



State of New Jersey
DEPARTMENT OF EDUCATION
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June 2, 2015

The Honorable Paul A. Sarlo, Chairman
Senate Budget and Appropriations Committee
Office of Legislative Services
State House Annex
P.O. Box 068
Trenton, New Jersey 08625-0068

Dear Chairman Sarlo:

Below are the Department of Education's responses to the questions raised by the Senate Budget Committee in the correspondence dated April 29, 2015.

Senator Ruiz:

- The department indicated that in the future, it will be important to "right size" the interdistrict public school choice program such that it targets students most in need of additional educational opportunities. Please describe changes to that program that the department may be considering, and how those changes may affect students currently enrolled in the program.

A: The Department is exploring ways to create new choice seats, without increasing the total program cost, which could be distributed to districts through a new application process. Any changes to the choice program will not affect students currently enrolled in the program — they would remain in their choice districts until they complete the terminal grade.

- The State Auditor's compliance report, released in April 2015, noted that the State Board of Education regulations require that the department conduct on-site reviews of each private school for students with disabilities at least once every six years; however, 46 of these schools have not had such a review within that required timeframe. Please provide information regarding plans that the department has to come into compliance with this regulation.

A: Of the 46 exceptions noted by the State Auditor's compliance report, 5 were cleared by OLS or OFAC after issuance of the report; 13 audits were completed by OFAC; and 15 are planned for completion by December 31, 2015; and 9 by April 30, 2016. Anticipated completion dates cannot be estimated for the remaining backlog of 4 audits pending due to pending litigation.

- Please provide information regarding how the department will engage in the Newark School District to ensure that various education reform strategies are initiated and implemented in collaboration with school personnel, parents, and the community in general.

A: The Department continues to engage the District through the assistance of our Chief Intervention Officer. The Chief Intervention Officer meets with Superintendent Anderson on a regular basis to discuss leadership priorities. In addition, the Department communicates weekly with district senior staff throughout the year about the District's challenges and opportunities around stakeholder collaboration and other issues affecting NPS. Further, the Department periodically conducts site visits throughout the school year and meets with community groups.

Senator Oroho:

- Has the Department of Education, or any other department in the State, conducted an analysis of the fiscal implications for school districts of the excise tax on high cost health benefits that will go into effect in 2018 as part of the federal Affordable Care Act? If so, please provide a copy of that analysis. What actions has the department taken to inform school districts of the excise tax.

A: The Department of Education has not performed an independent analysis of the fiscal implications for school districts and local taxpayers. However, Treasury has released a publication entitled, "School Employees' Health Benefits Program Plan Year 2014 Rate Recommendations" which is available on the New Jersey State Treasury website at: <http://www.state.nj.us/treasury/pensions/pdf/hb/sehbc-rate-renewal-2014.pdf>

I trust that you and the members of the committee will find these responses useful in your continued deliberations.

Sincerely,



David C. Hespe
Commissioner

DCH/ST/rg

c: David J. Rosen, Legislative Budget and Finance Officer
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