

**A Feasibility Study To Reconfigure
The Lower Cape May
Regional School District**

by

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I. INTRODUCTION

For many years, the leaders in the City of Cape May (for ease of reference hereinafter referred to as "Cape May City") have been concerned about the costs of educating their middle and high school students. Cape May City is one of the three constituent communities served by the Lower Cape May Regional School District ("Lower Cape May Regional"), a limited purpose school district providing education for the middle and high school students from Cape May City, Lower Township, and West Cape May. However, the tax allocation method thrust upon these communities by State-imposed changes following the regional district's creation have forced Cape May City (along with West Cape May, to a lesser extent) to subsidize the education of the middle and high school students from Lower Township.

More specifically, Lower Cape May Regional was formed in 1956 and presently serves as a limited purpose regional school district educating students from Cape May City, Lower Township and West Cape May in grades 7-12. (Students from Cape May Point attend on a sending-receiving basis.) The regional district was formed under an agreement that the tax levy to support its annual operating costs would be allocated among the constituent districts based upon a per-pupil formulation, whereby each district paid an amount based upon the number of pupils it sent. Subsequently, the State of New Jersey passed legislation forcing all regional districts to change their tax allocation methods to that of an equalized property value basis, under the then-mistaken belief that such a structure was constitutionally required. The Legislature has since recognized that there is no such requirement, but the mechanism it created to allow districts to return to their original tax allocation mechanisms is so tortuous that, in the more than 20 years since this relief legislation was passed, only one regional district has had its tax allocation mechanism changed through this process -- though many have tried unsuccessfully.

Thus, Cape May City was left with a daunting conundrum -- continue to fund the current unfair structure or to seek more equitable alternatives.

As a result, in 2004, after years of dissatisfaction with its grossly disproportionate tax burden in supporting Lower Cape May Regional, Cape May City retained independent experts Dr. Donald E. Beineman and James L. Kirtland, CPA, to prepare a preliminary study of the educational and financial impacts of the lawful alternatives to the current arrangement. Dr. Beineman and Mr. Kirtland considered the educational and financial impacts, respectively, of a number of scenarios, including Cape May City's withdrawal from and the dissolution of Lower Cape May Regional. Ultimately, they concluded that Cape May City was paying a disproportionate amount of the tax levy for the operation of Lower Cape May Regional. Based upon their analysis, they determined that Cape May City could provide its children in grades 7-12 with a thorough and efficient education (of equal or greater educational caliber) while at the same time experiencing considerable savings. Significantly, they concluded that a withdrawal from, or a dissolution of, Lower Cape May Regional would have saved Cape May City taxpayers approximately \$2.9 million each year.

Unfortunately, as anticipated, the passage of time has neither alleviated the disproportionate tax burden nor reduced the amount of the subsidy paid by the taxpayers of Cape May City. Instead, the disproportionate tax burden has continued to grow each year to the point

where Cape May City now pays approximately \$72,000 more per pupil than Lower Township. Specifically, the per pupil tax levy for Lower Cape May Regional for 2012-13 is approximately \$12,162. The other two communities' tax levies, calculated on a per pupil basis, are \$7,663 per pupil for Lower Township and \$30,493 per pupil for West Cape May. Meanwhile, for the 2012-2013 school year, Cape May City is paying the extraordinary cost of approximately \$79,977 per pupil. In 2012-13 Cape May City is subsidizing the education of students from Lower Township and West Cape May in the amount of \$5.7 million annually. It is estimated that the Regional tax levy per pupil will decrease to \$11,989 for the 2013-14 school year with the approximate tax levy per pupil paid by Cape May City increasing to \$92,377.

As such, this report was commissioned by Cape May City as an update to the previous feasibility study in order to explore the different educational and financial options available to Cape May City. First, the consultants evaluated a withdrawal from Lower Cape May Regional, and establishment of a sending-receiving relationship wherein it would send its grade 7-12 students to either Lower Cape May Regional, Middle Township, or elsewhere. Additionally, they evaluated the impact of the possible dissolution of Lower Cape May Regional, whereby each constituent community could educate its children on a sending-receiving basis at the same facilities, to be operated by Lower Township as part of a Lower Township K-12 District, or arrange for a sending-receiving relationship with another school district.

Each of these educational configurations would provide the same excellent level of education to the middle and high school students of Cape May City, while at the same time greatly reducing the costs to its taxpayers. The consultants have concluded that each of the proposed scenarios would meet New Jersey's educational requirements and would provide an opportunity for a thorough and efficient education for all students currently served by Lower Cape May Regional.

As for the financial impact of the various scenarios studied, the consultants have concluded that each scenario will result in substantial tax savings for Cape May City. Indeed, whether it be withdrawal or dissolution, and whether their children continue to attend the same schools they currently attend or the schools of some other local district, such as Middle Township, Cape May City will **save approximately \$5 million annually**.

While the global benefits of dissolution for all of the constituent communities exceed the benefits available should Cape May City have to act alone and withdraw (in a dissolution, West Cape May would enjoy substantial savings of nearly \$1 million annually and Lower Township would obtain ownership and control of the regional district facilities), should Cape May City not obtain cooperation from either West Cape May or Lower Township, clearly the obvious educational and financial advantages associated with a withdrawal should be pursued by Cape May City to the fullest extent permitted.

In short, should Cape May City withdraw from Lower Cape May Regional, or should Lower Cape May Regional be dissolved, Cape May City will have an opportunity to offer its students an educational program of equal or greater opportunity for **millions** of dollars less annually than it would cost to stay in the regional district.

II. EDUCATIONAL PROFILES

A. Community Descriptions

1. Cape May City

Cape May City is located in Cape May County and contains a land area of approximately 2.40 square miles, with an additional 0.34 square miles of water area. Children attend Cape May City Elementary School in the Cape May City School District for pre-kindergarten through sixth grade. The location of the district's school is shown in Figure 1. Children in grades 7-12 attend the Lower Cape May Regional School District ("Lower Cape May Regional").

As of 2010, Cape May City had 3,607 residents, which is 1,502.9 persons per square mile. The population in 2010 is identical to the population in 1950. In general, the population in Cape May City increased from 1940-1980, nearly doubling over this time period as shown in Table 1. However, the population has declined by 1,246 persons since 1980, a decline of 25.7%.

Table 1
Historical and Projected Populations
for Cape May City from 1940-2030

<u>Year</u>	<u>Population</u>	<u>Percent Change</u>
HISTORICAL¹		
1940	2,583	N/A
1950	3,607	+39.6%
1960	4,477	+24.1%
1970	4,392	-1.9%
1980	4,853	+10.5%
1990	4,668	-3.8%
2000	4,034	-13.6%
2010	3,607	-10.6%
PROJECTED²		
2040	3,584	-0.6%

Sources: ¹United States Census Bureau

²South Jersey Transportation Planning Organization, *Regional Transportation Plan 2040, Technical Appendix #1: Demographic Forecast*, July 2012.

Population projections for 2040 were prepared by the South Jersey Transportation Planning Organization ("SJTPO"). Between 2010 and 2040, Cape May City is projected to stay relatively constant, losing only 23 persons (-0.6%) over this timeframe.

2. Cape May Point

Cape May Point Borough ("Cape May Point"), also located in Cape May County, contains a land area of approximately 0.30 square miles and an additional 0.02 square miles of water area. Children from Cape May Point attend the Cape May City School District through a sending-receiving agreement for grades pre-kindergarten through sixth grade. Children attend Lower Cape May Regional for grades 7-12, also through a sending-receiving agreement. As of 2010, Cape May Point had 291 residents, which is 970.0 persons per square mile. After growing steadily from 1940 to 1960, the population was fairly stable from 1980-2000 before rising in 2010 as shown in Table 2. Forecasts prepared by the SJTPO project Cape May Point's population to reach 351 in 2040, which would be a 20.6% increase from the 2010 population.

Table 2
Historical and Projected Populations
for the Cape May Point from 1940-2030

<u>Year</u>	<u>Population</u>	<u>Percent Change</u>
HISTORICAL¹		
1940	126	N/A
1950	198	+57.1%
1960	263	+32.8%
1970	204	-22.4%
1980	255	+25.0%
1990	248	-2.7%
2000	241	-2.8%
2010	291	+20.7%
PROJECTED²		
2040	351	+20.6%

Sources: ¹United States Census Bureau

²South Jersey Transportation Planning Organization, *Regional Transportation Plan 2040, Technical Appendix #1: Demographic Forecast*, July 2012.

3. Lower Township

Lower Township, also located in Cape May County, contains a land area of approximately 27.74 square miles and an additional 3.27 square miles of water area. Children attend the Lower Township Elementary School District (“Lower Township School District”) for pre-kindergarten through sixth grade. The locations of the district’s schools are shown in Figure 1. Children attend Lower Cape May Regional for grades 7-12.

As of 2010, the population in Lower Township was 22,866 residents, which is 824.3 persons per square mile. Regarding population growth, the population has been steadily increasing, more than doubling in the 1950’s and nearly quadrupling from 1940 to 1960 as shown in Table 3. From 1970 to 2000, the population in the township doubled. However, growth from 1990 to 2000 (+10.2%) was much less than previous decades. From 2000 to 2010, a small decline of 79 persons in the population occurred, which may be indicative of a change in the rapid growth that has occurred in the township. Forecasts prepared by the SJTPO project Lower Township’s population to be 23,317 in 2040, which would be a 2.0% increase from the 2010 population.

Table 3
Historical and Projected Populations
for Lower Township from 1940-2030

<u>Year</u>	<u>Population</u>	<u>Percent Change</u>
HISTORICAL¹		
1940	1,693	N/A
1950	2,737	+61.7%
1960	6,332	+131.3%
1970	10,154	+60.4%
1980	17,105	+68.5%
1990	20,820	+21.7%
2000	22,945	+10.2%
2010	22,866	-0.3%
PROJECTED²		
2040	23,317	+2.0%

Sources: ¹United States Census Bureau

²South Jersey Transportation Planning Organization, *Regional Transportation Plan 2040, Technical Appendix #1: Demographic Forecast*, July 2012.

4. West Cape May

West Cape May Borough (“West Cape May”), also located in Cape May County, contains a land area of approximately 1.17 square miles and an additional 0.01 square miles of water area. Children attend West Cape May Elementary School in the West Cape May Elementary School District (“West Cape May School District”) for pre-kindergarten through sixth grade. The location of the district’s school is shown in Figure 1. Children attend Lower Cape May Regional for grades 7-12.

As of 2010, the population in West Cape May was 1,024 residents, which is 875.2 persons per square mile. The population in the borough has been fairly stable since 1940, ranging between 897-1,095 as shown in Table 4. Forecasts prepared by the SJTPO project West Cape May’s population to be 1,028 in 2040, which would be a gain of only four persons from the 2010 population.

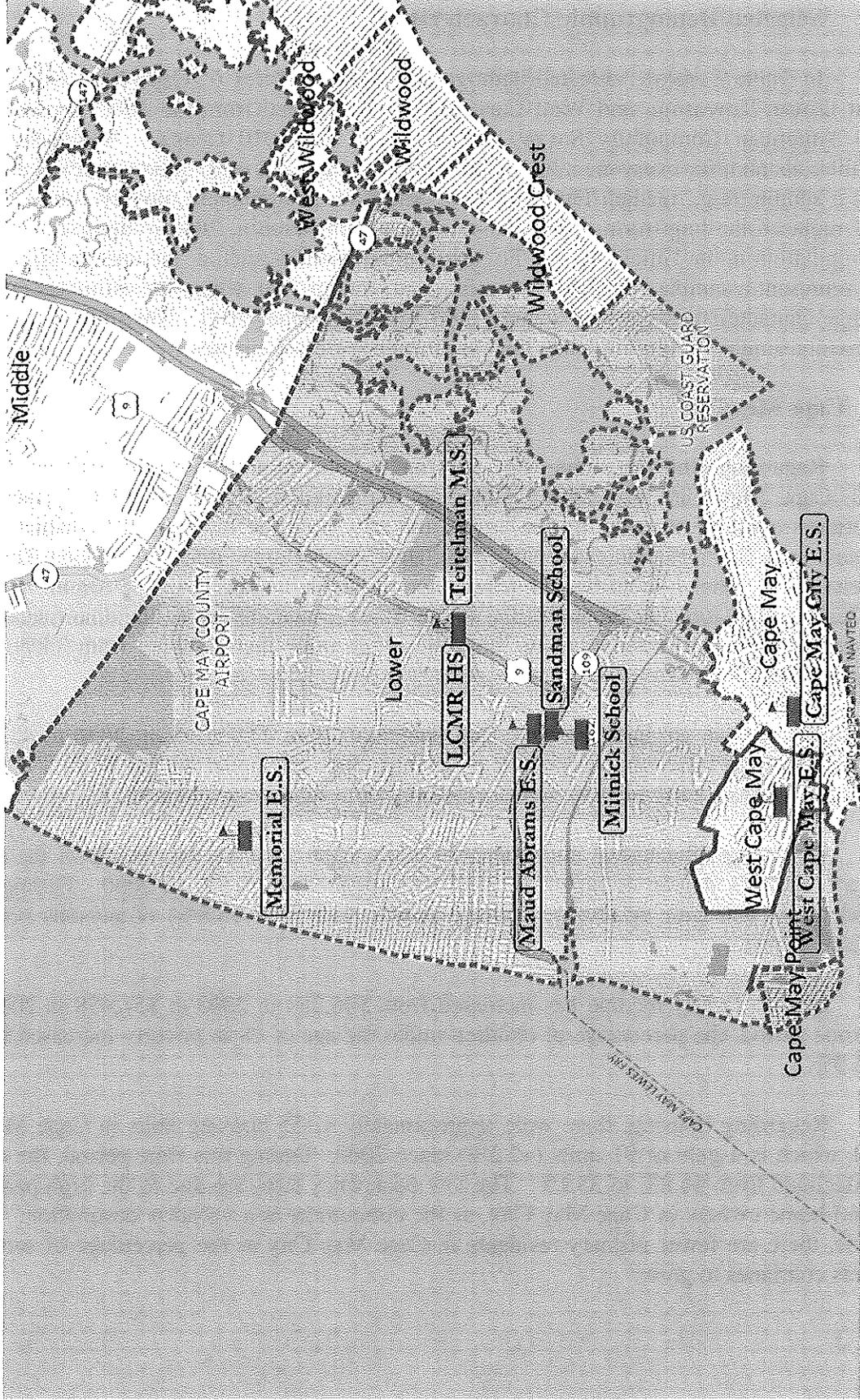
Table 4
Historical and Projected Populations
for West Cape May from 1940-2030

<u>Year</u>	<u>Population</u>	<u>Percent Change</u>
HISTORICAL¹		
1940	934	N/A
1950	897	-4.0%
1960	1,030	+14.8%
1970	1,005	-2.4%
1980	1,091	+8.6%
1990	1,026	-6.0%
2000	1,095	+6.7%
2010	1,024	-6.5%
PROJECTED²		
2030	1,028	+0.4%

Sources: ¹United States Census Bureau

²South Jersey Transportation Planning Organization, *Regional Transportation Plan 2040, Technical Appendix #1: Demographic Forecast*, July 2012.

Figure 1
School Locations



B. Selected Demographic Characteristics

In Table 5 below, selected demographic characteristics of Cape May City, Cape May Point, Lower Township, and West Cape May are compared from the 2000 Census, the 2007-2011 American Community Survey (“ACS”), and the 2010 Census. While some Census variables account for everyone in the population (e.g., age and race), other variables are collected from a sample (e.g., median family income, educational attainment, poverty status, etc.). The ACS replaced the long form of the Census, last administered in 2000 to approximately 16% of the population in the United States. For small municipalities such as the ones in this study, ACS data represent a sample collected over a five-year time period, where the estimates represent the average characteristics between January 2007 and December 2011. This information does not represent a single point in time like the long form of earlier Censuses.

1. Cape May City

Regarding ethnicity, Cape May City has become slightly more diverse since 2000. In 2010, Cape May City was 89.0% White as compared to 91.3% in 2000. Blacks/African Americans continue to make up the largest minority group at 4.9% in 2010, which is a small decrease from the 5.3% that existed in 2000. The Census Bureau does not consider Hispanic as a separate race; rather it identifies the percentage of people having Hispanic origin. Hispanics in the Census population can be part of the White, Black, Asian, or any of the other race categories. The concentration of persons having Hispanic origin more than doubled from 3.8% in 2000 to 8.6% in 2010.

The median age in Cape May City decreased from 47.4 years in 2000 to 42.2 years in 2010. During the same time period, the percentage of people under the age of 18 decreased from 16.3% in 2000 to 12.8% in 2010, which corresponds to school-age children.

Regarding educational attainment for adults aged 25 and over, 34.1% of the population had a bachelor’s degree or higher in 2010 as compared to 30.8% in 2000. During this time period, there was gain of five percentage points (11.8% to 16.8%) of persons possessing a graduate degree.

Median family income has increased from \$46,250 in 2000 to \$51,458 in 2010. During this time period, the percentage of children under the age of 18 in poverty increased from 7.0% to 16.9%.

Regarding housing, there were approximately 4,155 housing units in Cape May City in 2010, which is a gain of 91 units (+2.2%) since 2000. During this time period, the occupancy rate declined from 44.8% to 35.1%. The low occupancy rates are due to the high percentage of second-home owners in Cape May City, as the community is a vacation destination. In the last decade, there are fewer primary residents in Cape May City as the percentage of second-home owners continues to grow.

Of those units that are occupied, 45.7% consisted of renters in 2010, which is a small increase from the 43.2% that existed in 2000. The median home price of an owner-occupied unit in 2010 was \$661,100, which is more than triple the value reported in 2000 (\$212,900).

2. Cape May Point

In Cape May Point, the ethnic composition of the borough is relatively unchanged since 2000, as approximately 95% of the residents are White. Blacks/African Americans continue to make up the largest minority group at 2.7% in 2010, which is a small increase from the 2.1% that existed in 2000. The concentration of persons having Hispanic origin decreased from 1.7% in 2000 to 0.3% in 2010.

The median age in Cape May Point has increased from 64.2 years in 2000 to 66.4 years in 2010. The percentage of people under the age of 18 has decreased from 6.6% in 2000 to 4.1% in 2010, which corresponds to school-age children.

Regarding educational attainment for adults aged 25 and over, 58.3% of the population had a bachelor's degree or higher in 2010, which is an increase from the 54.9% reported in 2000. The percentage of persons with a graduate degree declined from 17.7% to 15.0% during this time period.

Median family income has increased from \$69,750 in 2000 to \$76,250 in 2010. The percentage of children under the age of 18 that are in poverty was unavailable in 2010, due to the small sample size of children in the borough.

Regarding housing, there were approximately 619 housing units in Cape May Point in 2010, which is a gain of 118 units (+23.6%) since 2000. During this time period, the occupancy rate was constant at 26.5%. As with Cape May City, the low occupancy rates are due to the high percentage of second-home owners in Cape May Point, as the community is a vacation destination.

Of those units that are occupied, 6.7% consisted of renters in 2010, which is a small increase from the 3.0% that existed in 2000. The median home price of an owner-occupied unit in 2010 was \$812,500, which is 2.7 times the value reported in 2000 (\$301,400).

Table 5
Selected Demographic Characteristics

	Cape May City		Cape May Point		Lower Township		West Cape May	
	2000	2010	2000	2010	2000	2010	2000	2010
Race Origin								
White	91.3%	89.0%	95.0%	94.5%	96.3%	94.2%	84.1%	85.8%
Black/African American	5.3%	4.9%	2.1%	2.7%	1.4%	2.0%	14.5%	8.7%
American Indian/ Alaska Native	0.2%	0.3%	0.0%	0.0%	0.2%	0.2%	0.4%	0.8%
Asian	0.4%	0.7%	0.4%	0.3%	0.5%	0.6%	0.0%	0.2%
Native Hawaiian/ Pacific Islander	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Race	1.3%	2.3%	0.0%	0.3%	0.7%	1.2%	0.5%	3.1%
Two or more Races	1.5%	2.7%	2.5%	2.1%	0.9%	1.7%	0.5%	1.4%
Total	100.0% ¹							
Hispanic Origin	3.8%	8.6%	1.7%	0.3%	1.9%	4.2%	1.8%	5.0%
Age								
Under 18	16.3%	12.8%	6.6%	4.1%	23.7%	19.8%	19.6%	12.8%
18-64	55.2%	59.6%	45.7%	40.2%	55.6%	59.1%	56.0%	58.7%
65 and over	28.5%	27.6%	47.7%	55.7%	20.7%	21.1%	24.4%	28.5%
Median age (years)	47.4	42.2	64.2	66.4	41.8	46.5	46.3	55.0
Educational Attainment								
Bachelor's degree or higher	30.8%	34.1%	54.9%	58.3%	13.1%	18.2%	31.8%	38.0%
Graduate or professional degree	11.8%	16.8%	17.7%	15.0%	3.4%	6.1%	9.9%	14.0%
Income								
Median family income	\$46,250	\$51,458	\$69,750	\$76,250	\$45,058	\$62,128	\$47,031	\$49,423
Percentage of Persons in Poverty under age 18	7.0%	16.9%	0.0%	N/A	10.3%	16.5%	6.3%	10.8%
Housing Units								
Total number	4,064	4,155	501	619	13,924	14,507	1,004	1,043
Occupied units	1,821 (44.8%)	1,457 (35.1%)	133 (26.5%)	164 (26.5%)	9,328 (67.0%)	9,579 (66.0%)	507 (50.5%)	493 (47.3%)
Owner-Occupied units	1,034 (56.8%)	791 (54.3%)	129 (97.0%)	153 (93.3%)	7,579 (81.3%)	7,579 (79.1%)	391 (77.1%)	390 (79.1%)
Renter-Occupied units	787 (43.2%)	666 (45.7%)	4 (3.0%)	11 (6.7%)	1,749 (18.7%)	2,000 (20.9%)	116 (22.9%)	103 (20.9%)
Median value of an owner-occupied unit	\$212,900	\$661,100	\$301,400	\$812,500	\$95,900	\$254,800	\$174,100	\$497,500

Sources: American Community Survey (2007-2011), United States Census Bureau (2000 and 2010)

Notes: ¹Data may not sum to 100.0% due to rounding.

