



# New Jersey School Boards Association

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## The Value of the New Jersey School Boards Association



### **FINAL REPORT**

### **The Value of NJSBA Task Force**

Submitted to Lawrence S. Feinsod, Ed.D., Executive Director

March 27, 2015

[www.njsba.org/value2015](http://www.njsba.org/value2015)

**Value of NJSBA Task Force  
Final Report  
March 27, 2015**

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Revised June 29, 2015

# Value of NJSBA Task Force: Final Report

March 27, 2015

## Introduction

*“What does my school board get for its NJSBA dues?”*

To answer that question four years ago, an NJSBA staff task force calculated the dollar value of many NJSBA dues-based services. The goal was to provide the membership with a clear picture of the value of—or return on—their dues investment. The results illustrated a financial benefit far exceeding members’ dues on an individual and a statewide basis.

Earlier this year, NJSBA’s Executive Director, Dr. Lawrence S. Feinsod, appointed a new Value of NJSBA Task Force, to update this important information. Much has changed in terms of services since 2011. For example, NJSBA’s energy-purchasing program, the Alliance for Competitive Energy Services, has been providing members with substantial and growing savings each year. NJSBA also converted all county programming and its web-based Accountability Act training to a non-fee basis. And it achieved several goals for school boards through advocacy before the legislature and the courts. At the same time, the fees charged by private firms or other state school boards associations for services comparable to those of NJSBA have changed.

What has not changed are the dues paid by NJSBA members. They remain at the same level as in 2009. (See Appendix I.)

The latest findings are impressive. For the services they could monetize, the 2015 task force members identified \$33,748,364 in value during 2013-2014. That amounts to almost four-and-a-half times NJSBA’s annual statewide dues of \$7,714,314. The figure does not reflect savings available to districts through newer NJSBA programs, such as the Grants Support Program

(Appendix G) or on-site consultation and training in sustainable practices and STEM education (Appendix H). In addition, the savings do not include NJSBA’s advocacy achievements, which despite their cumulative financial benefit, are difficult to monetize. Nonetheless, the financial benefits of two fairly recent advocacy achievements—preserving the subcontracting option and rolling back the state’s school construction grant assessment—can be calculated for 2013-2014. The value of these two achievements exceeded \$40 million for one year.

Easily monetized services represent only a fraction of NJSBA membership benefits. As stated in several sections of this report, the long-term benefits of many services are adoption of best practices, avoidance of costly litigation, the lowering of staff and operating costs, and reduction of professional consultant fees.

***The 2015 NJSBA task force identified over \$33.7 million in member value for 2013-2014, an amount four-and-a-half times greater than annual statewide dues.***

***Over the past five years, NJSBA’s ACES program delivered \$142.3 million in energy savings.***

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## The Value of NJSBA Task Force, 2015

**Frank Belluscio**, Deputy Executive Director, Chairman

**Cynthia Jahn**, General Counsel

**Michael Kaelber**, Director of Legal, Policy and Labor Relations Services

**Ray Pinney**, Director of County Activities and Member Engagement

**Vincent DeLucia**, Educator-in-Residence/Director of Training and Professional Development

**Patrick Duncan**, Manager of Labor Relations

**Steven McGettigan**, Manager of Policy Services

**Kathleen Shambe**, Manager of General Accounting

**Jonathan Pushman**, Legislative Advocate

**Gwen Thornton**, Field Service Representative

**Lou Schimenti**, Products and Services Specialist

**Michael Kvidahl**, Marketing Coordinator

**Ann Marie Smith**, Administrative Assistant, Executive Office

## What NJSBA Values

The 2015 Value of NJSBA Task Force also proposed a revision to the Association's Statement of Core Values, which was drafted as part of the 2011 Value report. The proposed statement emphasizes the Association's commitment to student achievement and its belief in the local governance of public education.

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### **New Jersey School Boards Association** *Statement of Core Values and Beliefs*

- The New Jersey School Boards Association believes that the mission of the public schools is to educate and prepare all students to be productive citizens.
- The NJSBA believes that public education is the cornerstone of a strong democratic society.
- The NJSBA believes that the most essential component of public school governance is the local board of education and that the best decisions for education are made by those closest to our students and our communities.
- As the only state-level education organization not representing school employees, the NJSBA values its ability to advocate for our students unbridled by any special interests.
- The NJSBA values its role as advocate, resource and trainer, thereby providing local boards of education with the tools, skill and knowledge to function effectively, ethically and efficiently.
- NJSBA believes that the success of New Jersey's public schools stems from the dedication and commitment of local school board members to our state's 1.37 million public school students and their communities.

