

April 11, 2016

The purpose of this letter is to contribute a fresh perspective on the emerging conversation about the allocation of state aid to schools. As an adjunct professor at Columbia and Lehigh Universities, I have studied school finance and taught aspiring principals about the impact of resource decisions on student achievement. I appreciate being given an opportunity at recent Budget Committee hearings to express an important point: that inequitable state aid distribution is more than just a hindrance to spending adequacy; it is a matter of property tax fairness for thousands of New Jersey's residents.

While school funding can be complicated, the overall situation can be explained quite simply. In the current fiscal year, **197 of New Jersey's school districts are over-aided**; that is, they receive more than 100% of their calculated formula aid -- a total of \$598 million -- mostly through the category of Adjustment Aid. On the other end, **nearly one in three districts (177 of them) receives less than 60% of its formula aid**. This disparity has caused a corresponding imbalance in property tax levy efforts when compared to each municipality's local fair share. The status quo is clearly unfair, and we can do better.

I developed the *Funding Fairness Index* (see enclosure) as a metric that synthesizes two important variables of resource equity: **under-adequacy spending and over-taxation**. There are 70 districts in our state (highlighted in red) that exhibit both conditions. They are found in 16 of the 21 counties in all district factor groups with a variety of enrollment sizes. More than half of them receive less than 60% of their formula aid. These are the communities most in need of a fair deal. They have nowhere to turn.

I am sending similar correspondence to all Senate and Assembly members in the hopes that a broad-based solution can be crafted. I will gladly work with you and your staff to analyze this issue in further detail if that is useful. Feel free to contact me to send you the dataset in digital format and to set up a meeting. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "GK Greene". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Dr. G. Kennedy Greene
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