3. Lower Township

With respect to ethnicity, Lower Township has become slightly more diverse since 2000. In 2010, Lower Township was 94.2% White as compared to 96.3% in 2000. Blacks/African Americans continue to make up the largest minority group at 2.0% in 2010, which is a small increase from the 1.4% that existed in 2000. The concentration of persons having Hispanic origin increased from 1.9% in 2000 to 4.2% in 2010.

The median age in Lower Township has increased from 41.8 years in 2000 to 46.5 years in 2010. During the same time period, the percentage of people under the age of 18 has decreased from 23.7% to 19.8%, which corresponds to school-age children.

Regarding educational attainment for adults aged 25 and over, 18.2% of the population had a bachelor's degree or higher in 2010, which is an increase from the 13.1% reported in 2000. The percentage of persons with a graduate degree increased from 3.4% to 6.1% during this time period.

Median family income has increased from \$45,058 in 2000 to \$62,128 in 2010. During this time period, the percentage of children under the age of 18 in poverty increased from 10.3% to 16.5%.

Regarding housing, there were approximately 14,507 housing units in Lower Township in 2010, which is a gain of 583 units (+4.2%) since 2000. During this time period, the occupancy rate declined slightly from 67.0% to 66.0%. Of all four communities, Lower Township has the highest occupancy rates, indicating that there are more primary homeowners living in this community.

Of those units that are occupied, 20.9% consisted of renters in 2010, which is a small increase from the 18.7% that existed in 2000. The median home price of an owner-occupied unit in 2010 was \$254,800, which is nearly 2.7 times the value reported in 2000 (\$95,900).

4. West Cape May

Unlike Cape May City and Lower Township, West Cape May became less diverse over the last decade. In 2010, West Cape May was 85.8% White as compared to 84.1% in 2000. Despite the decline, West Cape May is the most diverse of the four communities. While Blacks/African Americans continue to make up the largest minority group, their percentage declined from 14.5% in 2000 to 8.7% in 2010. The concentration of persons having Hispanic origin increased from 1.8% in 2000 to 5.0% in 2010.

The median age in West Cape May significantly increased from 46.3 years in 2000 to 55.0 years in 2010. During the same time period, the percentage of people under the age of 18 declined sharply from 19.6% to 12.8%, which corresponds to school-age children.

Regarding educational attainment for adults aged 25 and over, 38.0% of the population had a bachelor's degree or higher in 2010, which is an increase from the 31.8% reported in 2000.

The percentage of persons with a graduate degree increased from 9.9% to 14.0% during this time period.

Median family income has increased from \$47,031 in 2000 to \$49,423 in 2010. During this time period, the percentage of children under the age of 18 in poverty increased from 6.3% to 10.8%.

Regarding housing, there were approximately 1,043 housing units in West Cape May in 2010, which is a gain of 39 units (+3.9%) since 2000. During this time period, the occupancy rate declined from 50.5% to 47.3%. As discussed previously, the low occupancy rates are due to the high percentage of second-home owners in West Cape May, as the community is a vacation destination. Of those units that are occupied, 20.9% consisted of renters in 2010, which is a small decline from the 22.9% that existed in 2000. The median home price of an owner-occupied unit in 2010 was \$497,500, which is nearly triple the value reported in 2000 (\$174,100).

C. District Overviews

1. Cape May City School District

The Cape May City School District is a PK-6 school district. Children from Cape May City attend Cape May City Elementary School in the Cape May City School District for grades PK-6. The district also receives children from Cape May Point on a sending-receiving basis. In addition, in the last six years, 43%-62% of the student population is from the United States Coast Guard Training Center. According to the district's 2007 Long Range Facilities Plan ("LRFP") and using District Practices methodology, Cape May City Elementary School has a functional capacity of 227 students. The District Practices methodology provides a reasonable approximation of the capacity of a school building, since it is based on how the building is utilized by the school district and factors in the district's targeted student-teacher ratios. This method does not take into account square footage allowances per student (known as the "FES methodology"). Since buildings cannot be 100% utilized, due to scheduling conflicts, most districts employ either an 85% or 90% utilization factor to determine school capacity.

2. Lower Township Elementary School District

The Lower Township Elementary School District is a PK-6 school and receives children from Lower Township. There are four schools in the district. The David C. Douglas Veterans Memorial School ("Memorial") contains half-day pre-kindergarten and full-day kindergarten students. Memorial has a functional capacity of 529 students according to its 2006 LRFP using District Practices methodology. The Carl T. Mitnick School ("Mitnick") contains grades 1 and 2 and has a functional capacity of 552 while the Maud Abrams School ("Abrams") houses students in grades 3 and 4 and has a functional capacity of 616 students. Finally, the Charles W. Sandman Consolidated School ("Sandman") consists of students in grades 5 and 6 and has a functional capacity of 518 students. Total capacity in the district is 2,215 students.

3. West Cape May School District

The West Cape May School District is a PK-6 school district. Children from West Cape May attend West Cape May Elementary School in the West Cape May School District for grades PK-6. According to the district's 2005 LRFP and using District Practices methodology, West Cape May Elementary School has a functional capacity of 117 students.

4. Lower Cape May Regional School District

Lower Cape May Regional is a limited-purpose regional school district educating children in grades 7-12 from Cape May City, Cape May Point (on a sending-receiving basis), West Cape May, and Lower Township. The district has two schools located at the same site. Richard M. Teitelman Middle School ("Teitelman") educates students in grades 7 and 8 while Lower Cape May Regional High School educates students in grades 9-12. According to the district's 2008 LRFP Final Determination Letter and using District Practices methodology, Teitelman has a functional capacity of 701 students while Lower Cape May Regional High School has a functional capacity of 1,266 students. Total capacity in the district is 1,967 students.

D. Explanation of the Cohort-Survival Ratio Method

In this study, historical enrollments from 2007-08 through 2012-13 were obtained from the New Jersey Department of Education ("NJDOE") and the individual school districts, and were used to project enrollments for five years into the future. With the advent of NJ SMART, an online database created by the NJDOE to allow districts' submission of data, the Fall Report was eliminated in the 2010-11 school year. In the past, the Fall Report was used by the NJDOE as a tool to uniformly compare school district enrollment data across the state. Unfortunately, the method of reporting special education students for NJ SMART is different, as these students are now referred to as "ungraded." To maintain a level of consistency, "ungraded" student counts in the forthcoming tables were listed under the self-contained special education heading. Future enrollments were then projected using the Cohort-Survival Ratio method ("CSR").

The CSR method has been approved by the NJDOE to project public school enrollments. In this method, a survival ratio is computed for each grade, which essentially compares the number of students in a particular grade to the number of students in the previous grade during the previous year. The survival ratio indicates whether the enrollment is stable, increasing, or decreasing. A survival ratio of one indicates stable enrollment, less than one indicates declining enrollment, and greater than one indicates increasing enrollment. If, for example, a school district had 100 fourth graders and the next year only had 95 fifth graders, the survival ratio would be 0.95.

The CSR method assumes that what happened in the past will also happen in the future. In essence, this method provides a linear projection of the population. The CSR method is most appropriate for districts that have relatively stable increasing or decreasing trends without any major unpredictable fluctuations from year to year. In school districts encountering rapid

growth not experienced historically (i.e., a change in the historical trend), the CSR method must be modified and supplemented with additional information.

In this study, survival ratios were calculated using historical data from the past six years. Due to the fluctuation in survival ratios from year to year, it is appropriate to calculate an average survival ratio for each grade progression, which is then used to calculate future grade enrollments five years into the future.

E. Explanation of Grade Progression Differences

The Grade Progression Differences (“GPD”) method was used to project enrollment in the West Cape May Elementary School District, since the number of students in each grade level was quite small, ranging from 1-13 students. In this method, the change in the number of students, as opposed to the ratio, is computed for each grade progression. As compared to a ratio, a numerical change is less sensitive to the movement inward or outward of a few students and is preferred when grade level sizes are small. A positive value indicates an in-migration of students while a negative value indicates an outward migration of students. The computed change in enrollments was averaged over a six-year period and these values were used to project grade-by-grade enrollments for five years into the future.

F. Historical Enrollment

1. Cape May City School District

Historical enrollment data of students attending the Cape May City School District from 2007-08 through 2012-13 are displayed in Table 6. During this time period, enrollment has ranged between 136-178 students. Enrollment has declined after peaking at 178 students in 2009-10. As of October 15, 2012, enrollment was 136 students. In the last five years, the district has sent between 70-85 students per year to Lower Cape May Regional for grades 7-12, but grade-level data were unavailable. Table 6 also shows computed average survival ratios based on six years of historical data, which will be used to project future enrollment.

Table 6
Cape May City Historical Grade PK-6
Total Enrollments for 2007-08 to 2012-13

Year¹	PK RE²	K	1	2	3	4	5	6	SE³	PK-6 Total
2007-08	14	24	19	25	17	21	21	13	0	154
2008-09	24	28	21	20	19	18	19	20	0	169
2009-10	19	43	26	16	20	14	20	20	0	178
2010-11	19	25	26	21	20	12	13	18	0	154
2011-12	18	30	17	19	19	34	15	7	0	159
2012-13	17	21	23	13	17	17	14	14	0	136
CSR Average 6-Year Ratios		0.83468 ⁴	0.77098	0.82354	0.96190	0.99808	0.92124	0.87536	0.00000 ⁵	

Notes: ¹ Data provided by the New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>) and the Cape May City School District

²Pre-kindergarten regular education enrollment

³Self-contained special education enrollment in grades K-6/ Ungraded students

⁴Six-year average birth-to-kindergarten ratio based on birth data five years prior

⁵Average proportion of special education students with respect to K-6 subtotals

2. Lower Township Elementary School District

Historical enrollment data for students attending the Lower Township Elementary School District from 2007-08 through 2012-13 are shown in Table 7. During this time period, enrollment in the district has ranged between 1,805-1,897 students. Enrollment was 1,805 students as of October 15, 2012. Enrollment has declined since peaking at 1,897 students in 2009-10. In the last five years, the number of district students attending Lower Cape May Regional for grades 7-12 has been steadily declining. While 1,602 Lower Township students attended Lower Cape May Regional in 2008-09, only 1,356 are attending in 2012-13. Historical grade-level enrollments of students attending Lower Cape May Regional were unavailable. Since self-contained special education students were not identified separately by the district in 2012-13 and were mainstreamed in the general education grade levels, average survival ratios were based on enrollment from 2007-08 to 2011-12 and were used to project future enrollment.

Table 7
Lower Township Historical Grade PK-6
Total Enrollments for 2007-08 to 2012-13

Year ¹	PK RE ²	K	1	2	3	4	5	6	SE ³	PK-6 Total
2007-08	190	221	206	221	241	241	256	224	37	1,837
2008-09	189	208	225	218	236	254	244	264	36	1,874
2009-10	216	217	212	235	219	245	264	255	34	1,897
2010-11	179	226	207	202	228	222	229	244	89	1,826
2011-12	178	225	221	210	209	234	224	231	94	1,826
2012-13	204	248	218	224	213	219	251	228	0	1,805
Average Survival Ratios		1.01902 ⁴	0.99228	1.01750	1.01933	1.03302	0.99888	1.00233		

Notes: ¹Data provided by the New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>) and the Lower Township School District

²Pre-kindergarten regular education enrollment

³Self-contained special education enrollment in grades K-6/ Ungraded students

⁴Average birth-to-kindergarten ratio based on birth data five years prior

3. West Cape May School District

Historical enrollment data for students attending the West Cape May School District from 2007-08 through 2012-13 are shown in Table 8. During this time period, enrollment in the district has ranged between 38-66 students. Enrollment was 66 students as of October 15, 2012. Prior to 2011-12, enrollment had been declining but increased in 2011-12 and 2012-13 as a result of the district's participation in the Interdistrict School Choice Program, which will be discussed later in the report. In the last five years, the district has sent between 45-58 students per year to Lower Cape May Regional for grades 7-12. Historical grade-level enrollments of students attending Lower Cape May Regional were unavailable. Table 8 also shows computed average grade progression differences based on six years of historical data, which will be used to project future enrollment. In addition, a six-year survival ratio was used to compute kindergarten students from births five years prior.

Table 8
West Cape May Historical Grade PK-12
Total Enrollments for 2007-08 to 2012-13

Year ¹	PK RE ²	K	1	2	3	4	5	6	SE ³	PK-6 Total
2007-08	6	8	7	8	5	2	10	6	0	52
2008-09	3	7	8	5	5	5	1	11	2	47
2009-10	2	6	3	9	6	6	5	2	2	41
2010-11	4	5	4	3	6	6	6	4	0	38
2011-12	8	10	9	5	7	6	6	4	0	55
2012-13	7	13	9	9	4	8	8	8	0	66
GPD Average 6-Year Ratios		1.13240 ⁴	-1.2	-0.4	-1.0	-0.6	0.0	-0.2	0.01595 ⁵	

Notes: ¹Data provided by the New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>) and the West Cape May Elementary School District.

²Pre-kindergarten regular education enrollment

³Self-contained special education enrollment in grades K-6/ Ungraded students

⁴Six-year average birth-to-kindergarten survival ratio

⁵Average proportion of special education students with respect to K-6 subtotals

4. Lower Cape May Regional School District

Historical enrollment data of students attending Lower Cape May Regional from 2007-08 through 2012-13 are presented in Table 9. Enrollment has been steadily declining in the last six years, which is primarily due to less students attending from Lower Township. As of October 15, 2012, enrollment was 1,462 students, which represents a loss of 278 students from the enrollment in 2007-08. Since self-contained special education students were not identified separately by the district in 2012-13 and were mainstreamed in the general education grade levels, average survival ratios were based on enrollment from 2007-08 to 2010-11 and were used to project future enrollment.

Table 9
Lower Cape May Regional Historical Grade 7-12
Total Enrollments for 2007-08 to 2012-13

Year¹	7	8	9	10	11	12	SE²	7-12 Total
2007-08	288	270	276	257	287	271	91	1,740
2008-09	208	291	270	277	254.5	270.5	82	1,653
2009-10	274	224	304.5	240	271	238	90	1,641.5
2010-11	242	268	245	287.5	235	256	86	1,619.5
2011-12	276	250	280.5	210	268.5	213.5	32	1,530.5
2012-13	241	273	226	241	195	286	0	1,462
Average Survival Ratios	0.88614 ³	1.02181	1.04671	0.94556	0.98259	0.94078		

Notes: ¹Data provided by the New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>) and Lower Cape May Regional.

²Self-contained special education enrollment/Ungraded students

³Average grade 6-7 ratio based on survival rates from elementary districts

G. Birth Data

Kindergarten enrollments were calculated as follows: birth data, lagged five years behind its respective kindergarten class, were used to calculate the survival ratio for each birth-to-kindergarten cohort. For instance, in 2007, there were a total of 35 births in Cape May City and Cape May Point. Five years later, in the 2012-13 school year, 21 children from these communities enrolled in kindergarten in the Cape May City School District, which is equal to a survival ratio of 0.600 from birth to kindergarten. A complete list of birth data is displayed in Table 10 for Cape May City, Cape May Point, Lower Township, and West Cape May. Birth-to-kindergarten survival ratios are also shown in the table. Values greater than 1.000 indicate that some children are born outside of a community's boundaries and are attending kindergarten in the school district five years later, i.e. an inward migration of children into the district. This type of inward migration is typical in school districts with excellent reputations, because the appeal of a good school district draws families into the community. Inward migration is also seen in communities where there are a large number of new housing starts, with families moving into the community having children of age to attend kindergarten. Birth-to-kindergarten survival ratios that are below 1.000 indicate that a number of children born within a community are not attending kindergarten in the school district five years later. This is common in communities where a high proportion of children attend private, parochial, or out-of-district special education facilities, or where there is a net migration of families moving out of the community. It is also common in school districts that have a half-day kindergarten program where parents choose to send their children to a private full-day kindergarten for the first year.

In Cape May City, birth-to-kindergarten survival ratios, with the exception of one year, have been below 1.000. The survival ratios have been very inconsistent, ranging from 0.600-1.344. In Lower Township, birth-to-kindergarten survival ratios have been below 1.000 in three of the last six years. The survival ratios in West Cape May were not very consistent, which is a function of the very small birth and kindergarten counts, leading to increased variability.

Birth data for each of the communities were geocoded by the New Jersey Center for Health Statistics ("NJCHS") for 2002-2009 by assigning geographic coordinates to a birth mother based on her street address. Of the four communities, Lower Township has consistently had the greatest number of births during this time period, ranging between 189-231 births per year. There is a not a clearly defined trend, either increasing or decreasing, in the Lower Township birth rate. Cape May City also does not have a clearly increasing or declining trend. Births have been fairly consistent, ranging between 32-41 births per year. Cape May Point has had the fewest number of births since 2002, ranging between 0-3 births per year. West Cape May also has had few births, ranging between 3-11 births per year.

Since the NJCHS did not have geocoded birth data for 2010-2012, estimates were formulated by averaging the number of births from 2005-2009. Birth rates were needed for 2010-2012 since these cohorts will become the kindergarten classes of 2015-2017.

Table 10
Birth Rates and Historical Birth-to-Kindergarten Survival Ratios

Birth Year ¹	Cape May City/ Cape May Point				Lower Township			West Cape May		
	Cape May City Births	Cape May Point Births	Kindergarten Students 5 years Later	B-K Survival Ratio	Births	Kindergarten Students 5 years Later	B-K Survival Ratio	Births	Kindergarten Students 5 years Later	B-K Survival Ratio
2002	36	1	24	0.649	226	221	0.978	7	6	1.143
2003	40	0	28	0.700	231	208	0.900	3	3	2.333
2004	32	0	43	1.344	189	217	1.148	9	2	0.667
2005	30	0	25	0.833	229	226	0.987	6	4	0.833
2006	34	0	30	0.882	208	225	1.082	7	8	1.429
2007	32	3	21	0.600	231	248	1.074	11	7	1.182
2008	32	2	N/A	N/A	219	N/A	N/A	4	N/A	N/A
2009	41	1	N/A	N/A	222	N/A	N/A	7	N/A	N/A
2010 ²	34	1	N/A	N/A	222	N/A	N/A	7	N/A	N/A
2011 ²	34	1	N/A	N/A	222	N/A	N/A	7	N/A	N/A
2012 ²	34	1	N/A	N/A	222	N/A	N/A	7	N/A	N/A

Notes: ¹Birth data were provided by the New Jersey Center for Health Statistics for 2002-2009.

²Birth rates for 2010-2012 were estimated by computing the mean number of births from 2005-2009.

H. Effects of Housing Growth

Regarding affordable housing, the Council on Affordable Housing (“COAH”) was eliminated by Governor Chris Christie in August 2011, when he transferred all functions, powers, duties, and personnel of COAH to the Commissioner of the Department of Community Affairs. However, in March 2012, a New Jersey appeals court overturned the Governor’s efforts to abolish the agency. Therefore, the future of COAH is unclear. Prior to the elimination of COAH, each community’s 3rd round, or projected growth share, needed to be satisfied by 2018. The projected growth share is an estimate based on projected housing growth and employment in a community. There recently has been a legal challenge to COAH’s computation of the projected growth share due to the recession, which may lower the number of units communities are required to build.