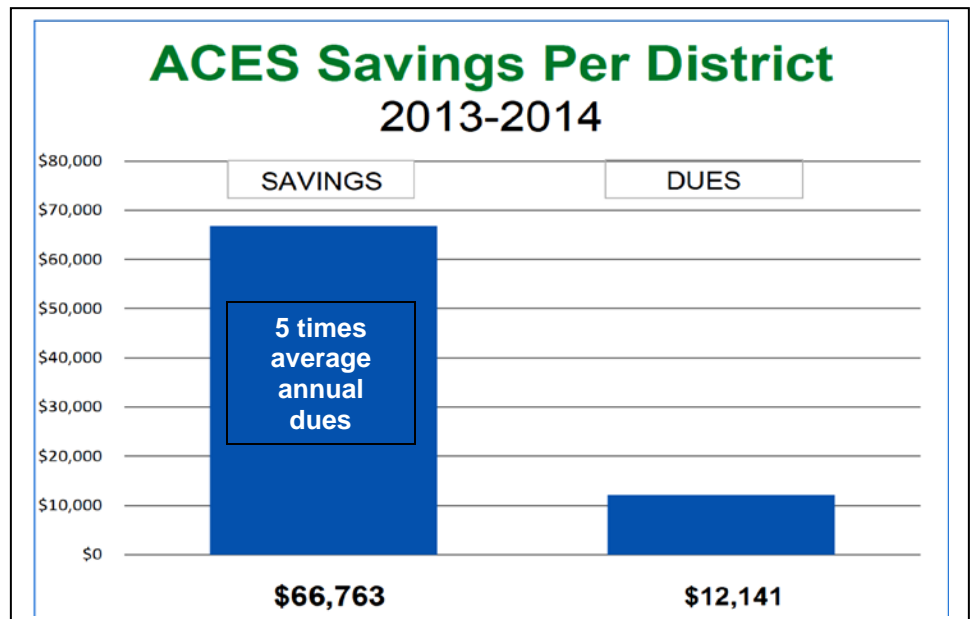
## The Value of NJSBA Services

Membership in the New Jersey School Boards Association enables local boards of education to achieve savings not possible if they had to secure many essential services on their own. In fact, the financial benefits of membership far exceed annual dues.

## The Alliance for Competitive Energy Services (ACES): **\$142.3 million in savings since 2009**

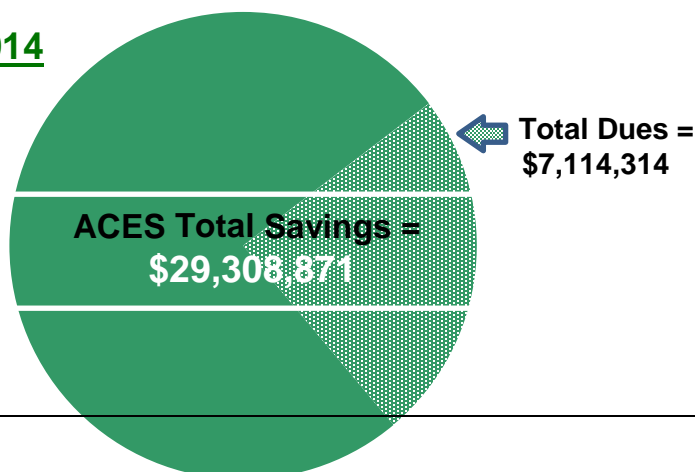
Founded in 2000 following NJSBA's advocacy of state energy de-regulation, the Alliance for Competitive Energy Services saved New Jersey's public schools \$142.3 million in electricity and natural gas charges during the five school years ending in 2014. The ACES program is open to NJSBA members in good standing. School districts have applied the savings to classroom programming and/or property tax control, both critical concerns in light of the state-imposed 2 percent local tax levy cap.

In 2013-2014, the NJSBA-sponsored ACES program saved 439 participating school districts more than \$29.3 million in electricity and/or natural gas costs. The total equates to an average savings of \$66,763 per district—that is, **5-and-a-half times the average annual NJSBA dues** of \$12,141.



