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Attorney for Petitioners

LEONOR ALCANTARA, individually and as)
Guardian ad Litem for E.A.; LESLIE)
JOHNSON, individually and as Guardian ad)
Litem for D.J.; JUANA PEREZ,) OAL DOCKET No:
individually and as Guardian ad Litem) EDU 11069-2014S
for Y.P.; TATIANA ESCOBAR)
individually; and IRA SCHULMAN,) Agency Ref. No.:
individually and as Guardian ad Litem) 156-6/14
for A.S.)
Petitioners,)
) CERTIFICATION OF
v.) MELVIN WYNS
DAVID HESPE, COMMISSIONER OF THE NEW)
JERSEY DEPARTMENT OF EDUCATION; the NEW)
JERSEY STATE BOARD OF EDUCATION; and the)
NEW JERSEY DEPARTMENT OF EDUCATION)
Respondents)

I, Melvin L. Wyns, of full age, certify as follows:

1. I was previously employed by the State of New Jersey, Department of Education, Division of Finance for over thirty-one (31) years from March 1970 until July 2001. I served as Director of the New Jersey Department of Education's Office of School Finance from September 1988 until July 2001, and as School Business Administrator and Board Secretary for the Trenton Public Schools from July 2001 until July 2005. I also served as Interim Business Administrator and Board Secretary for the Trenton School District from October 1, 2007 until December 21, 2007.

2. Although I am currently retired, I have continued to follow all developments related to school funding and school budgeting in New Jersey and specifically in the Lakewood Board of Education. I have been a consultant for the Lakewood Board of Education on various school finance matters since October 2003. I have specifically been recently involved with the Lakewood Board of Education's concerning the provisions of the "School Funding Reform Act of 2008" and the fact that this law does not address Lakewood's unique student composition, to wit, approximately 6,000 public school students and 36,000 non-public school students.

3. I have also assisted, as an expert in New Jersey public school finance, pro bono the Abbott plaintiff's and their counsel, Education Law Center, on various matters before the Supreme Court in the Abbott v. Burke litigation. I served as an expert witness for the plaintiffs in the Abbott XX and Abbott XXI court case and testified concerning the provisions of the "School Funding Reform Act of 2008. My resume is appended hereto.

4. During the time I served as Director of the New Jersey Department of Education's Office of School Finance I oversaw all of the major state school aid programs.

5. During the time I served as the School Business Administrator and Board Secretary for the Trenton Public Schools and as the Interim School Business Administrator and Board

Secretary for the Trenton School District I oversaw the fiscal operations relating to the development of the school district's annual school budget.

6. I am aware of the present state administration's plan to fully fund the "School Funding Reform Act of 2008" in the future. SFRA might fully fund other school districts at some point after the 2018-2019 school year but full funding of this law after 2018-19 won't ease the Lakewood School District's unique school funding formula problem. It instead will make it worse due to the deficiencies in the law, Lakewood's unique demographics and the extremely rapid growth of the community since the state aide provided for the purpose of offering students a "thorough and efficient education" will be reduced.

7. Due to Lakewood's unique demographics, SFRA as recently amended cannot provide Lakewood with sufficient revenues to enable the district to provide a T&E educational program as constitutionally required within any reasonable timeframe and state additional funding outside of SFRA will be required.

8. School aid for 2018-19 was finalized in the FY 2019 Appropriations Act. Lakewood's budgeted 2018-19 school aid amount was revised from \$25,032,282 to \$23,465,461 a decrease of \$1,566,821 from the amount budgeted as of the May 7, 2018.

9. The SFRA defines how much revenue is necessary to enable a T&E program. An adequate budget is defined solely based upon certain revenue amounts.