1. Cape May City

Mr. William Callahan, Cape May City Construction Official, provided information regarding current and future development in the community. Mr. Callahan stated that there are currently no applications for residential subdivisions before the planning board.

Regarding affordable housing, Cape May City's projected growth share is six (6) units. However, as set forth above, the recent legal challenge to COAH's computation of the projected growth share may lower the number of units Cape May City is required to build.

Since the baseline enrollment projections utilize cohort survival ratios that do take into account prior new home construction growth, the baseline enrollment projections should only be adjusted if the projected housing growth is significantly different than prior housing growth. Based on the certificate of occupancy ("CO") data presented in Table 11, it appears that future residential construction in Cape May City will be less than that which has occurred since 2005. From 2007-2012, there were 49 COs issued for single-family or two-family homes and 4 COs issued for multi-family homes. Since there are no residential subdivisions planned for the near future, the forthcoming baseline enrollment projections do not need to be modified to account for additional children from new housing developments.

Table 11
Number of Residential Certificates of Occupancy by Year

Year	Cape May City			Cape May Point			Lower Township			West Cape May		
	1&2 Family	Multi-Family	Total	1&2 Family	Multi-Family	Total	1&2 Family	Multi-Family	Total	1&2 Family	Multi-Family	Total
2007	9	0	9	0	0	0	45	5	50	6	0	6
2008	12	0	12	3	0	3	26	75	101	5	1	6
2009	11	0	11	1	0	1	17	0	17	4	3	7
2010	4	0	4	1	0	1	14	0	14	5	7	12
2011	7	0	7	2	0	2	13	0	13	7	0	7
2012	6	4	10	2	0	2	12	0	12	5	1	6
Total	49	4	53	9	0	9	127	80	207	32	12	44

Source: New Jersey Department of Community Affairs

2. Cape May Point

Ms. Anita Van Heeswyk, Cape May Point Deputy Mayor, provided information regarding current and future development in the community. Ms. Van Heeswyk stated that there are no residential projects currently before the planning board.

Regarding affordable housing, Cape May Point's projected growth share is one (1) unit. However, the recent legal challenge to COAH's computation of the projected growth share, due to the recession may lower the number of units Cape May Point is required to build.

Based on the CO data presented in Table 11, it appears that future residential construction in Cape May Point will be less than that which occurred since 2007. From 2007-2012, nine (9) COs issued were issued for one- or two-family homes. Since there are no housing units planned for the near future, the forthcoming baseline enrollment projections do not need to be modified to account for additional children from new housing developments.

3. Lower Township

Mr. William Galestok, Lower Township Planning Director, provided information regarding current and future development in the community. Mr. Galestok stated that there is the potential for a subdivision consisting of 20 single-family homes. Due to the recession, there are several other developments that had previously received approvals but have not yet started construction. It is unclear whether they will be built. One of those potential developments includes several hundred condominiums on Diamond Beach. However, Mr. Galestok stated that they would not likely generate many children, as it is located in a resort area attracting second-home owners.

Regarding affordable housing, Lower Township's projected growth share is 19 units. However, the recent legal challenge to COAH's computation of the projected growth share, due to the recession may lower the number of units Lower Township is required to build.

From 2007-2012, 127 COs were issued for single-family or two-family homes and 80 COs issued for multi-family homes in Lower Township as shown in Table 11. Due to the downturn in the housing market, the number of COs issued annually from 2009-2012 is much less than those issued in 2007 or 2008. Since the number of future non age-restricted housing units (20) is less than that which was built in the last six years (207), the forthcoming baseline enrollment projections do not need to be modified to account for additional children from new housing developments.

4. West Cape May

Ms. Dianne Rutherford, West Cape May Planning Board Secretary, provided information regarding current and future development in the community. Ms. Rutherford stated that there are currently no applications for residential subdivisions before the planning board. A residential subdivision application consisting of nine single-family homes was recently rejected by the planning board.

Regarding affordable housing, West Cape May does not have a 3rd round obligation.

From 2007-2012, 32 COs were issued for single-family or two-family homes and 12 COs issued for multi-family homes in West Cape May as shown in Table 11. Since there are no housing units planned for the near future, the forthcoming baseline enrollment projections do not need to be modified to account for additional children from new housing developments.

I. Enrollment Projections

Baseline enrollment projections were calculated using average cohort-survival ratios based on historical enrollment data for the Cape May City School District, Lower Township School District, and Lower Cape May Regional. For the West Cape May School District, baseline enrollment projections were calculated using average grade progression differences from the last six years. Enrollments were projected for each grade from the 2013-14 school year through the 2017-18 school year. As discussed previously, the survival ratios take into account prior residential construction. None of the baseline enrollment projections was adjusted to account for housing growth since the planned growth in each community is less than that experienced historically.

Enrollments for self-contained special education classes were computed by calculating the historical proportion of special education students with respect to the K-6 subtotals for the school districts in Cape May City and West Cape May. An average proportion was then computed and multiplied by the future general education subtotals to estimate the future number of self-contained special education students in each district. In Lower Township and Lower Cape May Regional, since no self-contained special education students were reported in 2012-13 as they were mainstreamed into the general education population, no special education students were projected as it was assumed these students would remain in the general education population in the future.

With respect to grade-level pre-kindergarten students in the Cape May City, Lower Township, and West Cape May School Districts, enrollment was projected by computing an average based on historical data from the last six years and using this value throughout the five-year projection period.

On September 10, 2010, New Jersey Governor Chris Christie signed into law the Interdistrict School Choice Program (“Choice”), which took effect in the 2011-12 school year. This enables students to choose to go to a school outside their district of residence if the selected school is participating in the choice program. The receiving school sets the number of openings per grade level. The West Cape May School District received Choice students in both 2011-12 and 2012-13, while Cape May City and Lower Cape May Regional will become Choice Districts in 2013-14. Lower Township has been accepting students for a much longer period of time, since 2000. It should be noted that the historical enrollments shown previously do include Choice students that have attended any of the districts.

As part of the School Funding Reform Act of 2008 (“SFRA”), all school districts in New Jersey are to provide expanded Abbott-quality pre-school programs for at-risk 3- and 4-year olds

as outlined in N.J.A.C. 6A:13A. The State of New Jersey intends to provide aid for the full-day program based on projected enrollment. School districts categorized as District Factor Group¹ (“DFG”) A, B, and CD with a concentration of at-risk pupils equal to or greater than 40 percent, must offer a pre-school program to all pre-school aged children regardless of income, known as “Universal” pre-school. For all other school districts, a pre-school program must be offered only to at-risk children, known as “Targeted” preschool. School districts are required to offer these programs to at least 90% of the eligible pre-school children by 2013-14. School districts may educate the pre-school children in district, by outside providers, or through Head Start programs.

Due to budgetary constraints, the New Jersey Department of Education postponed the roll-out of the program, which was scheduled for the 2009-10 school year. According to Ms. Karin Garver, Educational Program Development Specialist in the NJDOE Early Childhood Education, there are no plans in the imminent future by the State Legislature to fund the program, which would prevent school districts from implementing the program. Since it is unclear if and when the program will be mandated, the forthcoming enrollment projections do not include additional pre-kindergarten students from the SFRA. However, Table 12 shows the potential impact on the school districts if the program is mandated.

The universe of pre-school children in “Universal” districts is computed by multiplying the 1st grade enrollment in 2007-08 by two. The universe of pre-school children in “Targeted” districts is computed by multiplying the 1st grade enrollment in 2007-08 by two and then multiplying by the percentage of students (K-12) having free or reduced lunch in the district. The Cape May City and West Cape May School Districts are “Targeted” districts since their DFG are “CD” and “DE” respectively with a concentration of at-risk pupils less than 40 percent. However, since the Lower Township Elementary School District’s DFG is “B”, they are a “Universal” district, resulting in more eligible pre-school children. Since Lower Cape May Regional does not educate elementary children, it is excluded from the following table. In Table 12 below, the estimated number of total eligible pre-school students by school district and the estimated rollout by year is shown.

Table 12
Estimated Number of Eligible Pre-School Students by School District
as Per School Funding Reform Act of 2008

School District ¹	DFG (2000)	Total eligible	2009-10	2010-11	2011-12	2012-13	2013-14
Cape May City	CD	34	7	12	17	22	31
Lower Township	B	390	78	137	195	254	351
West Cape May	DE	2	0	1	1	1	2

Source: New Jersey Department of Education, Division of Early Childhood Education

Note: Cape May Point is not included as it is a non-operating school district.

¹ Introduced by the New Jersey Department of Education in 1975, it provides a system of ranking school districts in the state by their socio-economic status.

For the purpose of this study, it has been assumed that the school districts will educate the pre-school children within their district. As the table shows, the largest impact on enrollment would be in Lower Township, where 390 children would be eligible for the program. If the program were ever mandated, Lower Township would likely have to expand its existing pre-kindergarten program to educate at-risk children.

1. Cape May City School District

Projected enrollment for the Cape May City School District using cohort-survival ratios based on historical data from the last six years is shown in Table 13. The projected enrollment in 2013-14 includes nine students who have been accepted into the Choice programs these students will then progress through the remaining years of the projection period. Enrollment is projected to be fairly stable, ranging between 147-156 students. The projected enrollment in 2017-18, 155 students, would represent a gain of 19 students from the 2012-13 total of 136 students.

Table 13
Cape May City Projected Grade PK-6 Enrollments for 2013-14 to 2017-18

Year	PK RE ¹	K	1	2	3	4	5	6	SE ²	PK-6 Total
2013-14	19	30	17	20	15	17	17	12	0	147
2014-15	19	35	23	14	19	15	16	15	0	156
2015-16	19	29	27	19	13	19	14	14	0	154
2016-17	19	29	22	22	18	13	18	12	0	153
2017-18	19	29	22	18	21	18	12	16	0	155

Notes: ¹Pre-kindergarten regular education enrollment

²Self-contained special education enrollment /Ungraded students for grades PK-6

2. Lower Township Elementary School District

Projected enrollment for the Lower Township Elementary School District using cohort-survival ratios is shown in Table 14. Enrollment is projected to decline through 2014-15 before reversing trend. The projected enrollment in 2017-18, 1,837 students, would represent a gain of 32 students from the 2012-13 total of 1,805 students.

Table 14
Lower Township Projected Grade PK-6 Enrollments for 2013-14 to 2017-18

Year	PK RE ¹	K	1	2	3	4	5	6	SE ²	PK-6 Total
2013-14	193	223	246	222	228	220	219	252	0	1,803
2014-15	193	226	221	250	226	236	220	220	0	1,792
2015-16	193	226	224	225	255	233	236	221	0	1,813
2016-17	193	226	224	228	229	263	233	237	0	1,833
2017-18	193	226	224	228	232	237	263	234	0	1,837

Notes: ¹Pre-kindergarten regular education enrollment

²Self-contained special education enrollment /Ungraded students for grades PK-6

3. West Cape May School District

Projected enrollment for the West Cape May School District using grade progression differences is shown in Table 15. The projected enrollment in 2013-14 includes 21 students admitted to Choice program, which then progress through the remaining years of the projection period. Enrollment for the district is projected to be fairly stable, ranging between 56-61 students per year.

Table 15
West Cape May Projected Grade PK-6 Enrollments for 2013-14 to 2017-18

Year	PK RE ¹	K	1	2	3	4	5	6	SE ²	PK-6 Total
2013-14	5	8	12	9	8	4	7	7	1	61
2014-15	5	8	7	12	8	7	4	7	1	59
2015-16	5	8	7	7	11	7	7	4	1	57
2016-17	5	8	7	7	6	10	7	7	1	58
2017-18	5	8	7	7	6	5	10	7	1	56

Notes: ¹Pre-kindergarten regular education enrollment

²Self-contained special education enrollment /Ungraded students for grades PK-6

4. Lower Cape May Regional School District

Projected enrollments for Lower Cape May Regional using cohort-survival ratios are shown in Table 16. Enrollment for the district is projected to decline, in general, throughout the five-year projection period. Enrollment is projected to be 1,361 students in 2017-18, which would represent a loss of 101 students from the 2012-13 total of 1,462 students.

Table 16
Lower Cape May Regional Projected Grade 7-12 Enrollments
for 2013-14 to 2017-18

Year	7	8	9	10	11	12	SE ¹	7-12 Total
2013-14	222	246	286	214	237	183	0	1,388
2014-15	240	227	257	270	210	223	0	1,427
2015-16	214	245	238	243	265	198	0	1,403
2016-17	212	219	256	225	239	249	0	1,400
2017-18	227	217	229	242	221	225	0	1,361

Notes: ¹Self-contained special education enrollment/ Ungraded students

J. Capacity Analysis

Table 17 shows the capacity of the school buildings in the Cape May City School District, Lower Township Elementary School District, West Cape May School District, and Lower Cape May Regional in comparison to both the actual enrollment in 2012-13 and the projected enrollment in 2017-18. Using the capacities computed by the District Practices methodology cited earlier in the report, the differences between building capacity and projected number of students were computed. Positive values indicate available extra seating while negative values indicate a shortage of seating.

As the table shows, all schools currently have a surplus in seating and are projected to continue to have a surplus in the next five years. In particular, Richard M. Teitelman Middle School and Lower Cape May Regional High School in Lower Cape May Regional are projected to have the most available seating in 2017-18 with 259 and 350 seats respectively. If Cape May City were to withdraw from Lower Cape May Regional, enrollment in the regional would be approximately 65-85 students fewer than shown based on the historical sending patterns of Cape May City.

Table 17
Capacity Analysis

School	Capacity	Enrollment in 2012-13	Difference	Enrollment in 2017-18	Difference
Cape May City School District					
Cape May City Elementary School (PK-6)	227	136	+91	155	+72
Lower Township Elementary School District					
David C. Douglas Veterans Memorial School (PK-K)	529	452	+77	419	+110
Carl T. Mitnick School (1-2)	552	442	+110	452	+100
Maud Abrams School (3-4)	616	432	+184	469	+147
Charles W. Sandman Consolidated School (5-6)	518	479	+39	497	+21
West Cape May School District					
West Cape May Elementary School (PK-6)	117	66	+51	55	+62
Lower Cape May Regional School District					
Richard M. Teitelman Middle School (7-8)	701	514	+187	442 ²	+259
Lower Cape May Regional High School (9-12)	1,266	948	+318	916 ²	+350

² Includes students from Cape May City.

K. Alternative Scenario

The consultants writing this study also considered the withdrawal of Cape May City students in grades 7-12 from Lower Cape May Regional, whereby they would attend schools in the Middle Township Public Schools pursuant to a yet-to-be-negotiated sending-receiving agreement.

1. Overview of Middle Township Public Schools

The Middle Township Public Schools is a PK-12 school district with the following schools: two elementary schools consisting of grades PK-5; Middle Township Middle School consisting of grades 6-8; and Middle Township High School consisting of grades 9-12. The high school also receives children from Dennis Township and the boroughs of Stone Harbor and Avalon on a sending-receiving basis. Capacities of Middle Township Middle School and Middle Township High School, which are the only pertinent schools with respect to the alternative scenario, are 617 and 1,117 respectively according to the district's 2006 LRFP.

2. Overview of Historical Middle Township Middle and High School Enrollment

Historical enrollment data of students attending the Middle Township Public Schools from 2007-08 through 2012-13 are displayed in Table 18. During this time period, enrollment has declined at both Middle Township Middle School and Middle Township High School. In the middle school, enrollment has declined from 602 students in 2007-08 to 575 in 2012-13, a loss of 27 students. At the high school, enrollment is 795 students, which is a loss of 252.5 students since 2007-08. Since self-contained special education students were not identified separately by the district in 2012-13 and were mainstreamed in the general education grade levels, average survival ratios were based on enrollment from 2007-08 to 2011-12 and were used to project future enrollment. Survival ratios are only shown for the grades needed to project future middle and high school enrollment in the district, which includes the lower elementary grades that will progress into the middle school in five years.

Table 18
Middle Township Public Schools Historical Enrollments for 2007-08 to 2012-13

Year ¹	PK	K	1	2	3	4	5	SE ²	PK-5 Total	6	7	8	SE ³	6-8 Total	9	10	11	12	SE ⁴	9-12 Total	PK-12 Total	
2007-08	114	191	181	173	190	165	175	55	1,244	201	182	206	13	602	290	242.5	268.5	239.5	7	1,047.5	2,893.5	
2008-09	129	160	188	178	181	185	166	51	1,238	184	208	187	23	602	267.5	262.5	233	246.5	7.5	1,017	2,857	
2009-10	139	181	169	184	187	175	174	58	1,267	172	184	211	24	591	241.5	258	247	218	1	964.5	2,822.5	
2010-11	141	176	181	166	187	186	161	65	1,263	181	179	180	26	566	226.5	224	240	232	0	922.5	2,751.5	
2011-12	135	168	165	172	165	182	183	65	1,235	162	180	177	24	543	256	186	213	233	4	892	2,670	
2012-13	159	171	174	182	182	174	204	0	1,246	196	190	189	0	575	200	181	211	203	0	795	2,616	
CSR																						
Average 6-Year Ratios				0.97367	1.02677	0.97711	0.96262			1.03350	1.01750	1.00225			0.8876 ⁵	0.90413	0.94570	0.94142				

Notes: ¹Data as provided by the New Jersey Department of Education (<http://www.nj.gov/education/data/enr/>) and the Middle Township Public Schools

²Self-contained special education enrollment/Ungraded Students at the elementary school level

³Self-contained special education enrollment/Ungraded Students at the middle school level

⁴Self-contained special education enrollment/Ungraded Students at the high school level

⁵Grade 8-9 ratio considering students from Stone Harbor, Avalon, Dennis Township, and Middle Township

3. Projected Middle Township Middle and High School Enrollment

Projected enrollments for Middle Township Middle and High Schools and using cohort-survival ratios are shown in Table 19. Enrollment at the middle school is projected to rise in 2013-14 before reversing trend and declining throughout the remaining four years of the projection period. Enrollment is projected to be 534 students in 2017-18, which would be a loss of 41 students from the 2012-13 enrollment. At Middle Township High School, enrollment is projected to stabilize and slowly increase throughout the projection period. Enrollment is projected to be 895 students in 2017-18, which would be a gain of 100 students from the 2012-13 enrollment.

If students from Cape May City in grades 7-12 were to attend Middle Township Middle and High Schools on a sending-receiving basis, it is estimated that approximately 78 students would attend, since that has been the historical average sent by Cape May City to Lower Cape May Regional. If Cape May City were to send its students to Middle Township instead, total enrollment at Middle Township Middle School and Middle Township High School would increase by approximately 13 students per grade level. Given that the capacities of Middle Township Middle and High Schools are 617 and 1,117 respectively, the district would be able to accommodate the additional students from Cape May City.

Table 19
Middle Township Public Schools Projected Grade 6-12 Enrollments
for 2013-14 to 2017-18

Year	6	7	8	SE ¹	6-8 Total	9	10	11	12	SE ²	9-12 Total
2013-14	211	199	190	0	600	237	181	171	199	0	788
2014-15	173	215	199	0	587	252	214	171	161	0	798
2015-16	177	176	215	0	568	251	228	202	161	0	842
2016-17	182	180	176	0	538	263	227	216	190	0	896
2017-18	169	185	180	0	534	239	238	215	203	0	895

Notes: ¹Self-contained special education enrollment/Ungraded Students at the middle school level

²Self-contained special education enrollment/Ungraded Students at the high school level

III. EDUCATIONAL PROGRAMS

A. Introduction

From an educational standpoint, this feasibility study will focus on the consideration of the current (status quo) configuration of the four districts and the following alternative configurations:

1. The withdrawal of Cape May City from Lower Cape May Regional whereby Cape May City could enter into a sending-receiving relationship with Lower Cape May Regional for the education of its students in grades 7-12.
2. The withdrawal of Cape May City from Lower Cape May Regional whereby Cape May City could enter into a sending-receiving relationship with another school district, such as Middle Township, for the education of its students in grades 7-12.
3. The dissolution of Lower Cape May Regional, which would result, by operation of law, in the expansion of Lower Township into a K-12 school district. In this scenario, West Cape May and Cape May City could enter into a sending-receiving relationship with Lower Township for the education of their students in grades 7-12, such that their students would continue to be educated in the same schools at which they are currently educated.
4. The dissolution of Lower Cape May Regional, which would result, by operation of law, in the expansion of Lower Township into a K-12 school district. In this scenario, Cape May City and/or West Cape May could enter into a sending-receiving relationship with another school district, such as Middle Township, for the education of their students in grades 7-12.