## **Over \$29.3 Million in Annual Savings Statewide**

**2013-2014**



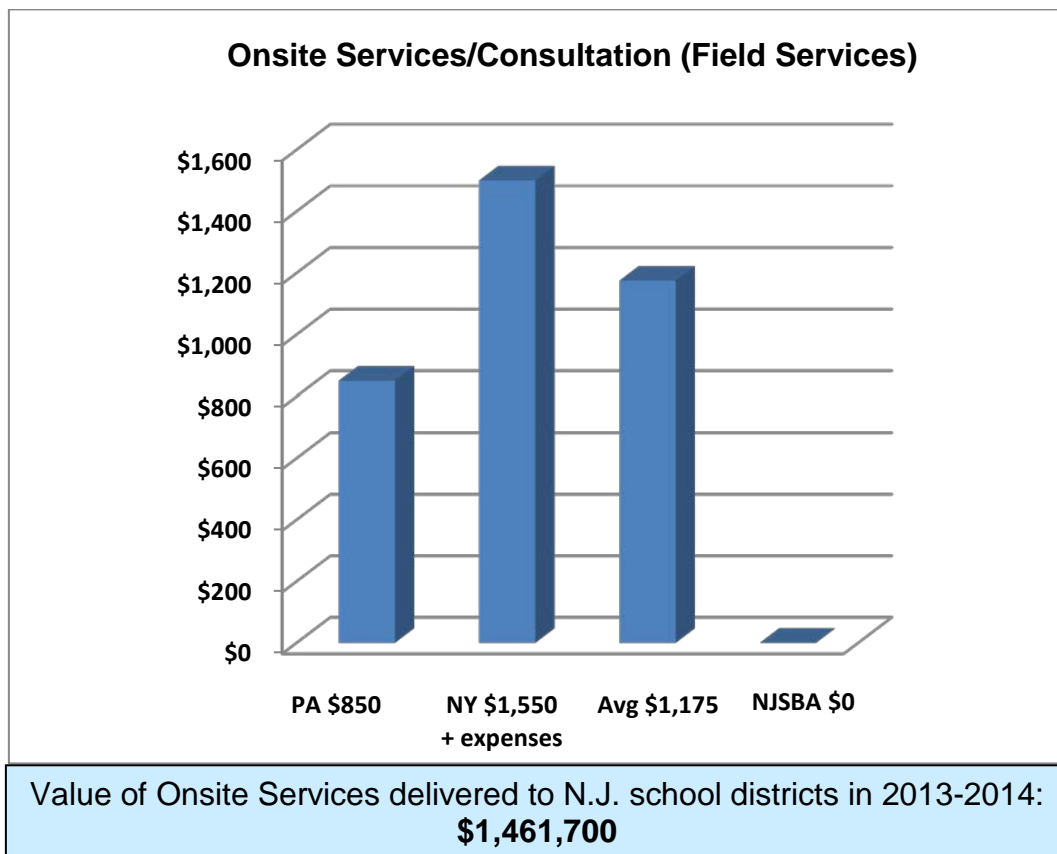
ACES represents just one of NJSBA's innovative programs designed to help local school boards attain greater efficiency and secure needed services at reduced costs. Recent initiatives include Sustainable Jersey for Schools, NJSBA's TEC (Technology for Education and Career), the Grant Support Program, ACES-Plus and Microsoft's Enrollment for Education Solutions. Many of these services are described in Appendix B, "New Cost Savings Programs."

## The Value of NJSBA Services

Advancing student achievement through effective governance is at the core of NJSBA's mission. NJSBA experts provide direct services, including on-site training, in key areas of board of education responsibility. These services result in no additional cost to local school boards.

### On-Site Consultation: A \$1.4 Million+ Annual Service

During 2013-2014, [NJSBA field service representatives](#) delivered onsite, *dues-based* services to local school districts on 1,244 occasions at no additional cost. Based on the fees charged by our neighboring state school boards association, the total yearly value of on-site consultation delivered by NJSBA's field service experts totals \$1,416,700.



Local boards of education can take advantage of a wide variety of direct, on-site services at no additional cost. Provided by NJSBA's expert field services representatives, these programs include the following:

- Data-informed goal setting
- Superintendent evaluation training
- Effective school board governance – best practices
- School board self-evaluation
- Effectively working with the chief school administrator
- Custom-designed workshops on a wide array of governance topics, such as parliamentary procedure, curriculum, budgeting, public engagement, team-building, and conflict resolution



**The Value of NJSBA Services**

*75% of a typical school district's operating budget is devoted to employee compensation, with the lion's share determined by collective bargaining. NJSBA's essential dues-based negotiations services enable school boards to develop effective negotiations strategies.*

**Labor Relations Services:**

**A \$771,216 Yearly Value with Long-Term Financial Benefit**

Representing the community in contract negotiations with employee unions is a central responsibility of the local board of education. Successful bargaining requires the board to consider community financial resources and district educational goals and to act within the parameters of extensive and complex labor law, including state and federal statutes, regulations, case law and administrative rulings.

At no fee, NJSBA offers on-site labor relations assistance and consultation that enable school boards to attain their goals as they enter the difficult, adversarial and complex negotiations process. (Members can find a description of these essential services in Appendix D of this report, "NJSBA Labor Relations Services.")

