New Jersey Charter School Law Overview

Under a law enacted in 1996, New Jersey’s Commissioner of Education, through the State Department of Education, is the sole authorizer of charter schools in the Garden State. There are currently no caps on the number of such schools. (An earlier cap expired.) Applications are submitted directly to the State Department of Education, with affected school districts given the opportunity to review and comment on them. Both the district and the would-be charter operator can appeal decisions to the State Board of Education.

Although the law states that charter schools are exempt from local district policies, many regulations apply to them under state law, such as the type of staff they must have and the certifications that they must possess. Charter schools have some freedom to design their own curricula, but must conform to New Jersey content standards and administer state assessments.

As of January 2003, 54 charter schools were approved through the State Department of Education and 50 were operating.

State Policy Environment

Support for Charter Schools: New Jersey’s charter environment reveals several issues of concern, reflected in the C– grade. The political landscape has changed, with the state going from having a very supportive Governor to one who does not advocate for charter schools, thus causing uncertainty about the future. Charter operators are also concerned by a trend toward more regulation. For example, a recent amendment to the law requires charter schools to employ certified school business officials. Survey respondents indicate that New Jersey lacks political support for charters and that such schools are not accepted by local districts.

Conflict between charters and districts arises over funding related to several state-specific issues. Aggrieved districts took the charter law to the state’s Council on Local Mandates, which is tasked with examining laws that may impose unfunded mandates. The Council allowed the law itself to stand because it antedated the Council’s own creation but declared later funding provisions to be unconstitutional. The legislature then approved charter funds in a different way.
Another issue arises from the Abbott v. Burke decision, which requires additional state funding for poor districts. These districts count charter pupils in their enrollments counts for purposes of claiming such funding yet the charter schools never see that money.

There is also a lawsuit pending, filed by a local school district, which challenges the requirement that the district must pay for private outplacement of special-needs students from charter schools.

The state receives high marks for its charter associations and networks. There is a New Jersey Charter Public Schools Association, and a New Jersey Charter School Resource Center.

Support and External Accountability for Authorizers: New Jersey received a B in this area, with high marks for its appeals process and the statewide accountability system that charter schools are part of. While there is no official oversight body for the State Department of Education, it does make periodic reports and undertake formal evaluations of its authorizing processes. Survey respondents report, however, that the Department’s charter school office lacks staff and funding.

Authorizer Practices

Application Processes: A B– for applications reflects weak scores for outreach and for providing applicants with written scoring rubrics. However, the State Department of Education reports that it has established such a rubric and is revising the application to provide more information to applicants. The Department did receive high marks for technical assistance, making applications available on-line, detailed timelines, and holding informational meetings.

Approval Processes: New Jersey’s A– is based on high scores on several criteria, including application reviews by an independent panel that can request subsequent information from the applicant. The results of that review and comments from local superintendents go to the Commissioner who then approves or denies the charter. Approved charters supply additional paperwork, completing the charter contract. Denied charters are listed on the Department’s website along with the reason for denial; applicants are notified in writing of deficiencies. The Department also gets high marks for having a comprehensive, non-political application processes.

Performance Contracts: With a grade of B+, survey respondents indicated that, for the most part, charter contracts contain the necessary information.

Oversight: New Jersey received a B for oversight. Survey respondents rated the state highly for the schools’ annual reports to the Commissioner, as well as to county and local districts. Schools also provide monthly financial reports and must establish an advisory grievance committee to handle any complaints filed against them. This committee makes recommendations to the school’s trustees. If not satisfied with the outcome, the complainant may appeal to the Commissioner of Education. The state also received high marks for site visits. One area for improvement, however, is shielding schools from red tape and excessive procedural compliance.

The county superintendents are included in their local charter schools’ “paper trail” and monitor schools for general compliance with New Jersey law. However, they have little authority to regulate or restrict the school if they detect problems; they simply report any findings to the State Department of Education.

Renewal and Revocation Processes: New Jersey received an A– in this category. Schools participate in a program review after two years. After the initial four-year charter, a school fills out a renewal application (available on-line) for an additional five years. Survey respondents indicate that the State Department has in place a good process with clear criteria, decisions based on school progress, analysis of performance data, and specific provisions for closing a poorly performing school. At any time, the Department may inform a school in danger of failure that it has 90 days to implement recommendations or close down. As of Fall 2002, 11 charters had been revoked or non-renewed.

Transparency and Internal Accountability: New Jersey received a B, with high marks for on-line applications and for the authorizer’s self-evaluation.
Overall Grade

Based on scores for 56 criteria, New Jersey earned a B– for its policy environment and a B+ for authorizer practices, resulting in an overall grade of B. When observer and school operator survey respondents were asked to provide a single “holistic” grade, the average grade given was a C. This means that participants believed things are not going quite as well as their ratings on individual criteria reflected.

New Jersey’s Department of Education provides a great deal of information and assistance to the schools it authorizes, and thus ranks relatively high compared with other states. However, New Jersey would do well to recognize that political conflict and increasing regulations may hinder the success of its charter schools. Policymakers are encouraged to closely review the state scores in Appendix A, and on the web at http://www.edexcellence.net/tbfinstitute/authorizers.html.

Note: The survey data for New Jersey came from one authorizer respondent (representing the only authorizer in the state); five observer respondents; and six charter operator respondents (of 50 total operating charter schools, or 12%).