B. Lower Cape May Regional School District - Overview

1. Lower Cape May Regional High School

Lower Cape May Regional High School is a four-year public school (grades 9 through 12) educating students from Cape May City, Lower Township, West Cape May, and Cape May Point.

a) Curriculum

James B. Conant made a case for the comprehensive high school in *The American High School Today* (1959). He stated the school must: "first, provide a good general education for all the future citizens; second, provide good elective programs for those who wish to use their acquired skills immediately upon graduation; and third, provide satisfactory programs for those whose vocations will depend on their subsequent education in a college or university." Lower Cape May Regional High School exemplifies the model that Conant envisioned.

A curriculum designed both horizontally and vertically, and aligned with the State Core Curriculum Content Standards, offers courses and programs that includes, but is not limited to, Business and Information Technology, Culinary Arts, Industrial Arts, Family and Consumer Sciences, Marine Science, and Engineering. Additionally, general education and college preparatory courses are offered in Fine and Performing Arts, Language Arts, Library/Media, Mathematics, Health and Physical Education, Science, Social Studies, and World Languages. Lower Cape May Regional High School also offers a robust Gifted and Talented Program, Project Lead the Way, and a Guidance Program..

AP courses offered (along with students enrolled) include, AP English Language and Composition (47), AP U.S. History (46), AP U.S. Government and Politics (24), AP Literature and Composition (24), AP Spanish Language (14), AP Biology (14), AP Calculus AB (11), and AP Physics (3). Through these varied offerings, all students who attend the school are educationally served.

Additionally, a varied co-curricular program in athletics is offered that includes, but is not limited to, baseball, basketball, field hockey, football, soccer, cross country, tennis, wrestling, and intramural sports. Band and orchestra, student government, a fall play and spring musical, a school newspaper, a sailing club and a literary magazine are examples of the many clubs and organizations offered to the students.

In 2011, Charlotte Danielson's Enhancing Educational Practice: A Framework for Teaching (2nd edition) was published by the Association for Supervision and Curriculum Development. This 'framework' (also referred to as Teachscape) has been adopted by Lower Cape May Regional, as well as the sending districts in the region, for their teaching and evaluation model. The 'framework' consists of four domains: Planning and Preparation, Classroom Environment, Instruction, and Professional Responsibilities. This is a nationally recognized model, which is used throughout the United States. Much of the district's staff development in 2012-13 is revolved around the implementation of this model.

Pursuant to the requirements of N.J.A.C. 6A:30-2.1, et seq., the district has undergone the Quality Single Accountability Continuum ("QSAC") district performance review ("DPR)". Since at least 80% of the weighted indicators in each of the five areas of the QSAC review program has been satisfied, the district is designated as a "high performing" district.

b) Assessment Data Comments

The New Jersey Department of Education has modified the reporting of district data for the most recent school year (2011-12). Unlike previous report cards, multi-year comparisons are not presented. On the other hand, additional assessment data, as well as district data, is presented that was not previously available. As noted below, the Department has unveiled a new format for presenting 'comparison' data. The terms used in the comparison data are as follows:

Very high performance is defined as being equal to or above the 80.0th percentile. High Performance is defined as being between the 60.0th and 79.9th percentiles. Average Performance is defined as being between the 40.0th and 59.9th percentile. Lagging Performance is defined as

being between the 20.0th and 39.9th percentile. Significantly Lagging Performance is defined as being equal to or below the 19.9th percentile.

As an example of the above, if a district's academic performance is rated as 'very high' that means the district's performance is equal to or higher than 80 percent of the comparison group. Likewise, if the district's academic performance is rated as 'lagging' that means the district's performance is between 20.0th and 39.9th percentile of comparison groups. Another way of stating this would be that the district scored lower than somewhere between 20 and 39.9 percent of the comparison groups.

Additionally, the New Jersey Department of Education no longer uses the District Factor Group (DFG) ranking for districts when comparisons are made. In addition to other factors, the DFG considered socio-economic factors of the community in which the school district was located. The new term that is used to compare similar districts are Peer Schools. Peer Schools are schools that have similar grade levels and students with similar demographic characteristics, such as the percentage of students qualifying for Free/Reduced Lunch, Limited English Proficiency programs or Special Education programs.

Therefore, some major differences in reporting assessment results will be noted if the present study is compared with the previous feasibility study.

c) **Assessment Data**

The Lower Cape May Regional High School's academic performance **lags in comparison** to schools across the state. However, its academic performance **is high when compared** to its "Peer Schools." The school's college and career readiness **lags in comparison** to schools across the state. Nevertheless, its college and career readiness **is high when compared** to its "Peer Schools." The school's graduation and post-secondary performance **significantly lags in comparison** to schools across the state, while its graduation and post-secondary readiness **is about average when compared** to its "Peer Schools."

The New Jersey Department of Education has identified 30 "Peer Schools" for Lower Cape May Regional High School. Selected examples are Atlantic City High School (Atlantic Co.), Vineland High School (Cumberland Co.), Lakewood High School (Ocean Co.), Neptune High School (Monmouth Co.), and Bound Brook High School (Somerset Co.).

d) **Academic Achievement**

Academic achievement measures the content knowledge students have in Language Arts Literacy and Math, which at the high school level includes the outcomes of the New Jersey High School Proficiency Assessment ("HSPA"). As indicated in Table 20 below, 89% of the students met the proficiency rate in Language Arts Literacy while 79% of the students met the proficiency rate in Math. When ranked against its "Peer Schools," Lower Cape May Regional High School scored higher than 74% of its peer group; it also scored higher than 26% of all high schools with HSPA scores statewide.

Table 20
Academic Achievement Indicators
Lower Cape May Regional High School

Academic Achievement Indicators	School-wide Performance	Peer Rank (Percentile)	State Rank (Percentile)	Percent of Targets Met ¹
HSPA Language Arts Proficiency and above	89%	74	23	100%
HSPA Math Proficiency and above	79%	74	28	100%
Summary – Academic Achievement		74	26	100%

Note: ¹The “Percent of Targets Met” column presents the percentage of progress targets met as defined by the NJDOE’s NCLB waiver.

Tables 21 and 22 below present the Progress Targets as uniquely calculated for each subgroup in each school under NJDOE’s NCLB waiver. The methodology – as defined by the United States Department of Education – is calculated so that each subgroup will halve the gap between their 2011 proficiency rate and 100% proficiency by 2017.

Table 21
NCLB Progress Targets – Language Arts Literacy

Subgroups ¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	234	89.3	87.4	YES
White	209	90.0	88.2	YES
Black	-	-	-	-
Hispanic	-	-	-	-
American Indian	-	-	-	-
Asian	-	-	-	-
Two or More Races	-	-	-	-
Limited English Proficient Students	-	-	-	-
Economically Disadvantaged Students	86	84.9	79.1	YES
Students with Disabilities	62	64.5	61.3	YES

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

Table 22
NCLB Progress Targets – Math

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	232	78.8	74.2	YES
White	207	82.1	76.4	YES
Black	-	-	-	-
Hispanic	-	-	-	-
American Indian	-	-	-	-
Asian	-	-	-	-
Two or More Races	-	-	-	-
Limited English Proficient Students	-	-	-	-
Economically Disadvantaged Students	85	67.1	60.1	YES
Students with Disabilities	61	27.8	34.8	YES

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

Table 23 below presents the percentage of students who scored in the Advanced Proficient, Proficient, and Partially Proficient categories of the New Jersey Biology Competency Test (“NJBCT”) in the latest school year.

Table 23
Proficiency Outcomes – Biology

Subgroups	Advanced	Proficient	Partially Proficient
School-wide	8%	49%	43%
White	8%	50%	42%
Black	-	-	-
Hispanic	-	-	-
American Indian	N/A	N/A	N/A
Asian	-	-	-
Two or More Races	N/A	N/A	N/A
Students with Disabilities	3%	38%	59%
Limited English Proficient Students	N/A	N/A	N/A
Economically Disadvantaged Students	0%	48%	52%

2. Richard M. Teitelman Middle School

It is our mission to create a diverse learning experience in which all are motivated to find their purpose, to see their worth, to realize their full potential in this community of caring, and to race toward excellence. The Richard M. Teitelman Middle School Mission Statement

The Richard M. Teitelman Middle School educates students in grades 7 and 8 from Cape May City, Lower Township, West Cape May, and Cape May Point.

The school provides a solid foundation in state mandated curriculum as well as a variety of curricular programs and exploratory programs that fully prepare the 7th and 8th grade students for academic success at the Lower Cape May Regional High School.

a) Assessment Data

The Richard M. Teitelman School's academic performance **lags in comparison** to schools across the state. However, its academic performance **is high when compared** to its "Peer Schools." The school's college and career readiness **is high when compared** to schools across the state. The school's student growth performance **significantly lags in comparison** to schools across the state. Nevertheless, its student growth performance **significantly lags in comparison** to its "Peer Schools." (See above in section B. 1 under Lower Cape May Regional District explanation of assessment terms).

Selected examples of "Peer Schools" are Howard M. Phifer Middle School – Pennsauken Twp. (Camden Co.), Glassboro Intermediate School (Gloucester Co.), Penns Grove Middle School (Salem Co.), and Phillipsburg Middle School (Warren Co.).

b) Academic Achievement

Academic achievement measures the content knowledge students have in Language Arts Literacy and Math. As indicated in Table 24 below, 65% of the students met the proficiency rate in Language Arts Literacy, while 60% of the students met the proficiency rate in Math. When ranked with peers, the Richard M. Teitelman Middle School scored higher than 75% of its peer group and higher than 33% when compared to all middle schools across the state in Language Arts Proficiency. Additionally, the school scored higher than 41% in Language Arts Proficiency and scored higher than 24% in Math of all middle schools in the state with NJASK scores statewide.

Table 24
Academic Achievement Indicators
Richard M. Teitelman Middle School

Academic Achievement Indicators	School-wide Performance	Peer Rank (Percentile)	State Rank (Percentile)	Percent of Targets Met
NJASK Language Arts Proficiency and above	65%	96	41	N/A
NJASK Math Proficiency and above	60%	54	24	N/A
Summary – Academic Achievement		75	33	N/A

Tables 25 and 26 below present the Progress Targets as uniquely calculated for each subgroup in each school under NJDOE's NCLB waiver. The methodology – as defined by the United States Department of Education – is calculated so that each subgroup will halve the gap between their 2011 proficiency rate and 100% proficiency by 2017.

Table 25
NCLB Progress Targets – Language Arts Literacy

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	506	64.6	-	--
White	438	66.4	-	--
Black	-	-	-	--
Hispanic	34	52.9	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	245	57.9	-	--
Students with Disabilities	152	32.8	-	--

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

Table 26
NCLB Progress Targets – Math

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	507	60.1	-	--
White	439	62.4	-	--
Black	-	-	-	--
Hispanic	34	41.1	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	245	52.6	-	--
Students with Disabilities	153	26.2	-	--

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

3. Lower Cape May Regional School District - Summary

It is the consultants' opinion that Lower Cape May Regional High School is a high performing district. This is also evident from the Quality Single Accountability Continuum (QSAC) district Performance Review (DPR) submitted to the district by the New Jersey Department of Education (dated July 18, 2012). The district curriculum and co-curricular activities are both excellent. The co-curricular activities are some of the finest observed by the consultants throughout the state. Facilities are particularly appropriate for comprehensive high school and middle school programs. Community support and cooperation are evident. Articulation with the constituent districts is strong and ongoing.

C. Middle Township Public Schools – Overview

1. Middle Township High School

Middle Township High School is a four-year public school (grades 9 through 12) composed of students from Middle Township, Dennis Township, Avalon, and Stone Harbor.

a) Curriculum

In the 'Curriculum' section above regarding Lower Cape May Regional High School, it is noted that pursuant to the James B. Conant definition of a comprehensive high school, the school must: "first, provide a good general education for all the future citizens; second, provide good elective programs for those who wish to use their acquired skills immediately upon graduation; and third, provide satisfactory programs for those whose vocations will depend on their subsequent education in a college or university." All facets of the curriculum indicate that the Middle Township High School adheres to these objectives.

The curriculum is designed both horizontally and vertically, and is aligned with the State Core Curriculum Content Standards and the Common Core objectives. As expected, the school offers a wide range of foundation courses in Language Arts Literacy, Mathematics, Science, and Social Studies. AP courses offered (along with students enrolled) include, AP English Literature and Composition (46) AP English Language and Composition (45), AP U.S. History (36), AP Psychology (24), AP Computer Science A (13), AP Comparative Government and Politics (7), and AP Spanish Language (5). Additionally, the school offers a strong Literacy program designed for students who need assistance in the Basic Skills. Through these varied offerings all students who attend the school are educationally served. A varied co-curricular program in athletics, music, arts, and the performing arts is also offered.

New curricular and instructional programs offered this year include: a new Social Studies curriculum at the Elementary #2 School, a new Language Arts Literacy program at the Middle School, a Weather Bug Achieve weather station, a Freshmen Seminar – High School Connect, and a cross-grade level science curriculum mapping and goal articulation program for K-5.

The Middle Township School District also enjoys a particularly strong Professional Development Program. The goals are: 100% of our students should receive proficiency on state

exams, 100% of Biology students will achieve proficiency on the end-of-course exam, and 100% of identified at-risk high school students will have ongoing contact with a teacher/community mentor.

The Marzano Teacher Evaluation System program is also being piloted in the District. This model is based on Robert Marzano's Art and Science of Teaching framework and the meta-analytical research he has conducted over the past several decades. The first of its kind, this teacher evaluation model is not only based on the studies that correlate instructional strategies to student achievement, but is also grounded on experimental/control studies that establish a direct causal link between elements of the model and student results. (Robert Marzano. Teacher Evaluation – The Marzano Causal Teacher Evaluation Model, 2013). This model identifies a complete set of practices directly related to improved student performance.

Other 2012-13 initiatives include, but are not limited to, a high school mentoring program, a creative curriculum for the preschool, harassment, intimidation, and bullying prevention, intervention and referral services district articulations and building level data teams, professional learning communities ("PLC"), and a Martin Luther King Center Tutoring Services for K-8 students focusing on math, reading and recreational activities.

Pursuant to the requirements of N.J.A.C. 6A:30-2.1, et seq., the Middle Township School District has undergone the Quality Single Accountability Continuum ("QSAC") district performance review ("DPR"). Since at least 80% of the weighted indicators in each of the five areas of the QSAC review program have been satisfied, the district is designated as a "high performing" district.

b) **Assessment Data**

Middle Township High School's academic performance **lags in comparison** to schools across the state. However, its academic performance **significantly lags in comparison** to its "Peer Schools." The school's college and career readiness **lags in comparison** to schools across the state. The school's graduation and post-secondary performance **lags in comparison** to schools across the state, while its graduation and post-secondary readiness **lags in comparison** to its "Peer Schools." (See above in section B. 1 under Lower Cape May Regional District explanation of assessment terms).

The New Jersey Department of Education has identified 30 "Peer Schools" for Middle Township High School. They include Hammonton High School (Atlantic Co.), North Arlington High School (Bergen Co.), Timber Creek High School (Camden Co), Morristown High School (Morris Co.), and Somerville High School (Somerset Co.).

c). **Academic Achievement**

Academic achievement measures the content knowledge students have in Language Arts Literacy and Math, which at the high school level includes the outcomes of the New Jersey High School Proficiency Assessment ("HSPA"). As indicated in Table 27 below, 87% of the students met the proficiency rate in Language Arts Literacy while 82% of the students met the proficiency rate in Math across multiple administrations of the assessment. When ranked with peers, the

Middle Township High School scored higher than 7% of its peer group and higher than 26% of all high schools with HSPA scores statewide.

Table 27
Academic Achievement Indicators
Middle Township High School

Academic Achievement Indicators	School-wide Performance	Peer Rank (Percentile)	State Rank (Percentile)	Percent of Targets Met¹
HSPA Language Arts Proficiency and above	87%	3	17	100%
HSPA Math Proficiency and above	82%	10	34	100%
Summary – Academic Achievement		7	26	100%

Note: ¹The “Percent of Targets Met” column presents the percentage of progress targets met as defined by the NJDOE’s NCLB waiver.

Tables 28 and 29 below present the Progress Targets as uniquely calculated for each subgroup in each school under NJDOE’s NCLB waiver. The methodology – as defined by the United States Department of Education – is calculated so that each subgroup will halve the gap between their 2011 proficiency rate and 100% proficiency by 2017.

Table 28
NCLB Progress Targets – Language Arts Literacy

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	246	87.4	85.3	YES
White	189	88.9	87.7	YES
Black	42	83.4	-	--
Hispanic	-	-	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Students with Disabilities	63	55.6	51	YES
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	74	82.5	66.6	YES

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

Table 29
NCLB Progress Targets – Math

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	246	82.1	81.5	YES
White	188	84	85.2	YES
Black	-	-	-	--
Hispanic	42	73.8	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Students with Disabilities	64	50	43.1	YES
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	75	76	70	YES

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

Table 30 below presents the percentage of students who scored in the Advanced Proficient, Proficient and Partially Proficient categories of the New Jersey Biology Competency Test (“NJBCCT”) in the latest school year.

Table 30
Proficiency Outcomes – Biology

Subgroups	Advanced	Proficient	Partially Proficient
School-wide	8%	54%	38%
White	10%	58%	32%
Black	-	-	-
Hispanic	-	-	-
American Indian	N/A	N/A	N/A
Asian	-	-	-
Two or More Races	N/A	N/A	N/A
Students with Disabilities	0%	29%	71%
Limited English Proficient Students	-	-	-
Economically Disadvantaged Students	6%	44%	50%

2. Middle Township Middle School

Middle Township Middle School consists of students in grades 7 and 8 from Middle Township, Dennis Township, Avalon and Stone Harbor.

Similar to the Richard M. Teitelman Middle School in the Lower Cape May Regional School District, the school provides a solid foundation in state mandated curriculum as well as a

variety of curricular programs and exploratory programs that fully prepare the 6th, 7th, and 8th grade students for academic success at the Middle Township High School.

a) Assessment Data

Middle Township Middle School’s academic performance is about average when compared to schools across the state. However, its academic performance is very high when compared to its “Peer Schools.” The school’s college and career readiness is about average when compared to schools across the state. The school’s student growth performance lags in comparison to schools across the state. Nevertheless, its student growth performance is high when compared to its “Peer Schools.” (See above in section B. 1 under Lower Cape May Regional District explanation of assessment terms).

Middle Township Middle School has 24 “Peer Schools” as identified by the New Jersey Department of Education. They include Garfield Middle School – Garfield City (Bergen Co.), John A. Carusi Middle School – Cherry Hill (Camden Co.), Woodruff School –Upper Deerfield Twp. (Cumberland Co.), Lincoln No. 5 – Bayonne City (Hudson Co.), and Memorial School – Eatontown Borough (Monmouth Co.).

b) Academic Achievement

Academic achievement measures the content knowledge students have in Language Arts Literacy and Math. As indicated in Table 31 below, 68% of the students met the proficiency rate in Language Arts Literacy while 75% of the students met the proficiency rate in Math. When ranked with peers, the Middle Township Middle School scored higher than 80% of its peer group and higher than 48% of all middle schools in Language Arts Proficiency, and higher than 92% of its peer group and higher than 52% of all middle schools in the state in Math with NJASK scores.

Table 31
Academic Achievement Indicators
Middle Township Middle School

Academic Achievement Indicators	School-wide Performance	Peer Rank (Percentile)	State Rank (Percentile)	Percent of Targets Met
NJASK Language Arts Proficiency and above	68%	80	48	40%
NJASK Math Proficiency and above	75%	92	52	100%
Summary – Academic Achievement		86	50	70%

Tables 32 and 33 below present the Progress Targets as uniquely calculated for each subgroup in each school under NJDOE's NCLB waiver. The methodology – as defined by the United States Department of Education – is calculated so that each subgroup will halve the gap between their 2011 proficiency rate and 100% proficiency by 2017.

Table 32
NCLB Progress Targets – Language Arts Literacy

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	519	68.1	73	NO
White	362	74.8	78	YES
Black	109	49.6	59.9	NO
Hispanic	30	53.3	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Students with Disabilities	122	37.7	45.6	YES
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	211	52.1	59.7	NO

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

Table 33
NCLB Progress Targets – Math

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	519	75.1	78.3	YES
White	362	81.7	84.3	YES
Black	109	59.6	61.6	YES
Hispanic	30	60	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Students with Disabilities	122	44.3	47.5	YES
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	211	61.1	64.9	YES

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

3. Middle Township Public Schools - Summary

It is the consultants' opinion that based upon a district visitation and data presented in this study, Middle Township Public Schools is a high performing district as indicated by the New Jersey Department of Education's Quality Single Accountability Continuum (QSAC) and the

District Performance Review (DPR). The district consistently scored well when compared with the state this past year when measuring academic achievement. The school scores less well when compared with peer group schools. NJASK scores remain consistently high during the past four years in all English Arts Literacy, Math, and Science. The district curriculum and co-curricular activities are both excellent. The work in developing and improving the curriculum as well as the extensive professional development activities are impressive. Facilities are appropriate for a comprehensive high school and middle school programs. Articulation with the constituent districts is a positive factor.

