Introduction
Good morning Chairman Sarlo, Vice-Chairman Stack and members of the Senate Budget Committee, and thank you for inviting me to speak with you today.

I am here to discuss Governor Christie’s proposed FY15 education budget, which for the fourth year in a row is the largest appropriation of state education dollars in New Jersey history. This year, the Governor has allocated $12.89 billion to total school aid, which is an increase of $481 million over the record spent in FY14. This includes an increase of $36.8 million in direct aid to schools, and an increase of $447 million to teachers’ pensions and benefits. This total represents a year-on-year increase of more than 3.8%, which is more than double CPI growth, at a time when overall enrollment across the state has decreased.

Before I discuss the specifics of the Governor’s proposed education budget this year in detail, I wanted to say a few words about the work of the Department of Education over the past four years to help all of our schools meet the central goal of accomplishing Governor Christie’s vision of graduating every New Jersey student from high school ready for college and career.

As you know, this is my fourth stint with the Department of Education. I previously served as Commissioner of Education, Assistant Commissioner, and as the Department’s Chief of Staff. I rejoined the Department because I believe we are on the precipice of great advances in our education system that we have not seen in several decades. The Department has completely reorganized itself to set clear priorities for all schools, provide as much flexibility as possible to schools that are achieving at high levels – of which there are many in the state – and to provide on-the-ground support to our persistently struggling schools.

The Department has been proactive and vocal in supporting districts in improving instruction, developing a high-quality teaching force, using data to drive school and classroom decisions, and to modernize schools for the 21st century. I’d like to take this opportunity to provide you with brief updates on each of these areas:

Talent: With the unanimous passage of the TEACH NJ Act by this legislature two years ago, you have set the state on a course to make sure that every teacher in the state, regardless of years of experience, has the support and tools they need to continually improve practice. Because we know that the quality of the educator in front of the classroom is the most important in-school factor affecting student achievement, this work is critical.
As you know, this new evaluation system did not happen overnight. We have been on a four-year path to implementing new evaluation systems. This began with the work of Educator Effectiveness Task Force in 2010-11, two years of pilots across the state from 2011-2013, a capacity building year for all districts before implementation in 2012-13, and now full implementation across the state this year. Throughout the past four years, and especially in the last year, our team has crisscrossed the state and provided volumes of guidance, support, and technical assistance. As identified in independent reports from Rutgers University, we know that this is hard work. But, Rutgers found that teachers who have been through the pilots have reported that they have had more constructive conversations about the craft of teaching with their supervisors than ever before.

**Academics:** 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. As with educator evaluation, we have taken four years to implement the standards in schools across the state. Because we know that the new standards require a focus on critical thinking and deep analysis of real-world topics, it was important to give time for our educators to adapt to these standards. Therefore, we staged implementation and rolled these standards out over four years to give districts time to develop and adopt new curricula.

Over those four years, we launched an intensive effort to support districts. Among others, that has included the creation of a free website to allow educators to upload and download their own instructional resources (www.njcore.org); more than 500 trainings across the state reaching tens of thousands of educators; the development of an optional model curriculum and formative assessment items to help teachers develop their own curriculum; and the procurement of an Instructional Improvement System, currently in development, that will help educators integrate curricular material, student learning records, and other collaboration tools. Because of this support and the long timeline to implement the new standards, our reviews have found that 88% of districts have curriculum that is fully-aligned to the standards, and we are supporting the rest to meet this requirement.

**Performance and Accountability:** In 2012, 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. Central to this new accountability system is providing increased autonomy to our highest-performing schools, both by freeing them from compliance-focused federal interventions and by seeking regulatory changes so that districts can craft their own path to success.

As part of this waiver, we launched our Regional Achievement Centers (RACs) staffed with expert school turnaround teams that work on-the-ground with Priority and Focus Schools to implement proven turnaround principles. The RACs represent the
Department’s commitment to putting resources in schools to help our lowest-performing schools improve instruction, school culture, community engagement, and other priorities essential to school improvement.