10. The SFRA definition regarding the adequacy level of Lakewood's 2018-19 budget is derived by comparing the sum of the adequacy budget and categorical aids for 2018-19 as calculated by SFRA to the sum of the 2018-19 general fund tax levy and equalization aid and categorical aids (when all aids are calculated per SFRA). For Lakewood the 2018-19 adequacy budget is \$113,812,556 + special education aid is \$5,007,392 + security aid is \$2,722,718 totaling \$121,542,666. But the general fund tax levy is \$100,827,483 + equalization aid is \$2,278,384 + special education aid is \$5,007,392 + security aid is \$2,722,718 totaling \$110,835,977 meaning Lakewood's budget is \$10,706,689 below adequacy under SFRA *before Lakewood's unique circumstances* are considered (this occurs because Lakewood's general fund tax levy is restricted and below its calculated local share under SFRA). When the state aid advance amount of \$28,182,090 is factored in, Lakewood's T&E spending level is in reality \$139,018,067. SFRA funds only \$110,835,977.

11. According to the DOE's own actions approving the "loans" (state aid advances), the T&E amount for Lakewood is

\$139,018,067 for 2018-19. The revenue provided by SFRA is below what T&E deems necessary according to the law. The T&E standard in the law is *a revenue standard not a spending standard*.

12. Since Lakewood's unique needs are only temporarily addressed by the state aid advance process (funds which need to be paid back) and since SFRA will never work for Lakewood some sort of viable permanent solution is required.

13. The premise of the SFRA is if a district has an adequate revenue amount it can provide a T&E program as long as it makes wise spending decisions. The SFRA as applied to Lakewood does not by itself provide T&E funding. T&E funding must be certain not continually based upon an administrative remedy that is subjective and not viable over the long term.

14. The legislative findings regarding SFRA state that "school districts must be assured the financial support necessary to provide those constitutionally compelled educational standards . . . [not] an uncertain, unpredictable, and untenable funding situation for the State and school districts alike." NJ Rev Stat § 18A:7F-44 (2013).

15. Lakewood's need to rely on the provision of a T&E funding level via a subjective administrative remedy (loans) continues to place the district in an untenable funding situation that SFRA was supposed to address.

16. Clearly the \$28+ million amount of the loan for 2018-19 relative to the amounts of the loans in prior school years is a clear indication that the situation in Lakewood relative to SFRA's ability to provide for T & E has worsened.

17. In *Abbott III*, the Court found that since "the QEA's design for achieving parity depends fundamentally on the discretionary action of the executive and legislative branches . . . the statute fails to guarantee adequate funding for those districts." *Abbott by Abbott v. Burke (Abbott III)*, 136 N.J. 444, 451 (1994). The same rationale applies to Lakewood since the deficiency in SFRA funding is substantial, at an amount, based upon the size of the State loan, that is more than the total amount of the aid that SFRA provides.

18. The district needs to repay the advance state aid funds back and receives no more aid over time than it otherwise would which has a detrimental impact on the district's ability to provide T&E programs in future school years due to the need to divert funds that will be provided for T&E for the repayment of the loans. It is questionable if the State has the continuing ability to provide such loans in the future and provide T&E funding via this means. This is a further indication that a permanent solution is needed for Lakewood's issue.

19. The Bacon Court said that the "constitution does not

require relief every time the slightest deviation from T&E is found, or where there is clear evidence that a deficiency is being appropriately addressed and sufficient progress is being made toward its correction." There is no longer a slight deviation from T&E in Lakewood and the State intervention in the form of the state aid advances (loans) is proof of this and that the SFRA formula has not after 10 years of being in place made any progress in correcting the funding deficiency in Lakewood (revenue problem).

20. The issue is not solely about the provision of T&E funding to Lakewood over recent years but is about the process that has become necessary for Lakewood to try to provide T&E funding. Clearly in recent school years, the Commissioner has had to deviate from the provisions of SFRA due to Lakewood's known unique circumstances to attempt to provide T&E funding for Lakewood.

21. The magnitude of the relief being provided to Lakewood (\$28+ million at present) proves that the T&E deficit is substantial. The T&E funding under SFRA due to budget footnote language for 2018-19 is less than the 2017-18 funding and the funding in 2019-20 will be less than the 2018-19 funding meaning the substantial deficit will only increase in the future.