D. Secondary School Academic Achievement Assessment Comparison

As indicated in Tables 34 and 35 below, both Lower Cape May Regional High School and Middle Township High School scored high with respect to school-wide performance. While the Lower Cape May Regional High School ranked high compared to Middle Township High School when comparing peer schools in Language Arts Proficiency, both schools had similar rankings statewide. The Richard M. Teitelman Middle School scored somewhat higher in Language Arts Proficiency, while the Middle Township Middle School scored somewhat higher in Math Proficiency.

Table 34
High School Comparative Academic Achievement Indicators
High School Proficiency Assessment

School	Academic Achievement Indicators	School-wide Performance	Peer Rank (Percentile)	State Rank (Percentile)	Percent of Targets Met¹
Lower Cape May Regional	Language Arts Proficiency and above	89%	74	23	100%
Middle Township	Language Arts Proficiency and above	87%	3	17	100%
Lower Cape May Regional	Math Proficiency and above	79%	74	28	100%
Middle Township	Math Proficiency and above	82%	10	34	100%
Lower Cape May Regional	Summary – Academic Achievement	N/A	74	26	100%
Middle Township	Summary – Academic Achievement	N/A	7	26	100%

Note: ¹The “Percent of Targets Met” column presents the percentage of progress targets met as defined by the NJDOE’s NCLB waiver.

Table 35
Middle School Comparative Academic Achievement Indicators
Middle School Proficiency Assessment

School	Academic Achievement Indicators	School-wide Performance	Peer Rank (Percentile)	State Rank (Percentile)	Percent of Targets Met ¹
Richard Teitelman	Language Arts Proficiency and above	65%	96	41	N/A
Middle Township	Language Arts Proficiency and above	68%	80	48	40%
Richard Teitelman	Math Proficiency and above	60%	54	24	N/A
Middle Township	Math Proficiency and above	75%	92	52	100%
Richard Teitelman	Summary – Academic Achievement	N/A	75	33	N/A
Middle Township	Summary – Academic Achievement	N/A	86	50	70%

Note: ¹The “Percent of Targets Met” column presents the percentage of progress targets met as defined by the NJDOE’s NCLB waiver.

E. Cape May City School District - Overview

The Cape May City School District is composed of one PK-6 school, Cape May Elementary School, and is located in Cape May County, New Jersey. There were 145 students enrolled in the district during the 2011-12 school year, with one LEP student. The philosophy of the school is that it “belongs to the community.” In light of this approach, it has very strong community support. The school’s recent Anti-Bullying Parade was strongly supported. A volunteer appreciation dinner is held annually, with the Kiwanis Club of Cape May and the Cape May City Police Department being recent honorees at the dinner. The “Great Cookie Exchange” event is also well-received by the community. The school has the advantage of being one of the few elementary schools in the state that has an indoor swimming pool. The pool is open all-year for the community. The pool is also part of the Health and Physical Education program, which provides swimming for the students twice a week during the school year.

As previously indicated above, Lower Cape May Regional and its constituent districts are in the process of implementing Danielson’s ‘Framework for Teaching’ as their instructional and evaluation model. Although 2012-13 has been identified as the ‘training year,’ the process has started in an unofficial capacity in the Cape May Elementary School under the guidance of Ms. Valerie Zelenak, the Chief School Administrator.

As noted earlier in this report, the Lower Township Board of Education approved the administration of reading and mathematics tests at the eighth grade level by the National Assessment of Education Progress (“NAEP”) in 2011.

Likewise, the Cape May City Board of Education approved NAEP testing for their fourth grade students in reading and mathematics. As indicated below, 43.9% of New Jersey students (which included the Cape May students) who took the test scored at the ‘proficient’ or ‘advanced proficient’ levels in reading while only 32.4% of students who took the test nationally scored at those levels.

For the year 2011-12, the length of the school day was 6 hours and 40 minutes with 6 hours of instructional time. There were no student suspensions or expulsions during the year. The student/staff ratio was an admirable 6.7 faculty members for each student.

1. Assessment Data

The Cape May City school’s academic performance **is high when compared** to schools across the state. However, its academic performance **significantly lags in comparison** to its “Peer Schools.” The school’s college and career readiness **significantly lags in comparison** to schools across the state. The school’s student growth performance **is high when compared** to schools across the state. Nevertheless, its student growth performance **significantly lags in comparison** to its “Peer Schools.” (See above in section B. 1 under Lower Cape May Regional District explanation of assessment terms).

The New Jersey Department of Education has identified 30 “Peer Schools” for Cape May City. They include Oradell (Bergen Co.), Roosevelt – River Edge Borough (Bergen Co.), Harrison – Livingston Twp. (Essex Co.), Oak Tree – Monroe Twp. (Middlesex Co.), and Wilson – Westfield Town (Union Co.).

2. Cape May Elementary School Academic Achievement

Academic achievement measures the content knowledge students have in Language Arts Literacy and Math, which at the elementary level includes the outcomes of the New Jersey ASK. As indicated in Table 36 below, 75% of the students met the proficiency rate in Language Arts Literacy while 89% of the students met the proficiency rate in Math across multiple administrations of the assessment. When ranked with peers, the Cape May Elementary School scored higher than 20% of its peer group and higher than 63% of all high schools with NJASK scores statewide.

Table 36
Academic Achievement Indicators
Cape May Elementary School

Academic Achievement Indicators	School-wide Performance	Peer Rank (Percentile)	State Rank (Percentile)	Percent of Targets Met
NJASK Language Arts Proficiency and above	75%	16	62	100%
NJASK Math Proficiency and above	89%	23	63	100%
Summary – Academic Achievement		20	63	100%

Tables 37 and 38 below present the Progress Targets as uniquely calculated for each subgroup in each school under NJDOE's NCLB waiver. The methodology – as defined by the United States Department of Education – is calculated so that each subgroup will halve the gap between their 2011 proficiency rate and 100% proficiency by 2017.

Table 37
NCLB Progress Targets – Language Arts Literacy

Subgroups ¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	56	75	63.3	YES
White	38	76.3	73.4	YES
Black	-	-	-	--
Hispanic	-	-	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	-	-	-	--
Students with Disabilities	-	-	-	--

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

Table 38
NCLB Progress Targets – Math

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	56	89.2	74.3	YES
White	38	86.8	82.3	YES
Black	-	-	-	--
Hispanic	-	-	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	-	-	-	--
Students with Disabilities	-	-	-	--

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

3. Cape May City School District - Summary

It is the consultants' opinion that the Cape May City School District continues to be a high performing district as indicated by the most recently published NJASK results. Curriculum and instructional programs are well developed and implemented to meet the academic and social needs of the students. Co-curricular activities and community support are particularly strong and successful in the district. Articulation with the regional district and constituent districts is also strong, particularly the regional district's acceptance of Danielson's instructional and evaluation model.

F. West Cape May School District – Overview

West Cape May School District is located in West Cape May, New Jersey. The district is composed of West Cape May Elementary School, which had an enrollment in 2011-12 of 58 students in grades Pre-K to 6 in part because it is a choice school. One student qualified for a free lunch while three students were designated LEP. Students in grades 7 through 12 attend Lower Cape May Regional, located in Lower Township, or other private secondary schools in the area. It also has a one-half day program in the PM for students with special needs.

The length of the school day is 6 hours and 30, minutes, which is the same as the state average. The instructional time in the school is 6 hours, which is some 17 minutes longer than the state average. Due to the small size of the classes three through six, NJASK test results are not published. The district enjoys a student/faculty ratio of 6.4 students per faculty member as compared to the state average of 11.1 students per faculty member.

In addition to the language arts, mathematics, social studies, science, and physical education that is required by the state for a thorough and efficient education, West Cape May also provides the students with programs in art, music (vocal and instrumental), technology, as well as an academic achievement program, enrichment program, and guidance and counseling services.

As noted above, West Cape May provides its students with an unusually low student/faculty ratio of 6.4 students per faculty member. In their study entitled, *Optimal Elementary School Size for Effectiveness and Equity: Disentangling the Effects of Class Size and School Size* (2006), Ready and Lee state that “children learned more in small ((less than 17) compared to large classrooms (more than 25). Their results are supported by previous finds from the Tennessee and Wisconsin class-size experiments. If one assumes that the ideal is a one-to-one instructional ratio, then the low student-faculty ratio is commendable with respect to instruction. However, when financial aspects along with social aspects are taken into consideration, it appears that larger class sizes would be more feasible.

Pursuant to the requirements of N.J.A.C. 6A:30-2.1, et seq., the district has undergone the Quality Single Accountability Continuum (“QSAC”) district performance review (“DPR”). Since at least 80% of the weighted indicators in each of the five areas of the QSAC review program has been satisfied, the district is designated as a “high performing” district.

1. Assessment Data

West Cape May school’s academic performance is about average when compared to schools across the state. However, its academic performance **significantly lags in comparison** to its “Peer Schools.” This school’s college and career readiness **lags in comparison** to schools across the state. Nevertheless, its college and career readiness **significantly lags in comparison** to its “Peer Schools.” The school’s student growth performance **significantly lags in comparison** to schools across the state. Nevertheless, its student performance **significantly lags in comparison** to its “Peer Schools.” (See above in section B. 1 under Lower Cape May Regional District explanation of assessment terms).

Thirty schools have been identified as “Peer Schools” for West Cape May. They include Memorial – Paramus Borough (Bergen Co.), East Brook – Park Ridge Borough (Bergen Co.), Collins – Livingston Twp. (Essex Co.), Deerfield – Millburn Twp. (Essex Co.), and Brookside – Monroe Twp. (Middlesex Co.).

2. West Cape May Elementary School Academic Achievement

Due to the low enrollment in the West Cape May School District, no assessment results are published by the New Jersey Department of Education.

3. West Cape May School District - Summary

West Cape May is a very small school district that offers an educational program that meets state curriculum and instruction mandates within the parameters of its size. All indications suggest a dedicated, hard-working faculty and staff.

G. Lower Township Elementary School District – Overview

Lower Township Elementary School District is a Pre-K to 6 district located in Lower Township, Cape May County, New Jersey. It had an enrollment of 1,826 students during the 2011-12 school year with 795 students qualifying for a free lunch and 231 qualifying for a reduced price lunch. 61 students were designated as LEP; and the district had one migrant student enrolled. The district is comprised of four schools: Memorial School (Pre-K & K), Carl T. Mitnick School (Grades 1 & 2), Maud Abrams School (Grades 3 & 4), and the Sandman Consolidated School (Grades 5 & 6).

1. Assessment Data – Grade Span 5-6

Lower Township's academic performance **lags in comparison** to schools across the state. However, its academic performance **is high when compared** to its "Peer Schools." This school's college and career readiness **significantly lags in comparison** to schools across the state. Nevertheless, its college and career readiness **is about average when compared** to its "Peer Schools." This school's student performance **is about average when compared** to schools across the state. Nevertheless, its student growth performance **is high when compared** to its "Peer Schools. (See above in section B. 1 under Lower Cape May Regional District explanation of assessment terms).

Among the 30 schools identified as "Peer Schools" for the Sandman Consolidated School in Lower Township are Columbus – Lodi Borough (Bergen Co.), Cold Springs School – Gloucester City (Camden Co.), Dionne Warwick Institute – East Orange (Essex Co.), Walnut Street – Woodbury City (Gloucester Co.), and George Washington – Hillside Twp. (Union Co.).

2. Lower Township Academic Achievement – Grade Span 5-6

Academic achievement measures the content knowledge students have in Language Arts Literacy and Math, which at the elementary school level includes the outcomes of the New Jersey ASK. As indicated in Table 39 below, 61% of the students met the proficiency rate in Language Arts Literacy while 79% of the students met the proficiency rate in Math across multiple administrations of the assessment. When ranked with peers, the Lower Township Schools scored higher than 73% of its peer group and higher than 31% of all high schools with NJASK scores statewide.

Table 39
Academic Achievement Indicators
Lower Township Grades 5-6

Academic Achievement Indicators	School-wide Performance	Peer Rank (Percentile)	State Rank (Percentile)	Percent of Targets Met
NJASK Language Arts Proficiency and above	61%	77	31	100%
NJASK Math Proficiency and above	79%	68	30	100%
Summary – Academic Achievement		73	31	100%

Tables 40 and 41 below present the Progress Targets as uniquely calculated for each subgroup in each school under NJDOE's NCLB waiver. The methodology – as defined by the United States Department of Education – is calculated so that each subgroup will halve the gap between their 2011 proficiency rate and 100% proficiency by 2017.

Table 40
NCLB Progress Targets – Language Arts Literacy

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	428	60.9	63.2	YES
White	380	63.4	63.0	YES
Black	-	-	-	--
Hispanic	-	-	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	240	54.2	58.6	YES
Students with Disabilities	115	45.2	50.6	YES

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

Table 41
NCLB Progress Targets – Math

Subgroups¹	Total Valid Scores	Pass Rate	Target	Met Target?
School-wide	427	79.2	75.2	YES
White	379	79.4	77.0	YES
Black	-	-	-	--
Hispanic	-	-	-	--
American Indian	-	-	-	--
Asian	-	-	-	--
Two or More Races	-	-	-	--
Limited English Proficient Students	-	-	-	--
Economically Disadvantaged Students	240	77.1	72.6	YES
Students with Disabilities	114	67.5	64.7	YES

Note: ¹Data is presented for subgroups when the count is high enough under NCLB suppression rules.

3. Lower Township Elementary School District - Summary

Lower Township Elementary School District offers a complete and thorough educational program for its students based upon district published data as well as NJDOE Assessment Results. The consultants were not able to visit the district during the preparation of this study.

H. Cape May Point – Overview

Cape May Point is a non-operating school district, with all students sent to schools outside the district. For grades Pre-K 6, public school students attend Cape May City elementary School in Cape May City, as part of a sending-receiving relationship with the Cape May City School District. Students in grades 7-12 attend the Richard M. Teitelman Middle School and the Lower Cape May Regional High School under a sending-receiving agreement with Lower Cape May Regional .

I. Educational Summary

1. Review of Options

As stated previously, from an educational standpoint this feasibility study will focus on the consideration of the current (status quo) configuration of the four districts and these alternative configurations:

1. The withdrawal of Cape May City from Lower Cape May Regional whereby Cape May City could enter into a sending-receiving relationship with Lower Cape May Regional for the education of its students in grades 7-12.
2. The withdrawal of Cape May City from Lower Cape May Regional whereby Cape May City could enter into a sending-receiving relationship with another school district, such as Middle Township, for the education of its students in grades 7-12.
3. The dissolution of Lower Cape May Regional, which would result, by operation of law, in the expansion of Lower Township into a K-12 school district. In this scenario, West Cape May and Cape May City could enter into a sending-receiving relationship with Lower Township for the education of their students in grades 7-12, such that their students would continue to be educated in the same schools at which they are currently educated.
4. The dissolution of Lower Cape May Regional, which would result, by operation of law, in the expansion of Lower Township into a K-12 school district. In this scenario, Cape May City and/or West Cape May could enter into a sending-receiving relationship with another school district, such as Middle Township, for the education of their students in grades 7-12.

2. Recommendations and Concerns for Reconfiguration

The consultants concur with the previous study that the current educational configuration of the four districts (Lower Township K-6, Cape May City K-6, West Cape May K-6, and Lower Cape May Regional) for instructional purposes is working quite well for the students of the respective constituent communities. Students continue to perform well on the State assessment instruments. The State school report card shows the districts are doing well. Programs, while different at each district, are diversified and in each case go beyond the minimum requirements of the core content standards. The districts display evidence of current educational theory and methodology. Each district has a sense of community, autonomy and independence. Articulation between the districts takes place on several levels.

It is the consultants' opinion that the current status quo configuration and all of the proposed alternative configurations would succeed for the districts included in this study: Lower Cape May Regional, Middle Township, Cape May City, West Cape May, Cape May Point, and Lower Township. This opinion is based on numerous factors. Interviews with three of the districts' administrators revealed to the consultants that they have the knowledge to provide the leadership needed to ensure success regardless of the configuration of the schools in their communities. The Whole School Reform model emphasizes the importance of professional development to the success of the school. Marc Tucker, president of the National Center on Education and the Economy, stated in an article in the September 2012 *School Administrator*, that "Virtually all high-performing countries have powerful educational systems in place." Furthermore, Tucker emphasizes the need for strong curriculum frameworks that delineate what topics should be taught at each grade level in each subject. The curricula go beyond mathematics and language to include the arts, sciences, music, and morals or philosophy. The educational characteristics described by Tucker on a national level can be applied also on a local level. Each of the districts appears to meet those criteria listed above. Other elements of successful schools are present in each district and would remain in place in each configuration proposed. Among these are: the presence of substantial home and community support and partnerships; intervention and assistance for students both in and beyond the regular classroom; provision of the necessary resources; and an assessment system to ensure student growth.

These districts each demonstrate many of the elements of the Whole School Reform model: awareness; commitment; planning for implementation; professional development; and local support networks. They also personify the three 'Factors Affecting Student Achievement' as outlined by Marzano (2003): School, Teacher, and Student. Under the School, Marzano lists a Guaranteed and Viable Curriculum, Challenging Goals and Effective Feedback, Parent and Community Involvement, a Safe and Orderly Environment, and Collegiality and Professionalism. Under the Teacher, he lists Instructional Strategies, Classroom Management, and Classroom Curriculum design, and finally, under the Student, he lists Home Atmosphere, Learned Intelligence and Background Knowledge, and Motivation. All of these factors to some degree (and many to a great degree) were found in the school districts we studied. Finally, this opinion is also the result of the consultants' own experiences working with and reviewing school districts with the proposed configurations discussed in this report.

Based on the consultants' knowledge and experience and the information listed above, there is every reason to believe that any of the proposed district configurations in this study will succeed educationally.

IV. RACIAL IMPACT

A. Cape May City School District Enrollments by Race

From 2007-08 through 2012-13, the number of minority students in the Cape May City School District declined slightly while the total population declined as well, as shown in Table 42. During this time period, the percentage of minority students has been fairly stable, ranging between 28.57-33.73%. Regarding White students, their enrollment has been declining since 2010-11 in conjunction with the overall declining trend in the student population. From 2007-08 through 2012-13, the number of White students has ranged between 96-126 students.

B. Lower Township Elementary School District Enrollments by Race

Of all of the school districts under consideration, Lower Township Elementary School District has the greatest number and percentage of minority students as shown in Table 43. In the last five years, the number of minority students in Lower Township has remained relatively constant, ranging between 261-282 students, after being 239 students in 2007-08. From 2007-08 to 2012-13, the percentage of minority students has been trending upwards, ranging between 13.01%-15.08%. Regarding White students, their enrollment has slowly declined in the last three years. From 2007-08 to 2012-13, the number of White students has ranged between 1,532-1,615 students, which is 84.92%-86.99% of the student population.

Table 42
Cape May City School District Enrollment by Race for 2007-08 to 2012-13

	White	%	Black	%	Hispanic	%	Native American	%	Asian/ Native Hawaiian	%	Two or More Races	%	Total Students	Minority Total	Minority %
2007-08	104	67.53%	15	9.74%	27	17.53%	1	0.65%	7	4.55%	0	0.00%	154	50	32.47%
2008-09	112	66.27%	23	13.61%	28	16.57%	0	0.00%	6	3.55%	0	0.00%	169	57	33.73%
2009-10	126	70.79%	21	11.80%	29	16.29%	0	0.00%	2	1.12%	0	0.00%	178	52	29.21%
2010-11	110	71.43%	13	8.44%	29	18.83%	1	0.65%	1	0.65%	0	0.00%	154	44	28.57%
2011-12	98	68.53%	10	6.99%	33	23.08%	1	0.70%	1	0.70%	0	0.00%	143	45	31.47%
2012-13	96	70.59%	6	4.41%	32	23.53%	1	0.74%	1	0.74%	0	0.00%	136	40	29.41%

Source: New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>)

Notes: 'New classification of "2 or more races" initially instituted.

Table 43
Lower Township School District Enrollment by Race for 2007-08 to 2012-13

	White	%	Black	%	Hispanic	%	Native American	%	Asian/ Native Hawaiian	%	Two or More Races	%	Total Students	Minority Total	Minority %
2007-08	1,598	86.99%	99	5.39%	111	6.04%	4	0.22%	25	1.36%	0	0.00%	1,837	239	13.01%
2008-09	1,613	86.07%	109	5.82%	117	6.24%	3	0.16%	32	1.71%	0	0.00%	1,874	261	13.93%
2009-10	1,615	85.13%	111	5.85%	135	7.12%	2	0.11%	34	1.79%	0	0.00%	1,897	282	14.87%
2010-11	1,558	85.32%	91	4.98%	146	8.00%	1	0.05%	29	1.59%	1	0.05%	1,826	268	14.62%
2011-12	1,551	84.94%	104	5.70%	143	7.83%	0	0.00%	28	1.53%	0	0.00%	1,826	275	15.06%
2012-13	1,532	84.92%	113	6.26%	134	7.43%	0	0.00%	25	1.39%	0	0.00%	1,804	272	15.08%

Source: New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>)

Notes: 'New classification of "2 or more races" initially instituted.