| <b>Dues-Based Service</b>  | <b>Rate charged by outside entities</b> | <b>Value of Delivered Service (2013-2014)</b> |
|--|---|---|
| <i>Teacher Contract Analysis</i>   | \$164 per hour*                         | <b>\$201,195</b>                              |
| <i>Preparation for Bargaining</i>  | \$164 per hour                          | <b>\$76,323</b>                               |
| <i>Salary Guide Services</i>   | \$164 per hour                          | <b>\$86,930</b>                               |
| <i>Consultation/Information<sup>+</sup></i>  | \$164 per hour                          | <b>\$21,698</b>                               |
| <i>Data Services</i>   | \$ 95 per hour                          | <b>\$10,830</b>                               |
| <i>CSA Contract Analysis</i>   | \$164 per hour                          | <b>\$6,575</b>                                |
| <i>Statewide Negotiations Database</i>   | \$635**                                 | <b>\$367,665</b>                              |
| <b>Value of Delivered Services.....</b>  |   | <b>\$771,216</b>                              |
| * Hourly rates are based on the fees of outside labor relations consultants, as reported by the New Jersey Personnel Administrators Association.   |   |   |
| ** Rate is based on fees for local board access to similar services provided by two other state school boards associations.  |   |   |
| + Consultative services include advice on negotiations strategy, grievance arbitration, contract interpretation, and other critical areas. In addition, NJSBA provides information on negotiations statute, regulation and case law, as well as decisions of the Public Employment Relations Commission. |   |   |

**Long-Range Benefits**

*In addition to the value of the delivered service, NJSBA's dues-based teacher contract analysis provides a school board with long-term financial and educational benefit. The service often identifies provisions, which are non-negotiable and should be excised from the contract or are ill-advised and can harm the education program.*

Structurally unsound salary guides can have significant and long-term detrimental effects on the bargaining process, the district's financial condition, and its educational program.

*School board attorneys frequently consult with NJSBA labor relations staff, reducing their research time and the fees that they would pass on to the boards.*

Our database is the gold standard, utilized and extremely well respected by neutral third parties and the union community.

**The Value of NJSBA Services**

At no additional cost to school districts, NJSBA develops and implements the professional development that enables local school board members to meet the training requirements of the N.J. School Ethics Act and the N.J. School District Accountability Act. Each year, NJSBA trains up to half of the state’s local school board members. Within a three-year cycle, every school board member participates in NJSBA training.

**Professional Development:**  
**\$2 Million in Dues-Based Training since 2010**

Within a three-year cycle, virtually every New Jersey school board member attends NJSBA-developed training that:

- Provides the information and resources they need to be effective trustees representing their communities’ public school systems
- Helps their boards avoid costly mistakes
- Supplies research and data on the role of the board of education in advancing student achievement through effective governance
- Guides them on compliance with state ethics laws

**Governance Training:  
A Window on Savings**

Since 2010, NJSBA provided Governance I – IV training to nearly 11,000 attendees. During this time, **the value of NJSBA’s Governance training was close to \$2 million**, based on the current average price charged by a neighboring state’s school boards association for programs of similar length.

In 2013-2014, a total of 2,119 local school board members completed NJSBA training required by the School Ethics and the School District Accountability Acts, either through in-person or online programming. *The training is provided at no additional cost to local school districts.* Based on the cost of comparable length training by a neighboring state school boards association, this NJSBA service saved local school boards statewide \$381,420 that year.

| <b>Ethics/Accountability Act Training: One-Year Savings</b> |                                   |   |  |   |  |
|---|-----------------------------------|---|--|---|--|
| <b>2013-2014</b>  |                                   |   |  |   |  |
| <b>Program</b>  | <b>N.J. Board Members Trained</b> | <b>NJSBA Fee</b>                        | <b>Cost of Comparable Training</b>           |   | <b>Value to N.J. Boards</b><br>(when compared to New York fee) |
|   |                                   |   | <b>New York</b><br>(individual member price) | <b>Pennsylvania</b><br>(fee per full board) |  |
| Orientation Governance I (in-person)*                       | 337                               | <b>None</b><br>(Included in membership) | \$180  | \$999                                       | <b>\$60,660</b>  |
| Orientation Governance I (web-based)                        | 319                               | <b>None</b><br>(Included in membership) | \$180  | —   | <b>\$57,420</b>  |
| Governance II, III, IV (in-person)                          | 625                               | <b>None</b><br>(Included in membership) | \$180  | —   | <b>\$112,500</b>   |
| Governance II, III, IV (web-based)                          | 838                               | <b>None</b><br>(Included in membership) | \$180  | —   | <b>\$150,840</b>   |
| <b>Total Savings (2013-2014).....</b>                       |                                   |   |  |   | <b>\$381,420</b>   |

\* Orientation (Governance I) savings are based on the attendance of new board members at NJSBA’s one-day program and the fee (\$180) charged by the N.Y. State SBA for a comparable length conference. However, 178 of the new board members trained at in-person programs in 2013-2014 actually attended NJSBA’s weekend Orientation, also at no additional cost to the school district. The monetary value of the weekend Orientation is considerably higher than that of the one-day program.



The value of NJSBA’s training for local boards of education goes beyond the Governance programming, however.