22. The revenue problem has continued to worsen, even

without considering the unique demographics, for two reasons—the fact that adjustment aid has been eliminated (Lakewood would have become an adjustment aid district for 2018-19 except for the footnote language (eliminating its adjustment aid) and the high probability that its equalization aid amount for 2019-20 and beyond as calculated under the formula in the revised law will be reduced or eliminated and be the below the amount for 2018-19.

23. The SFRA is not doing in Lakewood what the Supreme Court said in Abbott XX. The “record before us convincingly demonstrates that SFRA is designed to provide school districts in this state, including the Abbott districts, with adequate resources to provide the necessary educational programs consistent with state standards.” Abbott v. Burke, Abbott XX, 199 N.J. 140, 147 (2009).

24. Under the SFRA T&E is not determined in a subjective manner. To fully understand this, one needs to follow the discussion in Abbott XX concerning the PJP process and the base per pupil amount. Clearly the determination in SFRA regarding T&E for all districts does not work for Lakewood. What is happening in Lakewood due to SFRA failing is that T&E has become subjective based upon the amount of loans the State will offer. The likely increasing amounts of state loans in the future that will be needed just to maintain the present program level (2018-

19) is also a concern.

25. In Abbott XXI it was found that funding shortfalls can be especially harmful to students who are at risk. The SFRA aid reduction for 2019-20 and beyond could be especially harmful to Lakewood's high at risk student population.

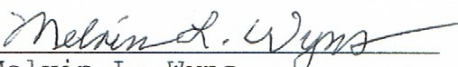
26. A Legislative solution is required. More aid could be provided for Lakewood by adjusting its adequacy budget and local share and its special education aid calculation. If Lakewood's adequacy budget was to change it would result in only to a small change in the statewide total of adequacy budgets with the equalized valuations and income information remaining the same resulting in only a very small change in the multiplier determination. The statewide loss of equalization aid for other districts would equal the amount that Lakewood's adequacy budget was increased since the total pot of aid is set. The overall cost of equalization aid for the State would not change.

27. All of the testimony in February regarding the 2018-19 budget was prior to the issuance of the State aid notices in March and July. The court should be brought up to date regarding the 2018-19 funding, its implications and the budget footnote language and the implications of the revised law.

28. The loans have to be repaid. Comparing the amount of the increase in the school tax levy for 2018-19 (\$3,865,484) to

the amount of the repayment in the 2018-19 school budget (\$3,009,189). Nearly 78% of the increase in the tax levy is needed to be sent to the State leaving only 22% available for the provision of programs and services to Lakewood's students.

I certify that the forgoing statements made by me are true. I am aware that if the foregoing statements made by me are willfully false, I am subject to punishment.


Melvin L. Wyns
Dated: August 13, 2018

Melvin L. Wyns
22 Mark Twain Drive
Hamilton Square, New Jersey, 08690-2110
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Email: wynsmel@optonline.net

August 1, 2018

Qualifications

- Established reputation
- Forty eight years of professional experience
- School Business Administrator Certificate
- Twenty-eight years experience in a managerial capacity
- A strong background in school finance and accounting
- A successful track record managing major state and federal aid programs
- Thoroughly familiar with the operations of the New Jersey Department of Education and local school districts
- Thoroughly acquainted with Title 18A of the New Jersey Statutes including being thoroughly knowledgeable regarding the SFRA statute
- Well-versed regarding Title 6 of the New Jersey Administrative Code
- Generally familiar with the requirements of “No Child Left Behind”
- Well-versed regarding regionalization and the regional dissolution process
- Well-versed with school district tuition requirements
- Well-versed with school district transportation requirements
- Authored the original School District Budget Guidelines
- Author of the original Public School Contract Guidelines
- Experience as a department hearing officer
- Ten years experience as the hearing officer for the Federal Child Nutrition programs
- Familiar with the GAAP accounting and audit requirements for school districts
- Thoroughly familiar with the school district budget process
- Thoroughly familiar with the budgeting and other requirements for SDA districts
- Familiar with the provisions of the “Educational Facilities Construction and Financing Act”
- Substantial experience with members of the public, community organizations and the press
- Assisted in the writing of numerous legislative bills
- Experience working with the Department of Treasury, the Office of Management and Budget and the Office of Legislative Services
- Experience working with the Department of Community Services and the New Jersey Economic Development Authority/Schools Construction Corporation
- Experience working with the Governor’s Office
- Experience testifying before legislative committees
- Co-developer of the Quality Education Act school funding law
- Experienced court witness
- Thoroughly familiar with the “School Funding Reform Act of 2008”

