

Melvin L. Wyns
22 Mark Twain Drive
Hamilton Square, New Jersey, 08690-2110
Telephone: 609-890-8106
Email: wynsmel@optonline.net

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Qualifications

- Established reputation
- Forty six 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 CEIFA statutes
- 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 Abbott 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

MELVIN L. WYNS
22 MARK TWAIN DRIVE
HAMILTON SQUARE, NEW JERSEY 08690

*School Finance Consultant
Telephone (609) 890-8106
Fax (609) 587-2407
Email wynsmel@optonline.net*

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Background on Severe Funding Formula Flaws

The school funding formula defect that is breaking the Lakewood School District and other Districts with similar populations is now critical. The 2017-18 school budget general fund tax levy increased \$2,873,971 (3.05%) from \$94,088,028 to \$96,961,999. Yet, the District was nearly forced to fire 25% of its teachers. A New Jersey Department of Education state aid loan of \$8,522,678 allowed the school district to avoid this and other cuts and to provide a budget that ensures a thorough and efficient education.

2016-2017 saw similar challenges, with tax levy increases at or above cap and major deficits and state loans and other bailouts. Likewise previous years had the same problem. These point to an underlying set of flaws in the funding formula as it relates to Lakewood and to other districts in the state.

Funding Formula Flaw 1

Despite a finding by the Joint Legislative Committee in its Final Report on Public School Funding Reform that changes were needed in the way in which property wealth and income are calculated to address shortcomings in the then current statutory (CEIFA) formula which artificially inflate the apparent wealth of some communities, the SFRA equalization aid formula maintained the same flawed enrollment-based local share formula as under CEIFA. The Joint Legislative Committee recommended that a community's ability to pay (local share) be based upon per capita equalized valuation and income rather than per student equalized valuation and income. This direction was not followed.

The Joint Legislative Committee stated that "For districts with relatively large populations of senior citizens or other households without school-aged children and districts with relatively large populations of nonpublic school students, this measure (enrollment-based) distorts the district's wealth. Calculating both measures per capita will more accurately reflect the wealth of the total community and therefore more accurately reflect the ability of the community to support public education."

This directive was not followed. It leads to our first deficiency, which concerns how a district's wealth is calculated in the state equalization aid formula.

Since the local share formula in SFRA remains the same as the local share formula in CEIFA, Lakewood's local share (wealth) remains distorted and the anomaly in the characteristics of the Lakewood School District remains unaddressed in the current school funding formula. Lakewood is a district with relatively large populations of nonpublic school students. The negative impact of this anomaly is that it directly reduces the amount of equalization aid the district receives and has caused the general fund tax levy to be disproportionately high. Under a full funding scenario for the 2017-18 school year Lakewood's local share is \$102,034,106 which is an amount in excess of its general fund

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tax levy of \$96,961,999. Under a full funding scenario for the 2016-17 school year Lakewood's local share was \$92,059,994 a more than \$9 million increase in one year. If this magnitude of an increase happens again for 2018-19 then it's within the realm of possibility that all of the district's equalization could be eliminated. In addition, under SFRA a district that has a general fund tax levy below its local fair share is by definition deemed to be below adequacy. Unless Lakewood can magically raise its general fund tax levy next year to some amount equal to or above \$102 million, or whatever the local fair share is determined to be, it will again legally be below adequacy. The intention of SFRA was that all districts attain adequacy and be able to meet the Constitutional requirement to provide a thorough and efficient education. This will not occur in Lakewood.

Funding Formula Flaw 2

The second deficiency concerns how funding for special education programs and services is provided to school districts under SFRA. Two thirds of the modeled special education cost (not real cost) established by the formula is funded by the local property tax levy and equalization aid, if any. This two thirds portion is district wealth based aid for the modeled special education costs that are included within a school district's adequacy budget calculation. The remaining one third of the modeled special education costs are supported by categorical aid which is 100 % state supported. For 2017-18 the formula established cost was calculated based solely upon the Lakewood school district's resident school enrollment of approximately 6,092 students (about 6% of Lakewood's population (100,758 census bureau estimate for 7/1/16). The cost amount is based upon 14.92% of the resident enrollment (909 students in Lakewood's case). The 14.92% is the average statewide special education classified student rate and termed the Census Method under the SFRA. Note that a count of the actual number of students requiring special education services is not used in the state aid determination. In a typical K-12 school district the formula established cost amount would be based upon an enrollment approximating 15% of the district's population since the vast majority of the school age population would be enrolled in the public schools. Significantly for Lakewood, no consideration is provided in the formula for the fact that a public school district is mandated by both Federal and State law to provide special education services for students in both the public schools and nonpublic schools. In fact, once classified for special education services all classified students must enroll in the public schools notwithstanding the vast majority would attend nonpublic schools if not for being classified.

Accordingly, the Lakewood Public School District is responsible for a student population base of 36,000 plus students for special education purposes not just the 6,000 plus students that constitute the public school district's resident enrollment, which is an egregious misnomer as it relates to the universe of students the public school district is required to consider and provide special education services to when necessary. The district continues to provide all of the required special services. This count deficiency must be addressed since it is also possible for the school district's equalization aid in 2018-19 to be below the 2017-18 full funding amount or worse yet completely eliminated due to growth in Lakewood's wealth as it is calculated under the SFRA. If this turns out to be the case the school district would receive only the special education categorical aid (full funding amount for 2017-18 is only \$5,010,063).

Impacts

While the "School Funding Reform Act of 2008." (SFRA) might be fully funded in the 2018-19 school year it won't ease the Lakewood School District's unique school funding formula problem. It might instead make it worse due to deficiencies in the law and Lakewood's unique demographics.

Under a full funding scenario for the 2017-18 school year information from the New Jersey Department of Education shows the Lakewood School District would have received \$3,251,269 more SFRA aid than the district actually will receive for 2017-18.

This additional aid would not have avoided the necessity of New Jersey Department of Education intervention. Significantly, equalization aid, as the largest state category would have decreased from \$15,070,904 to \$7,823,284 while special education categorical aid would have increased from \$2,873,971 to \$5,010,063. The fact that there would have been a net increase of \$3.25 million is solely attributable to the fact that transportation state aid would have increased to a level that appears to be appropriate given Lakewood's unique student transportation circumstance. But it is clear that the state aid provided for the purpose of offering students a thorough and efficient education would have been reduced.

This near guarantees state intervention and loans for the 2018-19 school year. The loans are problematic (a loan of \$5,640,183 was also approved for the 2016-17 school year) since they will have to be repaid out of funds that likely will not be available for that purpose. Unless the State wants simply that the New Jersey Department of Education intervene again in 2018-19 and continue to make loans the new administration should seriously consider addressing the very unique school funding formula problem that hurts Lakewood and some other districts immediately.

Solution

The two major deficiencies in the school aid law relating to Lakewood's circumstances could be addressed with specific budget footnote language when the budget for the next fiscal year is prepared.