. We have undertaken a statewide outreach initiative to communicate information to districts, schools and educators about the proposed evaluation requirements. These efforts have included conducting regional presentations, posting resources on our website, and providing opportunities for educators and others to share questions and feedback. We firmly believe the regulations fulfill the spirit and intent of the law and will go great lengths to help support and develop our

teachers so all of our students have an effective educator standing in the front of their classroom.

Innovation: One of the most important priorities of the Administration and the Department has been increasing access to high-quality school options and modernizing our school system for the demands of the 21st century.

Signed into law by Governor Christie on September 10, 2010, the Inter-District Public School Choice program is currently providing over 3,300 students and their families the opportunity to choose a school that best meets their needs, and districts the opportunity to maximize enrollment and more efficiently use space in their schools. Next year, with the addition of 40 newly participating districts, 2,787 additional seats are projected to be available through the program, thus offering over 6,000 seats across 105 school districts.

We have also taken significant steps towards improving our charter authorizer responsibilities by only approving high-quality charter applications and by holding existing charter schools accountable for results. In partnership with the National Association of Charter School Authorizers (NACSA), the Department has strengthened its new school approval process and aligned it with national best practices. This includes a multi-stage review that consists of an in-person interview, a thorough review of both the school plan and capacity to implement that plan, the demonstrated need for the school in the proposed community, and the solicitation of input from the public.

In February, the Department concluded its charter renewal process, which included application reviews, Performance Framework summaries and site visits. We firmly believe that it is a privilege to operate a school in New Jersey, and, as an authorizer, we are committed to holding schools to high standards through our approval process and accountability measures. Our work over the past two years has been reflective of this commitment. During the recent renewal process, the Department decided not to renew the charters for 3 schools and to place 3 others on probation. Under this administration, the Department has opened 18 new charter schools, closing 8 schools for poor academic performance or organizational and fiscal issues, and placed another 20 schools on probation.

This fall also saw the first application for a Renaissance school under the Urban Hope Act, passed by the Legislature and signed into law by the Governor little more than a year ago, in Camden from the KIPP Cooper Norcross Academy. The application submitted by the district and organization was recently approved and I anticipate that the first New Jersey Renaissance school will be ready to open its doors in the fall of 2014.

Academics: As you know, in 2010, the State Board of Education adopted the Common Core State Standards in K-12 English language arts and math. These revolutionary new standards define the knowledge and skills a student should master at each grade level to ensure they are on track to graduate from high school ready for college and career. To help districts implement these new standards, the Department has held training sessions for educators across the State and we have rolled out our “model curriculum” as a resource to educators to turn these standards from a concept in Trenton to a practice in

the classroom. We continue to play an active role on the governing board of the Partnership for Assessment of Readiness for College and Careers (PARCC) to ensure that the new assessments introduced in the 2014-2015 school year accurately measure college and career readiness.

We have also worked hard to provide our highest-need students with high-quality early education options. Today, our programs serve more than 52,000 students statewide in a total of 145 districts. A recent study by Rutgers University found that students who participate in the Abbott Preschool Program had increased achievement in Language Arts Literacy, Math, and Science in 5th grade.

Performance and Accountability: In February of last year, New Jersey was one of the first 11 states to develop a new school accountability system and to receive flexibility from certain provisions of No Child Left Behind (NCLB) from the U.S. Department of Education. This new accountability system more accurately assesses school performance by measuring both growth and absolute proficiency and targets the State's resources to our persistently lowest-performing schools.

As part of this waiver, we launched our field-based Regional Achievement Centers (RACs) staffed with expert school turnaround teams that work directly with Priority and Focus Schools to implement proven turnaround principles and dramatically improve student achievement. The RACs represent the Department's most ambitious, focused effort to improve student achievement across the State. To date, the RACs have more than 70 staff members ranging from School Turnaround Coaches to Literacy Specialists. The mission of the RACs is to work with these schools and their districts to put proven turnaround principles into action in order to meet our shared goal of closing the achievement gap and preparing all of our students for success in college and career.

This past fall, as part of our continued commitment to providing our districts and schools with more timely information, we released our graduation rates and NJ ASK and HSPA results months earlier than ever before. Additionally, yesterday we publicly released our new School Performance Reports – replacing the School Report Cards – which provide a wealth of useful data to schools and parents in order to identify and help school leaders have deeper conversations about school performance and participate in shared goal setting.

Governor Christie's FY14 budget

As I mentioned at the outset, Governor Christie's proposed FY14 budget includes the largest appropriation of education funding in State history. The increase of \$97 million in state aid over last year is the third consecutive year of increased education funding.

In addition to an increase in formula aid, Governor Christie's proposed budget also includes several new aid categories designed to provide additional funds to districts and students:

The Education Innovation Fund

As part of Governor Christie's continued commitment to creating high quality school options for all students, the budget provides \$5 million for an Education Innovation Fund to incent innovation and reward success. The Fund will be used in two ways. First, a portion will be used to provide financial awards to schools and districts that have addressed achievement challenges. For example, awards might be given to the elementary school that achieved the biggest one year increase in third grade literacy for disadvantaged students, the district with the largest improvement in its attendance rate, or the high school with the biggest jump in its graduation rate.

The remaining portion of the fund would provide resources to districts and schools that develop innovative solutions to address defined problem areas, such as low graduation rates, poor-performing special education students, or low scores in fourth grade mathematics.

Funding For Opportunity Scholarship Grants

The proposed budget includes \$2 million for scholarship grants to allow children in chronically failing schools to attend alternate educational placements. This pilot program will help create educational opportunities for children who would otherwise have no other options.

Under-Adequacy Aid

There is also included a new category of aid to benefit districts that are currently more than 10% below their adequacy budget. Approximately \$16.8 million will be distributed to 131 districts across the State with districts receiving an average of approximately \$128,000 each. Awards would be capped at \$500,000 for each eligible district.

Supplemental Enrollment Growth Aid (SEGA)

First signed into law last summer, the Governor's proposed budget continues to provide additional aid to districts that experienced enrollment growth greater than 13% from October 2008 to October 2011. A total of \$4.141 million will be provided to the 13 districts that received SEGA funding in Fiscal Year 2013.

New Geographic Cost Adjustment (GCA)

The Geographic Cost Adjustment is an index that is applied to each district's adequacy budget in order to account for cost differences across the State. The GCA was revised using new data from the U.S. Census Bureau and minor modifications were made to reduce variations by county.

In the proposed budget, the former Abbott districts continue to receive almost three times the state average in state aid per pupil. The overwhelming amount of total per pupil education spending in the former Abbott districts has, and will continue in Fiscal Year 2014, to come from direct state support. The average state aid for districts is \$5,881 per pupil; for non-Abbotts it is \$3,291 while for former Abbotts it is \$15,261.

Recognizing that “how well” education dollars are spent is as important as “how much” is spent and changing the way money is spent is by far the most important means of actually changing behavior in schools and ensuring that all students, regardless of birth circumstances, graduate from high school ready for college and career. Even as we continue to invest in our public education system, we must remain willing to examine how we are spending our limited dollars and work towards solutions that make every dollar we invest count.

Thank you again for your time today, and I look forward to working together on these critical issues facing our State.