C. West Cape May School District Enrollments by Race

Table 44 represents the racial breakdown for the West Cape May School District. The number of minority students in the district has been slowly increasing. From 2007-08 to 2012-13, the percentage of minority students has increased from 7.69% to 27.27%. However, since there are so few students in the district, the addition of a small number of minority students can have a large impact on the minority percentage. Regarding White students, their enrollment has increased in the last two years after a period of decline. The increase can be attributed to the overall increase in enrollment in the district due to the receiving of additional students through the Choice program.

D. Lower Cape May Regional School District Enrollments by Race

In the last five years, the number of minority students in Lower Cape May Regional has remained relatively constant, ranging between 192-211 students, after enrollment was 167 students in 2007-08 as shown in Table 45. The percentage of minority students has also been fairly stable in the last five years, ranging between 11.77%-13.79%. Regarding White students, their enrollment has declined by approximately 300 students since 2007-08. Despite the decline, the percentage of Whites has been fairly stable, ranging between 86.21%-90.43%, as the total enrollment in the district has declined by 278 students.

1. Richard M. Teitelman Middle School

Like the overall district, the number of minority students at the Richard M. Teitelman Middle School has remained relatively constant since 2007-08, ranging between 65-79 students, as shown in Table 46. The percentage of minority students has also been fairly stable over this time period, ranging between 10.87%-14.08%. Regarding White students, their enrollment has declined by 91 students since 2007-08, which is similar to the overall decline (-84) in the student population in the school. Despite the decline, the percentage of Whites has been fairly stable, ranging between 85.50%-89.13%.

2. Lower Cape May Regional High School

At Lower Cape May Regional High School, the number of minority students has remained relatively constant after the 2007-08 school year, ranging between 118-137 students, as shown in Table 47. The percentage of minority students has also been fairly stable over this time period, ranging between 10.62%-13.72%. Regarding White students, their enrollment has declined by 212.5 students since 2007-08, which is similar to the overall decline (-194) in the student population in the school. Despite the decline, the percentage of Whites has been fairly stable, ranging between 86.28%-91.11%.

Table 44
West Cape May Elementary School District Enrollment by Race for 2007-08 to 2012-13

	White	%	Black	%	Hispanic	%	Native American	%	Asian/ Native Hawaiian	%	Two or More Races	%	Total Students	Minority Total	Minority %
2007-08	48	92.31%	1	1.92%	2	3.85%	0	0.00%	1	1.92%	0	0.00%	52	4	7.69%
2008-09	43	91.49%	0	0.00%	3	6.38%	0	0.00%	1	2.13%	0	0.00%	47	4	8.51%
2009-10	32	78.05%	2	4.88%	6	14.63%	0	0.00%	1	2.44%	0	0.00%	41	9	21.95%
2010-11	28	73.68%	1	2.63%	8	21.05%	0	0.00%	1	2.63%	0	0.00%	38	10	26.32%
2011-12	40	72.73%	1	1.82%	14	25.45%	0	0.00%	0	0.00%	0	0.00%	55	15	27.27%
2012-13	48	72.73%	3	4.55%	15	22.73%	0	0.00%	0	0.00%	0	0.00%	66	18	27.27%

Source: New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>)

Notes: ¹New classification of "2 or more races" initially instituted.

Table 45
Lower Cape May Regional School District Enrollment by Race for 2007-08 to 2012-13

	White	%	Black	%	Hispanic	%	Native American	%	Asian/ Native Hawaiian	%	Two or More Races	%	Total Students	Minority Total	Minority %
2007-08	1,573.5	90.43%	68	3.91%	85.5	4.91%	0	0.00%	13	0.75%	0	0.00%	1,740	167	9.57%
2008-09	1,458.5	88.23%	76.5	4.63%	106	6.41%	0	0.00%	12	0.75%	0	0.00%	1,653	195	11.77%
2009-10	1,433.5	87.33%	78	4.75%	106	6.46%	2	0.12%	14	0.85%	8	0.49%	1,641.5	208	12.18%
2010-11	1,419.5	87.65%	78	4.82%	105	6.48%	3	0.19%	13	0.80%	1	0.06%	1,619.5	200	12.29%
2011-12	1,319.5	86.21%	74	4.84%	117	7.64%	5	0.33%	15	0.98%	0	0.00%	1,530.5	211	13.79%
2012-13	1,270	86.87%	68	4.65%	105	7.18%	3	0.21%	16	1.09%	0	0.00%	1,462	192	13.13%

Source: New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>)

Notes: ¹New classification of "2 or more races" initially instituted.

Table 46
Lower Cape May Regional School District – Richard M. Teitelman Middle School
Enrollment by Race for 2007-08 to 2012-13

	White	%	Black	%	Hispanic	%	Native American	%	Asian/ Native Hawaiian	%	Two or More Races	%	Total Students	Minority Total	Minority %
2007-08	533	89.13%	27	4.52%	33	5.52%	0	0.00%	5	0.84%	0	0.00%	598	65	10.87%
2008-09	470	85.92%	32	5.85%	40	7.31%	0	0.00%	5	0.91%	0	0.00%	547	77	14.08%
2009-10	466	85.50%	27	4.95%	38	6.97%	1	0.18%	9	1.65%	4	0.73%	545	79	13.76%
2010-11	490	87.50%	25	4.46%	37	6.61%	2	0.36%	6	1.07%	0	0.00%	560	70	12.50%
2011-12	458	86.09%	27	5.08%	40	7.52%	2	0.38%	5	0.94%	0	0.00%	532	74	13.91%
2012-13	442	85.99%	23	4.47%	39	7.59%	1	0.19%	9	1.75%	0	0.00%	514	72	14.01%

Source: New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>)

Notes: 'New classification of "2 or more races" initially instituted.

Table 47
Lower Cape May Regional School District – Lower Cape May Regional High School
Enrollment by Race for 2007-08 to 2012-13

	White	%	Black	%	Hispanic	%	Native American	%	Asian/ Native Hawaiian	%	Two or More Races	%	Total Students	Minority Total	Minority %
2007-08	1,040.5	91.11%	41	3.59%	52.5	4.60%	0	0.00%	8	0.70%	0	0.00%	1,142	102	8.89%
2008-09	988.5	89.38%	44.5	4.02%	66	5.97%	0	0.00%	7	0.63%	0	0.00%	1,106	118	10.62%
2009-10	967.5	88.24%	51	4.65%	68	6.20%	1	0.09%	5	0.46%	4	0.36%	1,096.5	129	11.40%
2010-11	929.5	87.73%	53	5.00%	68	6.42%	1	0.09%	7	0.66%	1	0.09%	1,059.5	130	12.18%
2011-12	861.5	86.28%	47	4.71%	77	7.71%	3	0.30%	10	1.00%	0	0.00%	998.5	137	13.72%
2012-13	828	87.34%	45	4.75%	66	6.96%	2	0.21%	7	0.74%	0	0.00%	948	120	12.66%

Source: New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>)

Notes: 'New classification of "2 or more races" initially instituted.

E. Middle Township Public School Enrollments by Race

1. Middle Township Middle School

At Middle Township Middle School, the number of minority students has remained relatively constant since 2007-08, ranging between 156-186 students, as shown in Table 48. The percentage of minority students has also been fairly stable over this time period, ranging between 26.06%-32.17%. Regarding White students, their enrollment has declined by 36 students since 2007-08, which is similar to the overall decline (-27) in the student population in the school. Despite the decline, the percentage of Whites has been fairly stable, ranging between 67.65%-73.60%.

2. Middle Township High School

At Middle Township High School, the number of minority students has slightly declined, losing 38 students since the 2007-08 school year, as shown in Table 49. However, the percentage of minority students has been fairly stable over this time period, ranging between 21.44%-24.03%. The minority percentage has been relatively stable since the total population in the school has declined as well. Regarding White students, their enrollment has declined by 215 students since 2007-08, which is similar to the overall decline (-257.5) in the student population in the school. Despite the decline, the percentage of White students has been fairly stable, ranging between 75.09%-78.56%.

Table 48
Middle Township Public Schools – Middle Township Middle School
Enrollment by Race for 2007-08 to 2012-13

	White	%	Black	%	Hispanic	%	Native American	%	Asian/ Native Hawaiian	%	Two or More Races	%	Total Students	Minority Total	Minority %
2007-08	425	70.60%	127	21.10%	33	5.48%	0	0.00%	16	2.66%	1	0.17%	602	177	29.24%
2008-09	437	72.59%	115	19.10%	32	5.32%	0	0.00%	18	2.99%	0	0.00%	602	165	27.41%
2009-10	435	73.60%	113	19.12%	25	4.23%	1	0.17%	15	2.54%	2	0.34%	591	156	26.06%
2010-11	401	70.85%	115	20.32%	30	5.30%	1	0.18%	15	2.65%	4	0.71%	566	165	28.45%
2011-12	384	70.72%	108	19.89%	33	6.08%	1	0.18%	15	2.76%	2	0.37%	543	159	28.91%
2012-13	389	67.65%	128	22.26%	43	7.48%	0	0.00%	14	2.43%	1	0.17%	575	186	32.17%

Source: New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>)

Notes: 'New classification of "2 or more races" initially instituted.

Table 49
Middle Township Public Schools – Middle Township High School
Enrollment by Race for 2007-08 to 2012-13

	White	%	Black	%	Hispanic	%	Native American	%	Asian/ Native Hawaiian	%	Two or More Races	%	Total Students	Minority Total	Minority %
2007-08	812	77.52%	178	16.99%	38.5	3.68%	3	0.29%	15	1.43%	1	0.10%	1,047.5	236	22.39%
2008-09	799	78.56%	155.5	15.29%	44.5	4.38%	2	0.20%	16	1.57%	0	0.00%	1,017	218	21.44%
2009-10	740.5	76.78%	156	16.17%	44.5	4.61%	1	0.10%	21.5	2.23%	1	0.10%	964.5	224	23.12%
2010-11	718.5	77.89%	136.5	14.80%	44	4.77%	1	0.11%	21.5	2.33%	1	0.11%	922.5	204	22.01%
2011-12	682.5	76.51%	152.5	17.10%	36	4.04%	0	0.00%	17	1.91%	4	0.45%	892	210	23.04%
2012-13	597	75.09%	136	17.11%	39	4.91%	1	0.13%	15	1.89%	7	0.88%	795	198	24.03%

Source: New Jersey Department of Education (<http://www.nj.gov/njded/data/enr/>)

Notes: 'New classification of "2 or more races" initially instituted.

In this feasibility study, four alternative configurations were considered in comparison to the status quo. The following discusses the racial impact for each of the alternatives.

1. Cape May City withdraws from Lower Cape May Regional. Cape May City sends its students in grades 7-12 to Lower Cape May Regional on a sending-receiving basis. In this scenario, since the students would be educated in the same buildings in which they are currently housed, reconfiguration would not change the racial make-up of these schools. Therefore, there would be no negative racial impact.

2. Lower Cape May Regional is dissolved. Cape May City, Cape May Point, and West Cape May School Districts send their children in grades 7-12 to Lower Township on a sending-receiving basis, which would take ownership of the middle and high schools. In this scenario, since the students would be educated in the same buildings in which they are currently housed, reconfiguration would not change the racial make-up of these schools. Therefore, there would be no negative racial impact.

3. Cape May City withdraws from Lower Cape May Regional. Cape May City sends its students in grades 7-12 to Middle Township on a sending-receiving basis. If this occurs, there would be no negative racial impact on either the Richard M. Teitelman Middle School or Lower Cape May Regional High School in Lower Cape May Regional as the small number of Cape May City students would have little impact on the racial distributions in the schools. Cape May City students only comprise 4-5% of the students at Lower Cape May Regional. In addition, if Cape May City students were to attend Middle Township Middle School and Middle Township High School, they would be afforded a more diverse learning environment than they currently receive as these schools are 32.17% and 24.03% minority respectively in 2012-13, as compared to Richard M. Teitelman Middle School (14.01%) and Lower Cape May Regional High School (12.66%) in Lower Cape May Regional.

4. Lower Cape May Regional is dissolved. Cape May City and/or West Cape May send their children in grades 7-12 to Middle Township on a sending-receiving basis. If this occurs, there would be no negative racial impact on either the Richard M. Teitelman Middle School or Lower Cape May Regional High School in Lower Cape May Regional as the small number of Cape May City and/or West Cape May students would have little impact on the racial distributions in the schools. Cape May City and West Cape May students only comprise 7-8% of the students at Lower Cape May Regional. In addition, if Cape May City and West Cape May students were to attend Middle Township Middle School and Middle Township High School, they would be afforded a more diverse learning environment than they currently receive as these schools are 32.17% and 24.03% minority respectively in 2012-13, as compared to Richard M. Teitelman Middle School (14.01%) and Lower Cape May Regional High School (12.66%) in Lower Cape May Regional.

V. FINANCIAL IMPACT

The issue of the distribution of the tax levy in New Jersey regional school districts continues to receive a fair amount of attention. The 2004 decision of the New Jersey Supreme Court regarding the Borough of North Haledon's attempts to withdraw from the Passaic County Manchester Regional High School District, as well as other ongoing litigation, has added to this discussion. Therefore, a number of constituent districts throughout New Jersey are refocusing on the possibility of alternative configurations of the regional districts to which they are sending students.

In Cape May City's situation the visible indicators suggest that its fiscal role as a constituent member of Lower Cape May Regional needs to be reconsidered. For the 2012-13 school year, Cape May City was paying approximately 35% of the tax levy while sending less than 5.4% of the students. On the surface, Cape May City is paying an extra 30% of the tax levy because of the way state law requires that the tax levy be apportioned amongst the constituent districts. With tax levies in the \$18 million range, the extra percentage amounts to approximately \$5,000,000 in subsidy being made by the taxpayers of Cape May City to the taxpayers of Lower Township.

Similarly, if one looks at the average tax levy per student in Lower Cape May Regional, further exploration would be appropriate. While the average tax levy per student in Lower Cape May Regional was approximately \$8,000 in 2005-06, by 2012-13 it has grown to over \$12,000. Lower Township is paying only \$7,663, Cape May City is paying \$79,977 and West Cape May is paying \$30,493 as shown in Table 50 below.

Table 50
Tax Levy Per Student

School District	Tax Levy
Cape May City	\$79,977
Lower Township	\$7,663
West Cape May	\$30,493
Lower Cape May Regional	\$12,162

The analysis below studies the financial impact which would result from continuing Lower Cape May Regional as it presently exists, ("status quo scenario"), as compared to the following alternative configurations.

1. The withdrawal of Cape May City from Lower Cape May Regional whereby Cape May City could enter into a sending-receiving relationship with Lower Cape May Regional for the education of its students in grades 7-12.
2. The withdrawal of Cape May City from Lower Cape May Regional whereby Cape May City could enter into a sending-receiving relationship with another school district, such as Middle Township, for the education of its students in grades 7-12.
3. The dissolution of Lower Cape May Regional, which would result, by operation of law, in the expansion of Lower Township into a K-12 school district. In this scenario, West Cape May and Cape May City could enter into a sending-receiving relationship with Lower Township for the education of their students in grades 7-12, such that their students would continue to be educated in the same schools at which they are currently educated.
4. The dissolution of Lower Cape May Regional, which would result, by operation of law, in the expansion of Lower Township into a K-12 school district. In this scenario, Cape May City and/or West Cape May could enter into a sending-receiving relationship with another school district, such as Middle Township, for the education of their students in grades 7-12.

The financial impact of each scenario has been calculated in "2012 dollars" to eliminate the variable of inflation and the time value of money. This also eliminates the variable of the impact of future events that are independent of whether the withdrawal occurs. The results are expressed in terms of average property tax levies and average tax rates, and any changes therein, for the communities of Cape May City, Lower Township and West Cape May. The results are calculated assuming full implementation at the beginning of the 2013-2014 school year. This analysis does not consider any phase-out over a period of years in order to reflect the full financial impact, over the five-year period, on each community. This offers better information to make a decision in that it reflects the full long-term impact.

In developing this analysis, the following activities were completed.

- Review of the Comprehensive Annual Financial Report, which includes the Independent Auditor's Report on the general purpose financial statements of the Lower Cape May Regional School District for each of the years ended June 30, 2010, 2011 and 2012.
- Review of the Comprehensive Annual Financial Report, which includes the Independent Auditor's Report on the general purpose financial statements of the Lower Township School District for each of the years ended June 30, 2010, 2011 and 2012.

- Review of the Comprehensive Annual Financial Report, which includes the Independent Auditor's Report on the general purpose financial statements of the Cape May City School District for each of the three years ended June 30, 2010, 2011 and 2012.
- Review of the Comprehensive Annual Financial Report, which includes the Independent Auditor's Report on the general purpose financial statements of the West Cape May School District for each of the three years ended June 30, 2010, 2011 and 2012.
- Review of the Comprehensive Annual Financial Report, which includes the Independent Auditor's Report on the general purpose financial statements of the Middle Township Public Schools for each of the three years ended June 30, 2010, 2011 and 2012.
- Review of the historical enrollment data and projected enrollment numbers for each district. Communicated with each of the districts to acquire additional relevant data concerning the proposed alternatives, and, where appropriate, to review the process being used.
- Review of the New Jersey Department of Education School Report Cards, State Aid information, equalized property values, and other relevant data for each of the Districts, as set forth in various Internet data bases operated by the State of New Jersey.

A. Methodology

The starting point for analyzing the financial impact was a model of the existing pattern of revenues and expenditures in Lower Cape May Regional and in the three constituent K-6 districts, based upon the existing level of educational services being provided in the districts during the 2011-2012 school year. Additionally, the model was based upon the most recent three years of audited revenue and expenditure data (2009-2012). In order to estimate the revenues, expenditures, and tax levies, for both status quo and alternative scenarios, the model is based on the actual enrollments for the most recent six years and the projected enrollment in the districts for each of the five years from 2013-2014 to 2017-2018. The model takes into account fixed costs, such as superintendent salaries or interest on bonds, as well as those that vary with enrollment, like classroom teachers' salaries.

State Aid provides some funding for the cost of education in New Jersey. Categorical aid is available for certain types of expenditures, such as transportation, security and special education costs regardless of income or property wealth. Non-categorical aid, on the other hand, is only available to those that qualify as less-wealthy districts. New Jersey has an established funding formula for calculating State Aid that first went into effect for the 2008-09 school year. At this time, it is unclear whether the State can afford to fund, on a continuing basis, the new formula at the indicated level. It certainly has not been completely funded over the last several years. Nevertheless, the impact of the new formula needs to be addressed. Projected State Aid will be based on actual 2011-12 and the 2012-13 Projected SAFR State School Aid summaries available on the DOE website. As everyone involved in education is aware, even with the

revised State Aid formula any assumptions about future State Aid involve a high level of uncertainty.

Salary expenditures are based on the number of certificated staff that existed in the 2011-2012 year. Any projected increase or decrease in certificated staff will be based on the approximate median staff salary, which reflects a long-term average cost rather than the specific salary of a new hire or a departing staff member. Possible changes in educational approach or philosophy are not reflected in the analysis, as they are independent of the various configurations being considered.

Tax levies and rates were estimated for each district. The average tax levies and average tax rates over the five-year period were calculated for each scenario for each community. The relative financial impact was obtained by comparing each community's average tax levy and rate, for each scenario, to the average tax levy and rate estimated for the status quo scenario. These levies and rates are calculated solely for the purpose of comparing the scenarios and are not intended to reflect future tax levies and rates, as future tax levies will not be in 2012 dollars.

In the Cape May City withdrawal scenarios, each alternative configuration is assumed to be a sending-receiving relationship, with tuition payments to the Lower Cape May Regional or to the Middle Township Public Schools based on the enrollment numbers projected. The tuition charged will be based on the maximum allowed under State law.

In the dissolution scenarios, it is assumed that grades 7-12 students from all three constituent districts will continue to attend the buildings now owned and operated by Lower Cape May Regional, which would become a part of the Lower Township School District, or that Cape May City and West Cape May will enter a sending-receiving relationship with the Middle Township Public Schools for the education of students in grades 7-12. This is done not to identify where the communities will send their students, but to show the impact on the costs. Logically, tuition rates that are lower than those calculated in this study can improve the results for those that are able to negotiate lower tuition rates.

