



NJDOE News

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Appellate Court Rules DOE Abbott Figures Will Stand as Issued *Order Upholds DOE's Definition of a "Maintenance Standard"*

The Appellate Division of the Superior Court today ruled that the Department of Education (DOE) acted properly in setting supplemental aid figures for the 2003-04 school year, and that the DOE also acted properly in using actual expenditures as the benchmark for setting the 2003-04 final budgets.

"The Appellate Court's decision today means simply that the Department of Education did in fact fully comply with the court's direction in setting the Abbott budgets," said Gordon MacInnes, Assistant Commissioner for Abbott Implementation. "This step in the process surely vindicates the DOE and how we decided on the budgets — which is both a fragile and important process."

"Our objective is to continue to fund programs in our least affluent districts that are both effective and efficient," MacInnes added. "We continue to emphasize programs that work for the children in our least affluent districts."

Assistant Commissioner MacInnes also reiterated previous statements that discussions between the DOE and critics of the DOE's methodology have revolved around less than 1 percent of the actual funding for Abbott districts.

Today's ruling speaks to the DOE's ongoing position that Abbott budgets for the 2003-04 school year should be based on the previous year's **actual**, not budgeted, expenditures. It is this particular format that the DOE used to set final budget determinations earlier this month.

According to the Appellate Court ruling:

"We do not perceive anything inherently unreasonable in the use of 2002-2003 actual expenditures as the baseline for determining 2003-2004 final maintenance budget figures. To the contrary, we concur with the DOE's view that the amount of money an Abbott district actually had to expend to provide a particular service or program last year provides a more reliable starting point for determining what it will cost to provide that same program or service this year than the amount that was budgeted for the beginning of the year."

On Feb. 5, the DOE released final budget figures for supplemental aid for the 2003-04 school year. At that time, Commissioner of Education William L. Librera said the DOE is mindful of delays in the Abbott budget process, but emphasized that the final aid determinations were sent to districts in order to expedite the budget process.

The total amount of Abbott supplemental aid for the 2003-2004 school year is approximately \$297 million. Included in this total is an additional \$88 million to fully fund the amount of supplemental aid needed for Abbott districts, given the fact that \$209 million was previously provided in the budget adopted by the State Legislature on June 30, 2003 for fiscal year 2004.

"We believe that the criteria and procedures for supplemental aid have correctly been determined by the court," Commissioner Librera said. "We maintain that programs that are deemed both 'effective' and 'efficient' are the benchmark for how much supplemental aid an Abbott district should receive. We further believe that the present school year's budgets should be determined on what the actual expenditures were for the previous year."

For more information, please contact the Department of Education Public Information Office at (609) 292-1126.