### County School Boards Associations

Since 2012-2013, NJSBA has offered professional development that counts toward Board Member Academy Certification through the state’s 21 county school boards associations *at no additional cost to boards of education and their members*. The value of this training, provided to 3,957 attendees in 2013-2014 was \$174,108. The previous year, the value of county-based training was \$106,560. Calculations are based on a price of \$40 per person, which represents the average fee charged for attendance at such county SBA meetings prior to 2012-2013.

| Professional Development through County School Boards Associations |                  |              |                               |                                  |
|--|------------------|--------------|-------------------------------|----------------------------------|
| YEAR   | Meetings with PD | Attendees    | NJSBA Fees                    | Savings to N.J. School Districts |
| 2012-2013  | 77               | 2,664        | 0<br>(included in membership) | \$106,560                        |
| 2013-2014  | 87               | 3,957        | 0<br>(included in membership) | \$174,108                        |
| <b>Totals</b>  | <b>164</b>       | <b>6,621</b> |                               | <b>\$280,668</b>                 |

In addition to providing meetings with professional development components, the county school boards associations each year conduct more than a dozen other programs that provide members with forums for communications and to recognize student achievement and best practices. Attendance at these meetings is also free of charge for school board members.

### **Program Development: A Value Added**

NJSBA also offers a wide range of specialized professional development opportunities through its Board Member Academy. These programs lead to various levels of individual and full board certification.

Program development costs for these select Board Member Academy training sessions are covered by NJSBA dues, thus enabling the Association to control registration fees. Academy training programs address collective bargaining (Preparing for Bargaining; Bargaining at the Table; and Analyzing and Constructing Salary Guides), school law, school board leadership, and other programs designed to promote effective governance.

### The Value of NJSBA Services

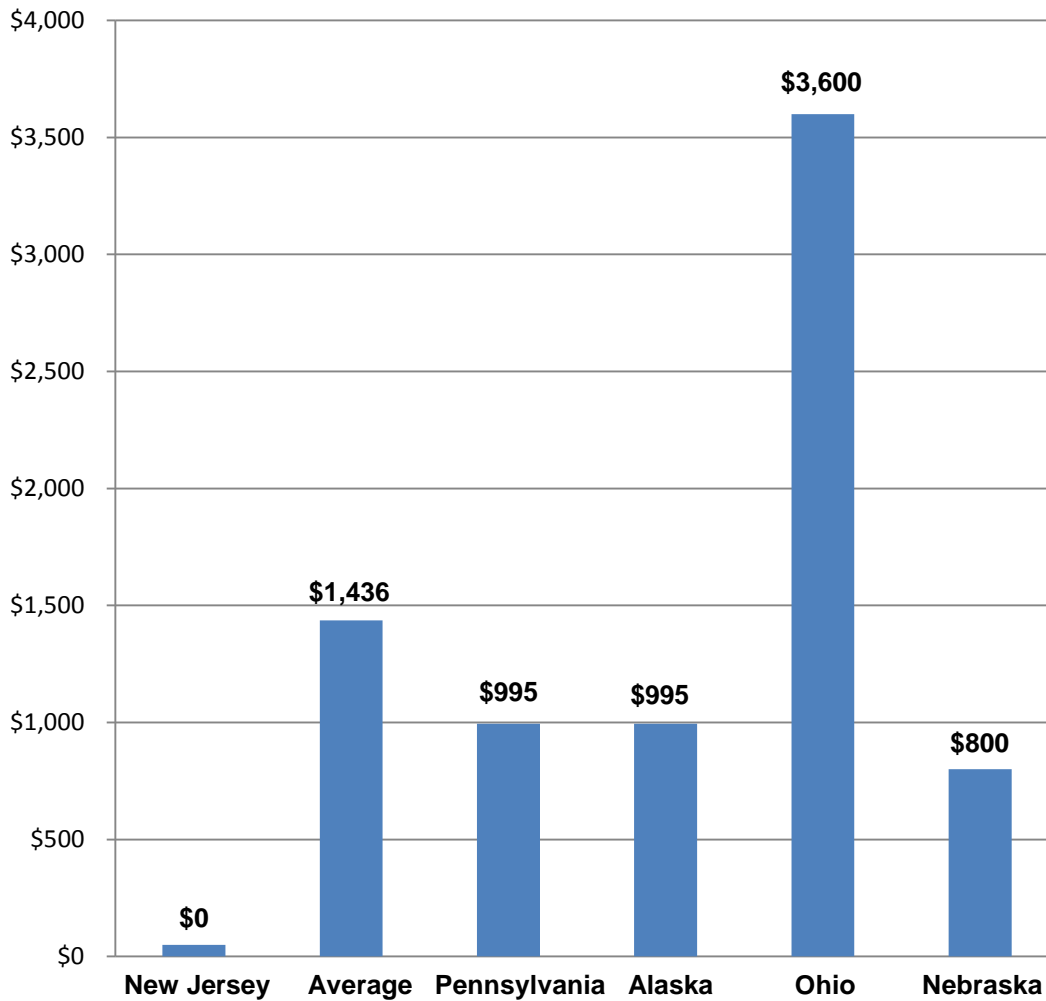
Policy-making is a school board's primary responsibility. For more than 90 years, NJSBA has provided a wide range of policy services to local boards of education at no additional cost. These services help school boards formulate or revise policy and ensure that it complies with federal and state laws and regulation.

