

Testimony Before Assembly Budget Committee
Presented by Judy Savage
Executive Director, NJ Council of County Vocational-Technical Schools
210 West State Street
Trenton, NJ 08608
609-392-6222
js@judysavage.net
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Chairman Greenwald, Vice-chairman Schaer, and honorable members of the Assembly Budget Committee:

Good morning, and thank you for the opportunity to testify today on behalf of New Jersey's 21 county vocational-technical school districts regarding the state budget for Fiscal Year 2011. Like the rest of New Jersey's education community, county vocational school leaders are painfully aware that a perfect storm of rising costs and shrinking revenues has brought our state to an unprecedented fiscal crisis. Though shocked by the magnitude of state aid cuts, we recognize that program and aid reductions are inevitable this year due to the economic realities facing our state.

As you begin your work on the FY 2011 budget, the Legislature faces the difficult job of considering competing priorities and working with the Administration to establish a spending plan that will impose shared pain through state and local government, as well as the education, health care, human service and business sectors. We all wish this was not the case, and that we could talk today about expanding successful programs, not trimming them. While we look forward to eventually having mechanisms that will help to reduce costs, schools can no longer "do more with less." Faced with the need to cut budgets by five percent just days before the submission deadline, county vocational and local school districts are grappling with the painful need to "do less with less."

The purpose of my testimony today is to help you understand what that will mean for the 21 county vocational-technical school districts that provide regionalized career and technical education services to high school and adult students throughout the state.

As career-focused public schools of choice, county vocational-technical schools provide a unique shared service within each county. Most counties provide a full academic curriculum as well as a range of career and technical programs. The goal of all has been to preserve high quality programs and services provided to a diverse population of at-risk, special needs, traditional work-bound, and academically talented high school students, as well as occupational training programs for young adults and others who need to advance their job skills and employment prospects. This economic climate is absolutely the wrong time to cut back on career-focused education and training programs.

It is important to understand that while they are part of the school funding formula, county vocational-technical schools are funded differently than local districts. Unlike local school districts, county vocational schools have no taxing authority. Their "local fair share" comes from the county board of freeholders, which decides annually at what level they will support the county vocational-technical schools. Feeling the same pinch of rising costs and their own tax levy cap, a majority of counties are providing level or reduced funding to their county vocational-technical schools this year. This means that

most county vocational schools will receive no additional tax revenue to offset the substantial cuts in state aid.

Overall, county vocational-technical schools are slated to experience a total aid reduction of \$27.4 million dollars. This comes on top of mid-year reductions of over \$14 million. More than half of the 21 counties will see their aid cut by more than 15%, and 8 counties will experience state aid reductions between 20% and 51%. In addition, any county that received a school construction grant since 2000 will experience a further aid cut in the form of an assessment for costs associated with those grants.

As a result, nearly all of the county vocational-technical school districts have adopted budgets that less than last year and include significant cuts. Two of the 21 districts reported that their teachers have accepted a wage freeze for next year, and five of the 21 are freezing salaries for administrators. Five are expanding privatization of services.

Most county vocational schools are proposing secondary staff reductions, both in and out of the classroom. Eight districts reported plans to lay off academic teachers, and 11 are planning to eliminate career and technical teachers. In some cases this means eliminating a career program altogether. One district is cutting a new energy program and information technology; another is eliminating auto technology and carpentry programs for alternative school students. Another district is reducing the availability of several programs from two schools to one, which means that half as many students will have the opportunity to study electrical trades or computer networking.

Other cuts affecting secondary students include elimination or reduction of district-paid college credit for dual enrollment programs, elimination and reduction of summer school and summer enrichment programs, and reductions in field trips and competitions that are an integral part of career and technical education programs. What county vocational-technical schools cannot and will not do is chip away at the quality of CTE programs, because career programs that cease to meet industry standards will not adequately prepare students for the workplace.

Among the painful choices that districts have had to make are decisions to reduce or eliminate programs for adult learners. One district has eliminated all of its full-time adult postsecondary training programs, including licensed practical nursing, cosmetology, and truck driving; the district will save money by using part-time teachers to deliver these courses in the evening. The downside is that it will now take job-seekers much longer to complete these training programs and move into the job market. Other counties are seeing the need to reduce their part-time evening programs for adults seeking to enhance their job skills or shift into a new career. School officials do not want to cut these programs at a time when unemployment is so high and residents desperately need short-term, low cost training that will lead directly to jobs. But the state funding to support these programs was eliminated with the new school funding formula, and tuition paid by students does not support the full cost, especially for expensive programs like nursing.

Sadly, the other area extremely hard-hit by the budget cuts are adult high school programs that give out-of-school youth and other adults a second chance to earn a high school diploma. Each year since 2005, I have testified before this committee about the value and importance of these programs and asked you to support them in the budget. For the past several years, the Legislature has championed a \$10 million

appropriation that enabled roughly 40 programs operated by county vocational schools and local districts to continue serving over 8,300 students.

Sadly, the mid-year aid freeze and elimination of all aid for adult programs next year will make it impossible for most county vocational school districts to continue these programs. Five of the eight county vocational schools with these programs plan to close them at the end of this year, and the other three will scale back their programs significantly. Even though they are desperately needed and operate at a fraction of the cost of regular high schools, cash-strapped school districts cannot sustain these non-mandated programs when the state does not support them, their available surplus funds have been eliminated and their operating budgets are being reduced. Passing the cost of the programs on to students is not viable for this population of mostly poor and minority students who need a high school diploma as the entry level credential to any sort of sustaining job.

The GED is not a viable option for many of these students, many of whom are teenage and young adult dropouts who lack the skills and/or maturity to prepare on their own for a difficult equivalency exam. The closure of most remaining adult high schools will surely put more dropouts on the street, with few prospects for education and economic advancement. This represents not only a loss of potential income tax revenue to the state, but also a huge potential outlay in terms of welfare and other social supports for residents ill-equipped to earn a living wage. The worst case scenario is the cost of incarcerating high school dropouts who turn to crime.

With many districts no longer able to locally support these programs for adults and out-of-school youth, I implore you to consider alternative sources of funding for these critical educational and workforce development needs.

We have heard much about tools that will help school districts reduce their cuts, and school districts look forward to relief from administrative mandates and requirements that do not directly affect educational quality or student safety. The moratorium on NJQSAC is one step and we hope that the Legislature and administration will offer additional relief from burdensome requirements.

While our organization does not generally take a position on issues related to employee salaries and benefits, there are concerns about changes that would trigger massive retirements in a very short timeframe. The retirement of a large number of experienced teachers and administrators will not necessarily save jobs. Rather, in the case of county vocational-technical schools, it could create numerous vacancies in trade and technical classrooms that will be difficult to fill.

Thank you for the opportunity to speak today. We recognize the challenges facing the Legislature as you review the Governor's proposed budget and seek to manage the pain it imposes. Clearly, no sector or category of programs can be exempt from the need to cut back on spending. My role is not to complain, but rather to inform you about the impact state aid reductions will have in New Jersey's county vocational-technical schools. Thank you for your ongoing support of career and technical education in New Jersey.

Attachments:

County vocational school data profile

County vocational-technical school district aid summary

Adult high school survey data