Professional Highlights

School Business Administrator/Board Secretary-July 2001 to July 2005-RETIRED Trenton Public Schools (an Abbott district)

Managerial responsibility for the Business Office, (budgeting, accounting, payroll, purchasing and accounts payable) Transportation Department, Building and Grounds Department (facilities construction, maintenance and custodial services), Security Department and Nutrition Services Department.

Director, Office (Bureau) of School Finance-September 1988-July 2001 (Retired) New Jersey State Department of Education/Division of Finance

Direct managerial responsibility for twenty-seven state aid programs. This included administering the sixteen CEIFA state school aid programs, the six nonpublic aid programs, the three additional building aid programs, the emergency aid program, the social security aid program, the qualified bond payment process and the State Facilities Education Act, the CSSSD payment system and managing all activities necessary to collect, edit and prepare all of the data used in the various state aid calculations, preparing the actual aid calculations, notifying school districts regarding the aid entitlements, maintaining the aid payment systems and recalculating aid in the event of an audit and accounting for \$6.3 billion of state aid. In prior years, I was also responsible for \$190 million of federal aid for local school districts and the following:

Providing leadership to local school officials and the department staff on such diverse topics as the requirements of the Public School Contracts Law, tuition contracting process, investment of school funds, self insurance, acquisition of property, the school bond referendum approval process, school budget procedures, cap and cap waiver processes, the certification of school taxes, school elections, capital reserve funds, debt service, the Fund for the Support of Free Public Schools and the bond reserve act.

Responsible for directing the Office of School Finance's school finance research and analysis activities and for preparing financial estimates for state aid or other departmental or legislative initiatives and projects.

Manager 1, Bureau of School Finance-April 1986-September 1988 New Jersey State Department of Education/Division of Finance

Assistant Director of School Finance-June 1979-April 1986 New Jersey State Department of Education/Division of Finance

Supervising Accountant-June 1977-June 1979 New Jersey State Department of Education/Division of Finance

The beginning of my managerial career with the Department of Education

Accountant 1-December 1973-June 1977 New Jersey State Department of Education/Division of Finance

Accountant 2-April 1972-December 1973 New Jersey State Department of Education/Division of Finance

Accountant 3-July 1970-april 1972 New Jersey State Department of Education/Division of Finance

Auditor Accountant Trainee-March 1970-July 1970 New Jersey State Department of Education/Division of Finance

Education

1959 to 1970

University of Illinois
Champaign-Urbana, Illinois
Bachelor of Science Degree in Labor Economics-February, 1970
Attended 1963-1968 and 1969-1970
Member of Gizz Kids wheelchair basketball team 1964-1965
Member of Delta Sigma Omicron (national service fraternity)

Willowbrook High School
Villa Park, Illinois
High School Diploma
Graduated June 1963
Elected member of Quill and Scroll Society, 1963

Other Information

I am doing/have done school finance consulting work for the following under the name of **Wyns Consulting, LLC**:

Borough of River Edge
Passaic County Manchester Regional School District Board of Education
Woodbury Board of Education
Lakewood Board of Education
Lenape Regional High School District Board of Education
Lower Township
Mountainside Borough
Central Regional Board of Education
Mercer County Special Services School District Board of Education (for Phoenix Advisors, LLC)
Mercer County Vocational School District Board of Education (for Phoenix Advisors, LLC)
New Jersey State Interscholastic Athletic Association
Education Law Center (pro bono)
New Jersey School Boards Association
Mountainside Board of Education/David B. Rubin, Attorney At Law
Waterford Board of Education
Innovative Educational Programs, LLC
New Jersey Principals and Supervisors Association
Buena Regional School District Board of Education
New Jersey Education Association
Trenton Board of Education
Joint Council of Special Services School Districts
Haledon Borough
Prospect Park Borough

Consulting Reports Authored

"Report Regarding the Financial Impact of the Proposed Withdrawal of Cape May City from, or the Proposed Dissolution of, the Lower Cape May Regional School District"-January 15, 2014

"Report Concerning the Cost Apportionment Formula for the River Dell Regional School District"-June 11, 2012

"Response to North Haledon's Expert Report Concerning an Equitable Cost Apportionment Method for the Passaic County"-November 25, 2009

"Report Concerning an Equitable Cost Apportionment Method for the Passaic County Manchester Regional High School District"-November 5, 2009

"Lakewood School District -Position Paper State Aid"-November 12, 2008

"Supplemental Report Concerning the Application to Terminate the Sending-Receiving Relationship between the Newfield Board of Education and the Buena Regional Board of Education"-May 22, 2008

"Mercer County Special Services School District- Educational Support Staffing Study & Out of District Student Placement Analysis" - for Phoenix Advisors, LLC -October 12, 2007

"Report Concerning the Application to Terminate the Sending-Receiving Relationship between the Newfield Board of Education and the Buena Regional Board of Education"-July 31, 2007

"Mercer County Vocational School District - Report Concerning Alternative High School Programs And Other Issues"- for Phoenix Advisors, LLC-May 15, 2007

"Board of Education of the Borough of Mountainside v. Board of Education of the Township of Berkeley Heights-Tuition Adjustment Issues"-February 28, 2007

"Central Regional School District-Update Financial Impact of the Dissolution of the Regional School District"-November 9, 2006

"Mercer County Vocational School District-County Vocational School Funding and Tuition"-for Phoenix Advisors, LLC-April 30, 2006

"Mercer County Special Services School District-Final Report of Tuition and Tuition Adjustment Issues"-for Phoenix Advisors, LLC-April 4, 2006

"Manchester Regional High School-Analysis of Feasibility Studies of the Impact of Withdrawal by North Haledon Board of Education"- with Mr. Vincent B. Calabrese-November 21, 2005

"Central Regional School District-Financial Impact of the Withdrawal of the Borough of Seaside Park from the Regional District or the Dissolution of the Regional School District"-November 9, 2005

"Prepared for the Lenape Regional High School District Board of Education-Initial Financial Impact of the Dissolution of the Lower Camden County Regional High School District No. 1"- June 15, 2005

"Lenape Regional High School District-Financial Impact of the Withdrawal of Certain Constituent Members of the 9-12 Regional High School District"-May 15, 2005

"Woodbury City School District -Financial Impact of Becoming a Constituent Member Of a K-12 Regional School District"-October 14, 2003

"The Fiscal Impact of the Liquid Assets Decision Regarding the Dissolution of Union County Regional High School District No.1"-with Mr. Vincent B. Calabrese-January 30, 2004

"Lakewood Public Schools-A Solution to the Problem with the CEIFA Formula"-October 20, 2003

“Woodbury City School District-Financial Impact of Becoming a Constituent Member of a Gloucester County Regional High School District”-Revised September 29, 2003

“Lakewood Public Schools -The CEIFA Formula and State Aid”-September 22, 2003

“Woodbury City School District-Financial Impact of Becoming a Constituent Member of a Gloucester County Regional High School District”-September 11, 2003

Lectures

While I was employed for the New Jersey Department of Education, I lectured annually for many years as the department’s representative concerning school funding issues at the New Jersey Association of School Business Officials annual conference.

References will be supplied if necessary