### NJSBA's Policy Services:

#### **A \$1.3 Million Annual Value to the New Jersey's Local School Boards**

NJSBA's *Critical Policy Reference Manual* (CPRM), which is available to every New Jersey school board at no additional cost, contains legally sound model policies and accompanying legal references that govern all areas of school district operations and board responsibilities. The model documents, backed by NJSBA's experts in school law, policy and labor relations, are required by state and federal law or regulation, are subject to state monitoring, or are recommended as sound practice.

### NJSBA's Critical Policy Reference Manual = An \$834,316 Annual Value



**Total value to New Jersey's 581 local school boards: \$834,316**  
(581 x \$1,436)

Based on a survey of 12 other state school boards associations, the average annual cost of model policy access is \$1,436 per district. The survey also indicated that many state school boards associations charge subscription fees for general policy services including access to model policy manuals.

### Policy Updates

NJSBA’s Policy Service also provides updates to critical policies at no additional cost to the state’s 581 local boards of education. In comparison, most state school boards associations require school districts to pay a subscription fee to receive such services. Others only make the service available to school boards that contract for policy manual development. A survey of state school boards associations indicated charges ranging from \$200 to \$995 for updates and renewals, representing an average cost of \$543 per district. Policy service vendors also charge New Jersey school districts for policy updates, with fees ranging from \$2,400 to \$4,400.

| Policy Updates                                    |                    |
|---|--------------------|
| Average fee of state SBAs                         | \$543              |
| Charges by vendors                                | \$2,400 to \$4,400 |
| <b>Annual Value of NJSBA Policy Updates .....</b> | <b>\$315,483*</b>  |
| (*581 school boards x \$543)                      |                    |

### Wellness Checks (Policy Manual Audits)

NJSBA policy consultants will also review a district’s current policy manual and provide a report on the condition of each policy. This dues-based service enables school boards to bring their policies into compliance with federal and state laws and regulations. Only a handful of state SBAs offer similar services, and those that do charge fees. No policy service vendors provide wellness audits.

| Policy Audits: State SBA Fees                                 |   |
|---|---|
| California SBA  | \$850   |
| Kansas SBA  | \$1000 - \$2000                                 |
| Minnesota SBA   | \$650   |
| Nebraska SBA  | \$2100 - \$3100<br>(depending on district size) |
| Oklahoma SBA  | \$10,000<br>(\$100 per hour)                    |
| Pennsylvania SBA  | \$10,000<br>(\$100 per hour)                    |
| <b>Average state SBA charge per policy 10-hour audit.....</b> | <b>\$1,433</b>                                  |
| <b>NJSBA charge.....</b>                                      | <b>\$0</b><br>(included with membership)        |

*During 2013-2014, NJSBA provided Wellness Checks to 30 boards of education. The savings per district equaled \$1,433, based on the average fee charged by other state school boards associations. **The total value of the delivered service is \$42,990.***

### Manual of Job Descriptions

NJSBA’s *Manual for the Development of Job Descriptions* provides template documents for more than 90 titles in several categories: Central Office Administration; Central Management Support; Support Services; Business/Plant Operations; Instruction/ Curriuclum; Student Services; Extracurricular Activities, and Paraprofessionals.

| State SBA Fees/NJ Savings                          |   |
|--|---|
| Idaho SBA  | \$425   |
| Kansas SBA   | \$85  |
| Ohio SBA   | \$500   |
| <b>Average charge .....</b>                        | <b>\$337</b>                                      |
| <b>NJSBA charge .....</b>                          | <b>\$0</b><br>(included with membership)          |
| <b>Annual Value for N.J. School Districts.....</b> | <b>\$195,797*</b><br>(*581 school boards x \$337) |

## The Annual Value of NJSBA Dues-Based Policy Services

In 2013-2014, the potential savings available to local school boards through NJSBA dues-based policy services exceeded \$1.3 million. (See chart below.) This figure does not include other dues-based policy services, such as telephone consultation or the provision of sample school district policies through its policy clearinghouse.

| <b>The Value of Policy Services (2013-2014)</b>   |                    |
|---|--------------------|
| <b>Service</b>  | <b>Value*</b>      |
| <i>Critical Policy Reference Manual</i>   | \$834,316          |
| <i>Policy Updates</i>   | \$315,483          |
| <i>Wellness Checks (Policy Audits)</i>  | \$ 42,990*         |
| <i>Manual of Job Descriptions</i>   | \$195,797          |
| <b>Total Annual Value to N.J. School Districts .....</b>  | <b>\$1,388,586</b> |
| * Value is based either on members' accessibility to services or, in the case of Wellness Checks, on the delivery of the service. |                    |

| <b>Other Dues-Based Policy Services</b> |                                |   |
|---|--------------------------------|---|
| <b>Service</b>                          | <b>Other State SBA Charges</b> | <b>NJSBA<br/>(included in membership)</b> |
| <b>Sample Policies</b>                  | \$50 per document              | <b>\$0</b>                                |
| <b>Telephone Consultation</b>           | \$90 per hour                  | <b>\$0</b>                                |