B. Key Assumptions

The analysis of the financial impact relied on a comprehensive set of assumptions. Among the more significant of these assumptions are the following:

- Estimates of future enrollment were prepared using the cohort survival method as described in N.J.A.C. 6:3-7.1, *et seq.* This assumes that the cohorts, including the underlying cohorts that impact seventh grade, for each community will continue into the future.

- State Aid for existing debt service will continue at the 2011-2012 rate.
- Educational programs of the districts were assumed to be equivalent to those that have existed in the respective districts during the 2011-12 school year.
- Instruction in the districts after withdrawal or dissolution was assumed to involve approximately the same number of certificated staff per pupil as in the respective districts during the 2011-12 school year. Any projected increase or decrease in certificated staff will be based on the approximate median staff salary, which reflects a long-term average cost rather than the specific salary of a new hire or a departing staff member.
- In both withdrawal scenarios, the current method of apportioning the current expenses of Lower Cape May Regional, based on allocated equalized property value, was used to allocate the regional district tax levy to the appropriate constituent districts.
- Equalized and assessed valuations were held at their 2012 levels over the period of the estimation.
- Special education costs, net of applicable Federal and State Aid, will be proportional to the number of students over the long term. In any year, if a district's actual costs for special education were less (or more) than this average, the district's tax levy would be correspondingly less (or more).
- Transportation costs, net of applicable State Aid, will be proportional to the number of students over the long term. In any year, if a district's actual costs for transportation were less (or more) than this average, the district's tax levy would be correspondingly less (or more).
- Unless otherwise stated, tuition for districts under the withdrawal or dissolution scenarios is projected based on a sending-receiving relationship, with tuition payments, at the maximum allowed by State law, to the receiving district based upon the enrollment numbers projected. Nothing requires that the negotiated tuition rate between communities be set at this level (lower rates are possible, but rates higher than the actual per pupil cost are prohibited by law).
- Prior years' surplus is not used, nor is any additional surplus generated in any year.
- The withdrawal/dissolution and subsequent sending-receiving relationships were calculated as if fully implemented at the beginning of the 2013-14 school year.

- Programs at the K-6 level, that have not yet been implemented, but might have an impact on the middle and high school tax allocation, have not been reflected in this study.

C. Results Of The Analysis

The tables below summarize the findings of the analysis. They are based on the enrollment tables that use the average survival cohorts. As noted above, for revenues and expenditures, the model assumes the continuance of the existing level of educational services provided in each of the school districts in the 2011-12 year. The projected enrollment in each district for each of the five years from 2013-14 to 2017-18 was used to estimate the revenues, expenditures, tax rates, and tax levies for each of the five years, under both the status quo and alternative scenarios. Estimated tax levy savings are expressed as positive amounts; estimated additional tax levies are expressed as negative amounts.

Lower Cape May Regional survival cohorts have been used to develop enrollment projections for 7th through 12th grade. The allocation of the high school expenses to the three communities throughout the projection period is based on the number of Regional school students by community. However, the Choice program students attending the four schools, which do not count in tax allocations, and the inability of the Regional district to identify the students by grade and community leaves the projection of students for tax levy allocation less precise. Nevertheless, the historical relationships that exist have allowed us to make a reasonable estimate for allocating the Regional tax levy throughout the projection period.

For each community identified below, the tax levy and the savings or loss is expressed in thousands of dollars. The rates are expressed in dollars and cents per \$100 of equalized property valuation. In Tables 51 and 52 below, the first rate for each community relates to the total tax levy and the second relates to the savings or loss on reconfiguration. Table 51 below reflects the results for alternative configurations 1 and 3. In other words, Table 51 reflects the financial impact of withdrawal or dissolution with both Cape May City and West Cape May continuing to educate their respective 7-12 grade students in the same school buildings they currently attend. As to Cape May Point, the calculated maximum tuition rate will not change or will decrease slightly, so there will be no significant financial impact on its taxpayers..

Table 51
Summary Of Tax Impact On Community
Compared With Status Quo Scenario

		Status Quo	Withdrawal Cape May City Only	Dissolution
Community: Cape May City				
	Tax Levy*	\$7,363	\$2,393	\$2,383
	Rate	\$0.26	\$0.08	\$0.08
	Savings (loss)*		\$4,970	\$4,980
	Rate		\$0.18	\$0.18
Community: Lower Township				
	Tax Levy*	\$24,569	\$28,893	\$30,123
	Rate	\$0.65	\$0.76	\$0.80
	Savings (loss)*		(\$4,324)	(\$5,554)
	Rate		(\$0.11)	(\$0.15)
Community: West Cape May				
	Tax Levy*	\$2,297	\$2,943	\$1,373
	Rate	\$0.51	\$0.65	\$0.30
	Savings (loss)*		(\$646)	\$924
	Rate		(\$0.14)	\$0.20

*In thousands

Table 52 below reflects the results for alternative configurations 2 and 4. Under alternative scenarios 2 and 4, Cape May City (and possibly West Cape May) could enter into a sending-receiving relationship with another nearby school district, such as Middle Township, for the education of its students in grades 7-12. Tuition rates charged by receiving districts in sending-receiving relationships are based upon the actual cost per pupil as determined each year by the Department of Education. While receiving districts can agree to charge less than the actual cost per pupil, they are prohibited by State law from charging more than the actual cost per pupil. Cape May Point, as a tuition paying district, would see its maximum tuition rate go up by approximately \$600 per student in the dissolution scenario with both Cape May City and West Cape May sending students elsewhere.

Should alternative configurations 2 or 4 occur, the districts now sending students to Middle Township on a tuition basis would see a reduction of up to \$300 per student in the maximum tuition rate. The taxpayers of Middle Township would save approximately \$250,000 under scenario 2 and approximately \$395,000 under scenario 4.

From West Cape May's perspective, the two dissolution alternatives have tax levies that are approximately \$1,600,000 lower than if it remains in the regional and Cape May withdraws.

Table 52
Summary Of Tax Impact On Community
Compared With Status Quo Scenario

		Status Quo	Withdrawal Cape May City Only	Dissolution
Community: Cape May City				
	Tax Levy*	\$7,363	\$2,163	\$2,151
	Rate	\$0.26	\$0.08	\$0.08
	Savings (loss)*		\$5,200	\$5,212
	Rate		\$0.18	\$0.18
Community: Lower Township				
	Tax Levy*	\$24,569	\$29,347	\$30,873
	Rate	\$0.65	\$0.78	\$0.82
	Savings (loss)*		(\$4,778)	(\$6,304)
	Rate		(\$0.13)	(\$0.17)
Community: West Cape May				
	Tax Levy*	\$2,297	\$2,989	\$1,366
	Rate	\$0.51	\$0.66	\$0.30
	Savings (loss)*		(\$692)	\$931
	Rate		(\$0.15)	\$0.20

*In thousands

Cape May City has the opportunity to experience even greater tax savings if it is able to negotiate lower tuition rates wherever they send their students. As stated above, State law prohibits payment of tuition in excess of the actual cost per pupil, but districts are free to negotiate (and many across the state do) lower rates. Any of the potential receiving districts may be amenable to discussing reduced tuition rates for Cape May City given the relatively few number of students from Cape May City and the declining enrollment they have been experiencing for the last several years. If any of these scenarios is pursued by Cape May City, the consultants would strongly encourage such negotiations.

D. Operating Expenditures Of Regional District

The operating expenses of Lower Cape May Regional, as set forth in Table 53 below, are drawn from the Comprehensive Annual Financial Report for the Fiscal year ended June 30, 2012, prepared by the Lower Cape May Regional Board of Education Business Office, which includes the independent auditor's report by Inverso & Stewart, LLC, Certified Public Accountants.

Table 53
Lower Cape May Regional School District
Total Expenditures

Expenditure		Year ending June 30, 2012
Regular Instruction		\$ 8,933,128
Special Education Instruction		2,846,667
Other Instruction		802,021
Undistributed Expenditures:		
Tuition		2,023,446
Instruction Related Services		2,330,130
Administrative Services		1,781,696
Operations and Maintenance		2,687,255
Transportation		1,393,584
Unallocated Benefits		5,999,682
Special Schools		25,022
Capital Outlay		143,521
Debt Service		1,619,466
Total Expenditures		\$30,585,618

The distribution of the 2011-12 net operating expenses and debt service of Lower Cape May Regional among the constituent communities is shown in Table 54.

Table 54
Percentage Share of Operating Expenses and Debt Service

Community	Percentage Share¹	General Fund	Debt Service
Cape May City	35.0546	\$10,153,969	\$567,697
Lower Township	57.8696	\$16,762,596	\$937,179
West Cape May	7.0758	\$2,049,587	\$114,590
Total	100.0000%	\$28,966,152	\$1,619,466

Note: ¹Based on actual 2012-13 percentages

E. Equalized and Average Equalized Valuation of Each Community

The equalized valuations, following in Table 55, are taken from the "Local Property Taxes-Table of Equalized Values-Cape May County" as provided by the New Jersey Division of Taxation.

Table 55
Equalized Valuations

Community	2012 Equalized Value	Three-Year Average Equalized Value
Cape May City	\$2,798,556,784	\$2,841,951,151
Lower Township	\$3,784,505,253	\$4,007,646,795
West Cape May	\$454,406,230	\$478,253,475
Total	\$7,037,468,267	\$7,327,851,421

F. Borrowing Margin For Each Constituent District

The borrowing margin for K-6 school districts, as set forth in N.J.S.A. 18A:24-19, is calculated as 2.5 percent of the above average equalized values. Table 56 sets forth the available school borrowing margin. Under the withdrawal scenario, there will be no change in debt for any of the constituent districts. Therefore, the available borrowing margin for each constituent district will not decrease in the event of a withdrawal by Cape May City.

Table 56
Borrowing Margin for Districts

School District	Borrowing Margin	Net School Debt	Available Borrowing Margin
Cape May City	\$71,048,779	\$0	\$71,048,779
Lower Township	\$100,191,170	\$0	\$100,191,170
West Cape May	\$11,956,337	\$405,000	\$11,551,337

Should dissolution occur, Lower Township School District would become a PK-12 district, and would have a borrowing margin equal to four percent of average equalized values. It would also pick up the debt of \$7,880,000 from Lower Cape May Regional. The resulting available borrowing margin for the PK-12 Lower Township School District would be \$152,425,872.

G. Replacement Costs

In order to allocate the indebtedness related to fixed assets, the statutes necessitate the estimation of the replacement cost of buildings, grounds, furnishings and equipment. This estimate is calculated by the Bureau of Facility Planning Services of the State's Department of Education. The methodology uses construction cost per square foot times the applicable square footage. Lower Cape May Regional provided the square footage of approximately 337,000. Since all of the buildings are located in Lower Township the actual replacement cost is unnecessary as 100% of the indebtedness will remain with the buildings in Lower Township.

H. Amount of Indebtedness to be Assumed

The Comprehensive Annual Financial Report of Lower Cape May Regional reflects that the District's indebtedness, consisting of serial bonds payable, totaled \$7,390,000 at June 30, 2012. There was also \$490,000 of Certificates of Participation outstanding at June 30, 2012. These amounts represent the total indebtedness of Lower Cape May Regional related to buildings, grounds, furnishings, equipment, and additions thereto. As of that date, there are no authorized but not issued bonds. N.J.S.A. 18A:13-53 instructs the County Superintendent to allocate the amount of this form of indebtedness "on the basis of the proportion which the replacement cost of the buildings, grounds, furnishings, equipment, and additions thereto of the

regional district situated in the withdrawing district, or in each of the constituent districts in the event of a dissolution, bears to the replacement cost of the buildings, grounds, furnishings, equipment, and additions thereto situated in the entire regional district." (Including Certificates of Participation in total debt is the conservative approach and demonstrates that debt allocation and borrowing margin are not issues of concern.)

Since the buildings and grounds are situated in Lower Township, all of the debt is likely to be apportioned to the school district that operates in that community. This would continue to be Lower Cape May Regional, if a withdrawal occurs, or a Lower Township PK-12 district should dissolution occur.

I. Distribution of Assets and Liabilities

N.J.S.A. 18A:13-53 also requires that the County Superintendent determine the amount of indebtedness and unfunded liabilities to be assumed by each community. This indebtedness represents liabilities not related to buildings grounds, furnishings, equipment, and additions thereto. The June 30, 2012 Comprehensive Annual Financial Report of Lower Cape May Regional indicates an accounts payable total of \$47,730. Assuming a withdrawal and using the approach provided by N.J.S.A. 18A:8-24, accounts payable are allocated among the constituent communities on the basis of a formula as described in statute, the results of which are presented in Table 57 below.

Table 57
Accounts Payable Allocation

Community	Percentage Share¹	Accounts Payable
Cape May City	35.0546	\$16,732
Regional District	64.9454	\$31,002
Total	100.0000%	\$47,730

Note: ¹Based on actual 2012-13 percentages

Lower Cape May Regional does have some other liabilities that deserve special attention. The \$1,425,761 liability for compensated absences should probably be allocated to the districts where the employees will be based, after the proposed withdrawal or dissolution occurs, since these costs relate to individual employees. The liability of \$182,433 for operating leases should be considered as part of the net value of these assets to be allocated.

Assets, other than buildings, grounds, furnishings, equipment, and additions thereto, are allocated in a manner similar to the above accounts payable table. These include cash, accounts receivable, vehicles, library resources, textbooks, and supplies. The present value of the items approximates \$3,000,000, on a conservative basis, as of June 30, 2012. If Cape May City withdraws, it would be entitled to 35.0546 percent, or \$1,050,000, while the balance would remain in Lower Cape May Regional.

In the Union County Regional dissolution scenario, the Supreme Court opted for a distribution of the net liquid assets to those districts that did not receive buildings. Under this approach the net of \$2,950,000 would go to the other two districts in Table 58.

Table 58
Net Liquid Assets

Community	Percentage Share	Modified Share	Net Assets
Cape May City	35.0546	83.2050	\$2,454,548
Lower Township	57.8696	0.0000	\$0
West Cape May	7.0758	16.7950	\$495,452
Total	100.0000	100.0000	\$2,950,000

Should dissolution occur, some or all of the “non-building” districts could choose to forego some or all of these assets through a negotiation, as an incentive to Lower Township to take on the additional responsibility of running a PK-12 school district.

J. Summary of Fiscal Advantages and Disadvantages

From Cape May City's perspective, withdrawal from or dissolution of Lower Cape May Regional will save its taxpayers approximately \$5,000,000 each year. This amounts to an annual savings of approximately \$900 based on a residence assessed at \$500,000 in 2012. An additional \$250,000 could be saved by sending their students to Middle Township. The differences between options are minor in relation to the overall impact.

Withdrawal of Cape May City from Lower Cape May Regional, with its students still attending Lower Cape May Regional on a sending-receiving basis, would result in a proportional negative financial impact on each of the other two constituent communities, as each would experience a tax increase. The heaviest impact would be on Lower Township, as it would pick up approximately 87% of the savings enjoyed by Cape May City in the event of a withdrawal. Should Cape May City chose to establish a sending-receiving relationship with a district other than Lower Cape May Regional, the additional cost to Lower Township would be approximately \$450,000 while West Cape May's additional cost would be approximately \$50,000.

When compared to the status quo scenario, under the dissolution scenario where all three communities continue to send 7-12 grade students to the schools they now attend, West Cape May saves approximately 40%, \$925,000, while Lower Township's tax levy would go up by approximately \$5,550,000 per year. When analyzed at the home level, the annual savings for West Cape May is \$820 for a residence assessed at \$400,000 in 2012 and the annual costs to Lower Township taxpayers – which gains ownership of Lower Cape May Regional's buildings and grounds – would be \$390 based on a residence assessed at \$300,000 in 2012. However, Lower Township may have the ability to reduce the amount of this negative impact by using some of the foregone net assets (see prior page) in the initial years. Should both Cape May City and West Cape May send their students elsewhere, Lower Township's additional costs go up by approximately \$750,000.

VI. RECOMMENDATIONS AND CONCLUSIONS

The original intent of establishing Lower Cape May Regional was to provide the students from the constituent communities with a strong educational program with costs being shared equitably amongst the member communities. However, in time, the citizens of Cape May City and West Cape May, without their consent, have been saddled with a disproportionate share of costs to operate Lower Cape May Regional, a disparity that grows on an annual basis.

From an educational standpoint, Cape May City's departure from Lower Cape May Regional by way of either a withdrawal or dissolution would nonetheless permit it to offer its students a thorough and efficient education via a sending-receiving relationship with any number of local districts on a grade 7-12 basis, in all likelihood the Lower Cape May Regional facilities they are currently attending. Similarly attractive educational opportunities would be available to the students from West Cape May should Lower Cape May Regional be dissolved.

In addition to the educational opportunities, a proposed dissolution of Lower Cape May Regional would result in a total annual tax savings for Cape May City and West Cape May of over \$5.9 million. This does not translate to a \$5.9 million tax increase to Lower Township, although there would be an increase.

Of course, the focus for Lower Township is not solely financial. Dissolution would result in the creation of a PK-12 district for Lower Township, as it gains ownership of Lower Cape May Regional's buildings and grounds, thus providing it with the opportunity to reduce overhead, transportation and other costs, and to coordinate building programs to provide a major benefit to its taxpayers as well. Furthermore, Lower Township would be restructured as a PK-12 district which the Commissioner of Education, writing as chair of the Board of Review considering the Union County Regional High School District No. 1 dissolution in 1996, endorsed as follows:

The K-12 district structure is inherently more effective than the regional high school district because it provides for unified governance of educational policy as well as continuity of the curriculum and of the instructional process from kindergarten through grade 12.

Moreover, the K-12 structure is inherently more efficient because it requires fewer boards and central office administrators and therefore reduces per-pupil administrative costs, directs greater proportion of resources to instruction, and allows better coordination of system-wide decision making.

For the above reasons, the Executive and Legislative branches of government have aggressively encouraged all school districts in the State to move toward a K-12 structure...

Thus the dissolution of Lower Cape May Regional is both feasible and beneficial. Lower Township would become a PK-12 district and inherit the above-referenced educational and financial economies, and each of the other communities would have an opportunity for both tax savings and for the education of grade 7 through 12 students in a PK-12 district by virtue of sending-receiving relationships. However, should a majority of the constituents not agree to pursue dissolution, without question Cape May City should pursue the financial benefits of withdrawal and, if successful, enter into a sending-receiving relationship with an appropriate district of its choosing.

VII. APPENDICES

Appendix A

RICHARD S. GRIP, Ed.D.

Work Address:
 Statistical Forecasting LLC
 P.O. Box 1156
 Secaucus, NJ 07096-1156
 1-877-299-6412

ACADEMIC AND PROFESSIONAL CAREER HISTORY

Executive Director: Statistical Forecasting LLC, Secaucus, New Jersey, March 1998 – present.

- Performed demographic studies projecting enrollment using the Modified Regression Technique and Cohort Survival Ratio method for public school districts.
- Testified at a deposition and trial as an expert witness in school demography regarding the termination of the sending-receiving relationship of Newfield Borough with the Buena Regional School District.
- Completed feasibility studies for school districts considering regionalization, de-regionalization, or alternative send-receive relationships. The studies look at demographic, educational, and financial implications of the new structure as compared to the status quo.
- Performed external evaluations of educational programs in both secondary and post-secondary settings using both qualitative and quantitative techniques. Constructed surveys and conducted interviews to measure program effects.

Representative Projects

Merchantville Borough (NJ) - Feasibility Study (2012) – Conducted a study considering the demographic and racial effects of the withdrawal of Merchantville students from the Pennsauken Public Schools upon termination of the existing sending-receiving relationship.

Woodbridge School District (NJ) - Demographic Study (2012) – Performed five-year enrollment projections for large school district (13,000+ students) at the individual school level. Births by census tract and block group were used to project enrollment at the school level. Student addresses were geocoded to show the five-year changes in the relative concentrations of where students live and the sections of the township that have the most children per housing unit.

South Hunterdon Regional School District (NJ) Feasibility Study (2012) – Conducted a study considering the dissolution of the South Hunterdon Regional School District (grades 7-12) and analyzed six different scenarios for the education of students in Lambertville Borough, Stockton

Borough, and West Amwell Township. Analyzed demographic and racial impacts in each of the scenarios.

Yonkers Public Schools (NY) - Demographic Study (2011) – Performed ten-year enrollment projections by the four major races in the school district. Other analyses performed include projecting future birth counts by race, studying the impact of immigration on enrollment, and the effects of charter, private, and parochial schools on enrollment. The impact of new housing developments on the school district was also considered.