The Department has also taken a deliberate approach to transitioning to new, high-quality, Common Core aligned assessments. Last year, we began to align the NJASK to the Common Core to provide a smooth instructional transition. In 2015, five years after the adoption of the Common Core, the Department will adopt the new PARCC assessments. These new assessments will have a number of benefits. Because they are computer-based, they will be able to truly measure students’ critical thinking skills, will return student scores months before we have in the past, and will signal to higher education institutions whether students are truly college and career ready. Over the past two weeks, districts have begun to field test these new assessments without any consequences for students, teachers, or schools. I’m proud to report that 70 percent of districts volunteered to pilot these new assessments.

**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.

The Department this month launched a new community, called innovateNJ, to bring together educators and administrators interested in working together to develop new solutions for their students. In some cases, this may involve incorporating technology to personalize learning for every student. In others, it will mean designing new school and classroom models that help all students develop at their own level.

In other cases, it may involve extending the school day and year. As Governor Christie stated, extended learning time is a crucial component of making sure our students remain competitive with their peers across the county and across the globe. We are proud to support a $5 million Innovation Fund in this year’s budget that will help educators from public schools apply for and receive support for locally-developed innovations, such as creative ways to extend learning time. The lessons learned from this Innovation Fund will help all districts learn and similarly develop new models of education delivery.

**Governor Christie’s FY15 budget**

As I mentioned at the outset, Governor Christie’s proposed FY15 budget includes the fourth year in a row of the largest appropriation of education funding in State history. The following describes both the additional state aid as well as some new funding categories for students:

**Additional Aid for Every Student** Every K-12 school district will see an increase in aid based on its projected student enrollment. The per-pupil funding – which amounts to an additional $20 for every student – will be added to the amount that each district received last year and would be available through two new aid categories:
- **Per-Pupil Growth Aid:** Nearly $13.5 million will be allocated to Per-Pupil Growth Aid, which can be used for virtually any general fund budget item. The decision on where to spend these funds will be made at the local level.

- **PARCC Readiness:** Another amount of nearly $13.5 million will be available for PARCC readiness. PARCC, the Partnership for Assessment of Readiness for College and Careers, is a consortium of 18 states collaborating to develop a common set of K-12 English and math assessments that reflect the core standards that determine college and career readiness. The PARCC assessments, which tap the same technologies that students often already use in the classroom as part of a 21st century education, will replace the existing paper-and-pencil NJ ASK and HSPA tests by the spring of 2015. Schools that are fully prepared for technology demands can use the funding stream for any other general fund budget item, at the local school board's discretion.

While all school districts will receive funding for Per-Pupil Growth Aid and PARCC Readiness, other districts may take advantage of other available funding streams, including:

**Innovation Fund** The governor's proposed budget provides $5 million for an Education Innovation Fund to cultivate innovative practices and reward success. The Innovation Fund will provide New Jersey's educators with the support and resources necessary to pioneer innovations leveraging extended learning time, educational technology and personalized learning, share successes and challenges with fellow leaders, and replicate successful new models of teaching and learning across the state. A major priority in the Innovation Fund will be for districts that develop different approaches to extend students' learning time, including extended school day or school year. The Innovation Fund will be distributed through a competitive grant process, and the best and most effective of these initiatives will help bring extended learning time and other innovations to scale statewide.

**School Choice** In September 2010, when Gov. Christie signed into law the Interdistrict Public School Choice Program allowing students to attend school at a participating Choice district, the state had a limited pilot program with 15 districts participating. The Choice program has become immensely popular, swelling to 105 districts serving 4,682 students by this current school year. The governor's proposed additional appropriation of $4.8 million will bring the total funding to nearly $53.9 million next year, opening the program to 130 districts and serving more than 5,100 children.

**Extraordinary Costs of Special Education** The Governor's proposed budget increases the state's share of extraordinary costs of special education by an additional $2.3 million, to a total of $165 million. Local school officials have long noted that their budgets are pinched when faced with extraordinary costs of special education.

**Other Aid Categories** The proposed fiscal year 2015 budget increases funding for preschool education by an additional $4.7 million, to a total of $652.8 million. This is due
to anticipated growth in the number of children enrolled in qualifying preschool programs, which will fund 143 districts and more than 50,000 students.

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