**The Value of NJSBA Services**

*NJSBA’s legal staff provides training to local school officials and school attorneys, advocates for local boards of education through amicus (“friend of the court”) participation in cases of statewide significance, conducts research, and provides school districts with information on statute, regulations and case law affecting their operations. The services provide an immediate and long-term financial benefit to school boards.*

**NJSBA Legal Services**

**Invaluable Information for School Boards and Their Attorneys**

For local school boards and district administrators, one of the most valuable components of NJSBA’s dues-based services is *direct telephone access* to our legal department staff. Each day, a staff attorney is available by telephone to provide information on state and federal statutes, regulations and case law affecting local school boards, district operations and public school students.

NJSBA also produces comprehensive legal reference materials to guide local school boards through the school election process, the annual board organization, staff reductions-in-force and non-renewals, bond and budget campaigns, and regionalization.

During the three school years ending in June 2014, NJSBA staff attorneys had 4,563 contacts with school boards and district administrators. These contacts often extended beyond telephone conversations and involved research and/or outreach to state officials. (The 4,563 contacts cited do not include inquiries from board attorneys, NJDOE employees and other state officials.) The value of this service, as delivered to local school districts over three years, ranges from \$136,890 to \$467,709.

| <b>The Value of NJSBA Legal Information Services</b> |                 |                      |                   |                               |
|--|-----------------|----------------------|-------------------|-------------------------------|
|  | <b>Contacts</b> | <b>Law Firm Fees</b> | <b>NJSBA Fees</b> | <b>Total Savings</b>          |
| 2011-12<br>2012-13<br>2013-14                        | <b>4,563</b>    | \$150 - \$205        | <b>\$0</b>        | <b>\$136,890 to \$467,709</b> |
| <b>Average Yearly Value .....</b>                    |                 |                      |                   | <b>\$45,603 to \$155,903</b>  |

Private law firms will charge hourly rates for telephone contact with their attorneys. Some state school boards associations, unlike NJSBA, will also charge fees for member contact with their staff attorneys.

**Avoiding Litigation + Reducing Billable Hours = The Real Financial Benefit**

The financial value of NJSBA’s legal information, whether accessed by telephone or through its expert reference materials, goes far beyond the dollar savings identified through a comparison with private law firm fees. The long-term value rests with the avoidance of litigation through the adoption of sound practices, as well as a reduction in districts’ legal costs.

Lawyers representing school districts frequently speak with the NJSBA legal staff, reducing the board attorneys’ research time and the fees they would pass on to the school board. Through this service, NJSBA legal staff members will discuss the implications of legal rulings and statute as they may relate to litigation

or other pressing legal issues facing the attorney’s client school board. NJSBA’s legal staff is also able to provide quick access to school law rulings that are not readily accessible to the board attorney.

### **Advocacy before the Courts**

NJSBA also supports boards of education by participating as *amicus curiae* (“friend of the court”) in cases of statewide impact before the courts and administrative agencies, such as the Council on Local Mandates. Over the years, the Association argued in favor of court decisions that maintained school administrators’ authority to ensure a safe and orderly school environment, alleviated burdensome staffing requirements, and strengthened school boards’ positions in negotiations.

Recent *amicus* efforts are described in the “Advocacy” section of this report, beginning on page 15. Long-term efforts, which are still producing financial benefit and administrative flexibility for school boards, are included in Appendix G, “Legal Services for School Boards.”



## The Value of NJSBA Services

*NJSBA advocacy on behalf of local school districts has benefited school boards' finances and operations. The positive impact is often cumulative, with certain accomplishments saving school boards tens of millions of dollars over the years.*

### **The Value of Advocacy: Reducing Local Costs, Preserving Local Authority**

NJSBA advocates the interests of local school districts before the state Legislature, executive branch, the state Board of Education and the courts. Advocacy involves researching issues, addressing state and federal officials through direct outreach and testimony, and participation as a “friend of the court” in litigation of statewide impact. An extended list of NJSBA advocacy efforts—providing increased state aid, reduced costs, or preserved local school board governance authority—is included in Appendix H, “Advocacy for Local Boards of Education.”

Below are examples of NJSBA’s successful advocacy efforts that are providing financial and administrative benefits to its members today.