New York City School Construction Authority - Demographic Study (2006-2012) – Performed enrollment projections for the New York City Public Schools as part of the Five-Year Capital Plan. Projections are being computed by the four major races for each of the 32 community school districts and aggregated by borough and citywide. Another analyses performed include projecting future birth counts by race, developing a special education model to project self-contained special education students, and studying the impact of immigration on enrollment. Finally, a comprehensive study of the impact of new housing development in New York City on enrollment at the community school district level was undertaken.

Hackensack Public Schools (NJ) - Demographic Study (2010) – Conducted a study projecting enrollment five years into the future. Analyzed local population trends, demographic characteristics of the community using Census and ACS data, student mobility rates, and the impact of new housing starts on enrollment. Completed a capacity analysis of building capacities compared to projected enrollment. Performed a separate analysis of housing turnover in the community by using home sale data for the past 30 years to project the number of homes by length of ownership based on the current length of ownership and historical turnover rates. Using the student yields computed separately by length of ownership, the total number of students was projected five years into the future.

North Hanover Township School District (NJ) - Demographic Study (2010) – Conducted a study projecting enrollment five years into the future. Analyzed local population trends, demographic characteristics of the community using Census and ACS data, and student mobility rates. Completed a capacity analysis of building capacities compared to projected enrollment. Performed an in-depth analysis of the demolition and renovation of housing units at McGuire Air Force Base and its impact on enrollment.

Robbinsville Township School District (NJ) - Demographic Study (2009) – Conducted a study projecting enrollment five years into the future. Analyzed local population trends, demographic characteristics of the community using Census and ACS data, student mobility rates, and the impact of new housing starts on enrollment. Completed a capacity analysis of building capacities compared to projected enrollment. Performed a separate analysis of housing turnover in the community by using home sale data for the past 30 years to project the number of homes by length of ownership based on the current length of ownership and historical turnover rates. Using the student yields computed separately by length of ownership, the total number of students was projected five years into the future.

Montvale Borough (NJ) and Woodcliff Lake Borough (NJ) - Feasibility Study (2008) – Conducted a study considering the dissolution of the Pascack Valley Regional High School District whereby a full K-12 regional district would be created between Montvale and Woodcliff Lake Boroughs.

Carlstadt Borough (NJ) - Feasibility Study (2008) – Conducted a study considering the dissolution of the Carlstadt-East Rutherford Regional High School District whereby a full K-12 regional district

would be created between East Rutherford and Carlstadt Boroughs or whereby a K-12 district would be created in East Rutherford Borough and high school students from Carlstadt Borough would attend East Rutherford on a sending-receiving basis.

Watchung Borough (NJ) - Feasibility Study (2008) – Conducted a study considering the withdrawal of Watchung Borough from the Watchung Hills Regional High School District whereby Watchung would send its students to the existing regional district on a sending-receiving basis. The study also considered the dissolution of the Watchung Hills Regional High School District whereby a full K-12 regional district would be created or whereby a K-12 district would be created in Warren Township and high school students from Watchung Borough would attend Warren Township on a sending-receiving basis.

Park Ridge Borough (NJ) - Feasibility Study (2007) – Conducted a study considering many different organizational structures to the existing PK-12 school district including forming an all-purpose regional school district with adjoining communities and joining an existing limited-purpose regional high school district.

Merchantville Board of Education (NJ) – Racial Impact Study (2007) – Conducted a study to determine the racial impact of Merchantville terminating its sending-receiving relationship with Pennsauken Township.

Vineland Board of Education (NJ) - Demographic Study (2006) – The average student yield per home was computed by analyzing recent developments constructed in Vineland City. This value was then used to project the number of children from comparable future developments. A representative sample of 26 new streets located in 15 different developments was analyzed. District transportation records were accessed from 2002-2006 to obtain the number of children per household on these streets and their grade levels for each of these years. The number of children per housing unit was computed and used to project the expected number of children from approximately 1,600 new single-family homes in Vineland City. Baseline enrollment projections were then modified.

Oradell Borough (NJ) - Feasibility Study (2006) – Conducted a study of dissolving the River Dell Regional School District, a limited-purpose grade 7-12 regional district, with the resulting formation of two independent K-12 districts in Oradell Borough and River Edge Borough. The study explored having Oradell enter into a send-receive relationship with River Edge for its grade 7 and 8 students while River Edge enter into a send-receive relationship with Oradell for its grade 9-12 students.

Liberty Township (NJ) - Feasibility Study (2006, 2008) – Conducted two studies, one which would dissolve the Great Meadows Regional School District, a grade PK-8 regional district, and create two independent PK-8 districts in Liberty Township and Independence Township. The second study analyzed dissolving the Great Meadows Regional School District, creating a PK-8 district in Independence Township and a PK-5 district in Liberty Township where Liberty Township students in grades 6-8 would be sent to Independence Township on a sending-receiving basis.

Newfield Board of Education (NJ) - Feasibility Study (2006) – Conducted a study of terminating the existing send-receive relationship between the Newfield Board of Education and the Buena Regional School Board of Education and initiating a new sending-receiving relationship between the Newfield Board of Education and the Delsea Regional Board of Education and the Franklin Township Board of Education. Testified at a deposition and trial as an expert witness in school demography regarding the termination of the sending-receiving relationship of Newfield Borough with the Buena Regional School District.

Elmer Borough Board of Education (NJ) - Feasibility Study (2004) – Conducted a study of making the Elmer Borough School District a non-operating district by creating a new sending-receiving relationship between the Elmer Board of Education and the Pittsgrove Board of Education. Analyzed the demographic impacts on each school district for the proposed organizational change.

Elk Township, Franklin Township, and Delsea Regional High School District (NJ) – Feasibility Study (2003-2004) – Conducted a feasibility study exploring the expansion of the Delsea Regional High School District from a limited purpose (grades 7-12) regional concept to an all-purpose (grades PK-12) regional alignment. Other options explored were the dissolution of the Delsea Regional High School District and formation of two independent PK-12 school districts in Franklin Township and Elk Township.

The College of New Jersey - External Evaluator and Psychometrician (2003-2006) – Served as an external evaluator and psychometrician measuring the effects of the Teachers as Leaders and Learners program, which was designed to provide professional development opportunities, mentoring, and graduate coursework in mathematics and science for elementary and middle school teachers of an urban school district in New Jersey. Entry and exit surveys were constructed to measure changes in attitudes and beliefs of teachers after program participation. Terra Nova, NJASK4, and GEPA test score data of students whose teachers participated in the program were analyzed to measure gains. A summative year-end report, which consisted of survey and test score results, was written to demonstrate how the program's goals and objectives were being met.

New Jersey Department of Education - External Evaluator and Psychometrician (2003-2006) – Served as an external evaluator and psychometrician for the Alternate Route Strand of the Teacher Quality Enhancement Grant for the New Jersey Department of Education. Responsibilities included writing quarterly and year-end reports documenting completion of program initiatives by the New Jersey Department of Education Provisional Teacher Program (Alternate Route). Provisional teachers rated the program's formal instruction component through a written survey. Data collected was subsequently analyzed to aid the New Jersey Department of Education in understanding the strengths and weaknesses of the program.

Adjunct Professor: Graduate School of Education, Rutgers University, New Brunswick, New Jersey, June 1999 – December 2000.

- Taught *Assessment and Measurement for Teachers*, a graduate-level course offered by the Department of Educational Psychology.
- Taught *Psychometric Theory I*, a graduate-level course offered by the Department of Educational Psychology.

Physics and Statistics Instructor (with tenure): Bridgewater-Raritan High School, Bridgewater, New Jersey, September 1993 – June 2001.

Adjunct Statistics Instructor: Raritan Valley Community College, Somerville, New Jersey, January 1996 - May 1999.

Physics Instructor (tenure-track): Montville High School, Montville, New Jersey, September 1992 - June 1993.

Adjunct Mathematics Instructor: County College of Morris, Randolph, New Jersey, June 1992 - December 1992.

Physics and Astronomy Instructor: Delbarton School, Morristown, New Jersey, January 1992 - June 1992.

EDUCATIONAL BACKGROUND

Rutgers University, New Brunswick, NJ

Doctor of Education in Educational Statistics and Measurement, May 1998

Dissertation: Prediction of Student Enrollments using the Modified Regression Technique

Doctoral Committee Chair: John W. Young

Rutgers University, New Brunswick, NJ

Master of Education in Science Education, January 1992

Rutgers University, New Brunswick, NJ

Bachelor of Science in Civil Engineering, May 1989

PRESENTATIONS

Panel Presenter. New Jersey Association of School Administrators, Branchburg NJ, June 2009: Forum on New Jersey School District Consolidation.

Lead Presenter. Population Association of America, New Orleans, LA, April 2008: Does Projecting School District Enrollments by Race Produce More Accurate Results?

Lead Presenter. Population Association of America, New York City, NY, March 2007: Highlights of a Demographic Study Prepared for an Abbott District.

Lead Presenter. American Association of School Administrators Rural and Small School Leaders, Baltimore, MD, July 2002: Performing Enrollment Projections in Vermont: A Case Study.

Lead Presenter. New Jersey Association of School Administrators, Atlantic City, NJ, May 2002: The Demographic Study: One size does not fit all.

Lead Presenter. New Jersey Association of School Administrators, Atlantic City, NJ, May 2001: Projecting Enrollments in Rapidly Growing School Districts.

Lead Presenter. New Jersey School Boards Convention, Atlantic City, NJ, October 2000: Enrollment projections: Making them accurate

Lead Presenter. New Jersey Association of School Administrators, Atlantic City, NJ, May 2000: Enrollment projections: A new direction.

Lead Presenter. New Jersey Association of School Administrators, Atlantic City, NJ, May 1999: Enrollment projections: A solution for high growth and low growth school districts.

Lead Presenter. American Educational Research Association, Montreal, Canada, April 1999: Predicting public school enrollments using the Modified Regression Technique.

Co-Presenter. Research Corporation Conference, Tucson, Arizona, January, 1996: Presented the experimental results of ^{152}Gd g-factors at the 2^+ and 4^+ states using a particle accelerator at Yale University.

PAPERS

Grip, R. S. (2010). Reading trends, not tea leaves. School Leader, 40(4), 32-38.

Grip, R.S. (2009). Does projecting enrollments by race produce more accurate results in New Jersey school districts? Population Research and Policy Review, 28(6), 747-771.

Grip, R. S. (2005). Enrollment trends in New Jersey. School Leader, 34(5), 20-27.

Grip, R. S. (2004). Projecting enrollment in rural schools: A study of three Vermont school districts. Journal of Research in Rural Education [On-line] 19(3). Available: <http://www.umaine.edu/jrre/19-3.htm>

Grip, R. S. (2002). Using demographic studies to project school enrollments. School Business Affairs, 68(7), 15-17.

Grip, R. S. & Young, J.W. (1999). The modified regression technique: A new method for public school enrollment projections. Planning and Changing, 30(3 & 4), 232-248.

AWARDS

Outstanding Dissertation Award (1999): Presented by the Rutgers University Alumni Association to the best dissertation from the Graduate School of Education

PROFESSIONAL AFFILIATIONS

American Educational Research Association
Population Association of America

Appendix B

VIRGIL M. JOHNSON, Ed.D.

22 Constitution Blvd.

Berlin, New Jersey 08009-1352

856-767-9146

856-767-2816 (fax)

609-220-4175 (cell)

vjohnson@eticomm.net

EXPERIENCE

Educational Consulting

Centennial Associates, LLC. Educational Consultants. Managing Member, 6/05 to present. Company provides a variety of educational services, including withdrawal/dissolution feasibility studies, staff development, 3rd party evaluations, and strategic planning, to local school districts, local municipalities, and colleges.

Recent New Jersey studies and projects include 3rd Party Evaluation Team, 21st Century Goals Project (Gloucester City, Salem City and Penns Grove); Dissolution Studies, (Oradell School District, Liberty Twp Municipal Council, Sea Isle City Municipal Council, Park Ridge School District); Strategic Planning (Hampton Township School District).

Cram, Galasso & Johnson, LLC. Educational Consultants. Managing Member, 12/01 to 12/05. Company provides a variety of educational services, including superintendent searches, staff development, regionalization studies, and strategic planning, to local school districts. CGJ, LLC. is also a partner with the Educational Information and Resource Center (EIRC), Sewell, New Jersey. The company provides EIRC with services such as third party independent evaluation of state and federal programs, strategic planning, administrative personnel services, mentoring services, and staff development and training.

Field Service Representative, New Jersey School Boards Association, 7/99 to 11/01. Provided direct services to over 50 school boards in Burlington and Cumberland counties. Services included superintendent searches (10), superintendent evaluation, goal setting, board self-evaluation, and strategic planning.

Johnson / McLaughlin Associates, Educational Consulting, 11/94 - 9/95. Services provided to Harcourt Brace School Publishers, Camden County College, and various local school districts.

College/University

Director, Office of Field Experiences, Rowan University, 1/98 to 6/99. Supervised the placement of practicum and student teachers from four departments (elementary, secondary, special education, and health & exercise sciences) to over 175 school districts in the seven

southern counties in New Jersey. The office is responsible for over 2800 student pre-service placements throughout the school year.

Assistant Professor, Rowan University, Department of Elementary/Early Childhood Education, 9/95 to 1/98. Supervising student teachers, practicum students; and teaching [undergraduate] Educational Studies II (Measurement and Evaluation), Educational Studies IV (Classroom Management) and [graduate] Elementary School Curriculum and Foundations of Educational Policymaking.

Part-Time Lecturer, Rutgers, The State University, Graduate School of Education, 1990 to present. "Curriculum and Instruction", "Curriculum Development in the Elementary School", "Curriculum Development in the Secondary School", and "Fundamentals of Curriculum."

School Administration

Assistant Superintendent of Curriculum and Instruction, Winslow Township, NJ School System, June 1992 to October 1994. Assisted in the development and refinement of the general programs of curriculum and instruction, administration, personnel, staff development and evaluation. Served in the absence of Superintendent as Chief School Administrator. [During the period from October 1, 1993 to December 31, 1993 served as Acting Superintendent].

Elementary School Principal, Pennsauken, NJ, 1976 to 1992. Multi-building responsibility during most of this period. Served as Chairperson of the Elementary Curriculum Steering Committee (four years) and Chairperson of the K-12 Curriculum Articulation Committee for two years.

Curriculum Supervisor (Library Media Services, K-12), Camden, NJ School System, 1975-76. Supervised librarians and audio-visual specialists; coordinated film and video productions for instructional use. Prior to being appointed supervisor, I served as an audio-visual specialist from 1971-74.

EDUCATION

Doctor of Education (Ed.D.), Rutgers University, New Brunswick, NJ (1986), Curriculum Theory and Development. Dissertation: Anti-Democratic Attitudes of High School Students.

Master of Education (Ed.M.), Temple University, Philadelphia, PA, (1972), Educational Media.

Bachelor of Arts (BA), Western Carolina University, Cullowhee, NC, (1966), Theatre Arts. Graduated cum laude; member, Alpha Phi Sigma, national honorary scholastic fraternity.

EDUCATIONAL CERTIFICATES HELD

Elementary Teacher, Educational Media Specialist, Supervisor, Principal, School Administrator.

OTHER

Strategic Planning Certificate of Completion 2005

The International Strategic Planning Center for Education / The Cambridge Group

PUBLICATIONS

Analyzing the Third International Mathematics and Science Study – School Leader, Journal of the New Jersey School Boards Association, Vol. 29, No. 4 (January/February, 2000), Trenton, NJ.

A Professional Development District: A Strategy for School Improvement with Barry J. Galasso) - **Focus on Education**, Journal of the NJASCD, 1994 edition, Bayonne, NJ.

Citizen Preparation: The Basic Skill - New Jersey Parent-Teacher, Vol.66, No. 5 (April 1982), Trenton, NJ.

Foreign Languages and Careers - A transparency kit with script. Published by the **New Jersey Vocational-Technical Curriculum Laboratory**, 1974.

Career Education - A narrated slide program. Published by the **New Jersey Vocational-Technical Curriculum Laboratory**, 1973.

MILITARY

U.S. Marine Corps (Sgt), 1955-59, U.S. Embassy Security Guard, Taipei, Taiwan (Formosa), 1957-59. I currently serve as the Election Chairperson of the Marine Security Guard Association (MEGA).

PUBLIC SERVICE

During the 1980s and early 1990s, I served 14 years on the Berlin Borough School Board. During this period, I served as President of the Berlin Borough BOE, President of the Camden County School Boards Association, and two years as a Vice-President (Special Projects and Legislation) of the New Jersey School Boards Association.

REFERENCES

Provided upon request.

APPENDIX C

JAMES L. KIRTLAND

149 CORNELL AVENUE
BERKELEY HEIGHTS, NEW JERSEY 07922
(908) 771-5607

Executive experienced in domestic and international business.

- \$10.8 million annual savings for a Fortune 50 corporation by implementing statistical sampling approach in taking of physical inventories.
- \$2.5 million savings in audit time by standardizing audit programs.

Chaired Statistical Sampling Subcommittee (AICPA) for three years.

Served on International Federation of Accountants' Committee on Audit Sampling.

Served on AICPA Ethics Division Behavioral Standards Subcommittee.

Proficient in Spanish and Portuguese.

Certified Public Accountant, Ohio.

MBA in Accounting, Columbia University, New York.

BA in Math, *magna cum laude*, Shelton College, Ringwood, New Jersey.

PROFESSIONAL EXPERIENCE

1991 - Present INDEPENDENT CONSULTING

- Consulted with various New Jersey school districts regarding financial impact of district reconfiguration.
- Consulted with and conducted seminars for Fortune 50 Corporation on audit effectiveness and efficiency in the international internal audit group.
- Consulted with USAID on Capital Markets Project in Sri Lanka. Involved in peer review of Sri Lankan accounting profession to promote better auditor/investor communications and in development of standard programs and related training.
- Consulted re statistical approach to multi-million dollar Medicaid claim for large school districts.

1975 - 1991 Partner DELOITTE & TOUCHE

Recognized as auditing and statistical expert, using innovative approaches to problem solving.

- Developed and assisted in the implementation of practical sampling and regression applications in auditing throughout the Firm.
- Developed materials and conducted seminars for internal audit staff of large multi-national corporation.
- Served many clients with innovative analytical problem solving.

Supported National Managing Director of accounting and Auditing in administrative management.

Prior to 1975

National Office Accounting and Auditing Department.

- Developed innovative client service and auditing approaches used throughout the Firm.

- Participated in the development of a computer-based program for the evaluation of internal accounting controls.

Responsible for audit work in clients' offices - Cleveland, Ohio.

Responsible for first US GAAP audit of 21-company conglomerate in Sao Paulo, Brazil.

Developed and presented expert testimony.

- *Pension fund allocation in spin-off of major business segment.*
- *Accounting for cellular phone acquisition costs defended before SEC.*
- *Tax Ruling on use of hedge accounting in mutual funds.*
- *Construction cost and allocation in major construction project.*

Other Activities.

- *Berkeley Heights Board of Education.*
Member 18+ years, including serving as Vice President and President.
Lead Board financial/quantitative analysis expert.
Lead Board negotiator for teachers' contract - multiple occasions.
Lead Board negotiator for administrators' contracts.
Developed salary guides.
- *Union County School Boards Association - Vice President*
- *Union County Regional High School Dissolution Group - Lead financial expert in successful application for dissolution of high school district.*
- *Lower Camden County Regional High School District # 1 - Feasibility study regarding financial aspects of Dissolution Feasibility Study.*
- *West Morris Regional High School District - Feasibility study regarding financial impact of possible reconfigurations of the District.*
- *Borough of North Haledon and North Haledon Board of Education – Feasibility study regarding financial impact of withdrawal from a regional school district.*
- *Mountain Lakes Board of Education – Feasibility study regarding financial impact of ending a sending/receiving relationship.*
- *Cape May Borough and Cape May Board of Education - Feasibility study regarding financial impact of possible alternative configurations of the Regional District.*
- *Seaside Park Borough and Seaside Park Board of Education - Feasibility study regarding financial impact of possible alternative configurations of Central Regional District.*
- *Township of Mansfield – Feasibility study regarding financial impact of possible alternative configurations of Northern Burlington County Regional District.*
- *Clinton Township – Feasibility study regarding financial impact of withdrawal from North Hunterdon-Voorhees Regional School District.*
- *Borough of Oradell - Feasibility study regarding financial impact of possible alternative configurations of River Dell Regional District.*
- *Borough of Park Ridge– Feasibility study regarding financial impact of possible alternative high school configurations including participating in Pascack Valley Regional District.*
- *Boroughs of Montvale and Woodcliff Lake– Feasibility study regarding financial impact of possible alternative high school configurations regarding Pascack Valley Regional District.*
- *Borough of Watchung– Feasibility study regarding financial impact of possible alternative high school configurations regarding Watchung Hills Regional District.*
- *Treasurer of local church with half million dollar annual budget.*
- *Treasurer of other charitable organizations.*