**School Construction Assessments** In 2013-2014, the state attempted to increase the amount of money (“SDA assessments”) school districts paid for administrative costs of no-interest state-issued school construction grants, some dating back 14 years. The increases would have negatively impacted over 200 local districts. NJSBA attained a hold-harmless provision in that year’s state budget to ensure that no district would pay more for SDA assessments than in the previous year. The provision was included in the following year’s state budget as well, *saving these districts \$14.8 million over the course of two fiscal years.*

| <b>NJSBA Advocacy:<br/>Helping School Districts Financially</b> |                       |
|---|-----------------------|
| <b>Examples 2013-2014:</b>                                      |                       |
| <u>Issue</u>  | <u>Savings</u>        |
| Construction Assessment Roll-back .....                         | <b>\$14.8 million</b> |
| Retaining Sub-contracting Option .....                          | <b>\$38 million</b>   |
| Stopping Unfunded Building Upgrades.....                        | <b>\$1.2 million</b>  |

**Expired Labor Agreements** Thanks to NJSBA sought-amendments, a 2014 state statute did not eliminate a 19-year prohibition against school employees receiving automatic increments when they are working under expired three-year contracts (the most common length). The prohibition, established through the state Supreme Court's 1996 *Neptune* decision, has saved school districts substantial amounts of money. The automatic increments would equal 1 to 3 percent of payroll. NJSBA served as *amicus* in the *Neptune* case and successfully argued that awarding such increments violated statutory limits on the length of a school district’s salary guide. In addition to the cost savings, the decision strengthened school boards’ position in bargaining and encouraged unions to negotiate.

Today, NJSBA continues its support for local boards of education on this issue. In 2014, the Association submitted arguments to the Appellate Division as *amicus* in *County of Atlantic and FOP Lodge No. 34 and PBA Local No. 77*, a case involving county employees. If NJSBA’s argument is successful, the prohibition against awarding increments following contract expiration would apply to all public employers, including boards of education, and to all expired contracts regardless of length.

**Sub-Contracting:** In 2013, NJSBA’s efforts resulted in gubernatorial vetoes of three bills that would have restricted the ability of school districts to subcontract non-instructional services—an option that becomes increasingly important in tight financial times. Over the past 20 years, NJSBA has successfully pushed back union efforts to limit school boards’ ability to direct resources to the classroom or to control property taxes through subcontracting. *NJSBA’s most recent research on the subject, conducted in 2009, showed that New Jersey school districts are saving \$34.3 million to \$38.8 million annually as a result of subcontracting. That amount is equivalent to the employment of up to 865 teachers.*

**Maintaining Managerial Prerogatives** In 2013, the NJSBA helped secure a veto of legislation that would have provided tenure-like protections to non-teaching staff. Other advocacy efforts included successful opposition to a 2010 proposal that would have severely undermined a board’s ability to allocate money saved through wage concessions for any purpose that would serve the interests of students and taxpayers.

In 2014, NJSBA, as *amicus*, entered a case before the state Supreme Court involving school boards’ managerial prerogative to reduce staff and working hours for economic reasons. In *Borough of Keyport/Belmar/Mt Laurel v. IUOE Local 68, et al.*, the Association argues that a previous court-established test to determine the

negotiability of work hours does not require boards of education to bargain with unions when reducing certain employees’ work hours or work year or district staffing levels. A decision in line with NJSBA’s arguments would not only save boards up to 20% in certain costs, but would also ensure the necessary flexibility to determine staffing levels.

**Opposing New Unfunded Mandates** In 2013, NJSBA secured an amendment to legislation that would have otherwise required local boards of education to pay up to \$1.2 million for installation of panic alarms and emergency lighting in their schools. Although supportive of the effort to provide better protection for our children, NJSBA expressed concern to the sponsor about passing the cost of installation onto local school districts. The NJSBA-secured amendment ensured that, if enacted, the State would provide the necessary funding. The amendment remained in the bill when it was reintroduced in 2014.

**Employee Benefits** NJSBA supported the 2011 overhaul of the public employee pension and benefits system, including the requirement that school district employees contribute to the cost of health insurance coverage. This reform, which reflects practice in the private sector and in public employment in other states, has provided significant financial relief for local school districts, enabling them to direct resources toward educational programming, including teacher employment.

**Local Control and Flexibility** In the current legislative session, lawmakers, at NJSBA’s request, introduced two bills to preserve local school board governance and flexibility. These measures would eliminate the superintendent salary cap and the state’s administrative spending limits. New Jersey’s public schools have the fourth lowest level of administrative spending in the nation, according to the U.S. Department of Education. Therefore, both of these restrictions—“caps within caps” enforced in addition to the state’s the 2% tax levy cap—constitute unnecessary infringements on local school board governance.

**NJSBA advocates for the preservation of local school district autonomy and flexibility.**

**NJSBA supports lifting constraints that erode the authority of local boards of education to govern effectively.**

**NJSBA consistently supports initiatives that ensure employees pay their fair share toward the cost of health coverage.**