



School Board Campaign Financing

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Acknowledgement

School Board Campaign Financing, written by Deputy Director Jeffrey M. Brindle, is the fifteenth title in the New Jersey Election Law Enforcement Commission's (ELEC) White Paper Series that dates back to 1988. As with the other volumes in the series, this one should prove of great interest to the media, the academic community, public officials, good government advocates, and concerned citizens. The Commission is very proud of the Deputy Director's fine work in writing this report and the others in the series.

Research Associate Steven Kimmelman coded reports used in this study and provided invaluable research. Additional research was done by Summer Intern Bruce Darvas. Director of Systems Administration Carol Neiman, Assistant Systems Administrator Kim Vandegrift, Data Entry Supervisor Brenda A. Brickhouse, and the rest of the Computer staff helped with the computerized statistical information, coding, and data entry. The word processing and graphic design work were expertly accomplished by Administrative Assistant Elbia Zeppetelli, while Director of Administration Barbra Fasanella reviewed all of the statistics appearing in the report. Legal Director Gregory E. Nagy and Deputy Legal Director Nedda Massar served as proofreaders. The Commission would also like to cite the helpful and informed comments made by Professor Henry A. Coleman, Associate Specialist for the Center for Government Services, incorporated into Chapter Two.

The editor of the White Paper Series, Executive Director Frederick M. Herrmann, did a fine job in editing the text bringing consistency throughout. For further reading about the role of campaign financing in New Jersey and the nation, the Commission suggests referring to the fourth edition of the COGEL Campaign Financing and Lobbying Bibliography compiled by him and published by the Council on Governmental Ethics Laws (COGEL) and ELEC.

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CHAPTER ONE

Introduction

It was September, 2000. Throughout New Jersey, children headed back to school. Except, that is, in Hamilton Township, Mercer County. Township teachers, upset by the lack of progress in contract negotiations, went out on strike; and, in so doing, extended summer vacation by twelve days.

It was a frustrating time. The teachers believed that they were not being compensated fairly. The school board, on the other hand, grew impatient with the union's intransigence. And parents were becoming increasingly angry because their children were not in school. Finally, after two difficult weeks, the Hamilton Township Education Association (H.T.E.A.) and the township school board came to terms.

Though the situation was eventually resolved, bad feelings lingered. The credibility of both the educators and the school board suffered. It would take time for trust to be restored. In legal terms, the H.T.E.A. was hit with court imposed fines totaling more than \$500,000. In educational terms, the disruption to the school year undermined confidence, if only temporarily, in the commitment to education in the township. Neither the H.T.E.A. nor the school board won in the court of public opinion. Many parents and other taxpayers, not appreciating the call for increasing the salaries of teachers, perceived the H.T.E.A. to be placing its own interests above that of the students. Others, not understanding the difficulty of the situation, were critical of the performance of the school board, blaming it for not avoiding a strike by not earlier concluding contract negotiations.

Politicization of School Board Elections

From the standpoint of elections and financing them, the strike, and what happened before and after it, is instructive in terms of what appears to be a general trend throughout the State toward, not necessarily increased interest in school board elections in terms of voting, but increased partisan interest in them. This partisan interest in these elections would include that of behind the scenes party support as well as support from certain other special interests.

For example, a staff writer for the Times (Trenton), Maria Cramer, wrote in March, 2000, “the race for four open positions on the Hamilton school board is barely a week old, but already two candidates are out and one is on the fence.” The reason advanced by Cramer was “competition presented by the slate of four Republicans.”¹ Later in the month this same reporter wrote that one of the incumbents had stated that the slate would raise between \$20,000 and \$25,000 for the race.² The incumbent, David Boyer, defended his four-person slate by stating “the race is non-partisan People’s party affiliation is irrelevant in this situation. I put this slate together not because we’re all Republicans but because we have common beliefs.”³

In the end, all four members of the board, facing little opposition and enjoying organizational and funding support, won terms on the school board. Jim Naples, a member of the slate commented “the support came from individuals who believed in the slate’s message of fiscal responsibility and high standards.”⁴

Though it has been rumored that behind the scenes partisan activity has long been a part of Hamilton Township’s school board elections, this year was the first one that the issue was raised publicly. Is it possible that the partisan efforts on behalf of a slate touting fiscal responsibility had something to do with the upcoming contract negotiations as well as the fact that the Republicans had lost the mayorship the previous November for the first time in twenty-five years?

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The possibility of increased political activity presented itself in 2001 as well. This time it was the teacher's union that presented this possibility. In February 2001, Laurie Whalen, reporting for the Times (Trenton), wrote:

The township teacher's union, coming off a bitter September strike that delayed the start of school, has created for the first time a political action committee that plans to endorse candidates in April's school board election.

The Hamilton Township Association's (H.T.E.A.) PAC expects to endorse candidates for all three seats up for grabs in the spring election.⁵

According to H.T.E.A. PAC coordinator Kathy Hartz, those candidates endorsed by the H.T.E.A. would represent the "platform of school issues" endorsed by the PAC.⁶ She added that the H.T.E.A. PAC's "strategy to influence school board policy making originated from informal kaffeeklatsches."⁷

To date, the union's plan to support candidates and increase its participation in Hamilton Township school board elections has not materialized. Because this fledgling committee has not yet raised enough money to be deemed a PAC under existing campaign laws, it has not been required to file disclosure reports with the Election Law Enforcement Commission (ELEC). Moreover, candidate reports did not indicate much, if any, activity by the envisioned PAC on behalf of any Hamilton Township school board candidates in the 2001 school board contest. Conceivably, the H.T.E.A. undertook efforts to inform and educate the public about the 2001 school board election. But any attempt to influence candidate selection fell far short of its stated goal. However, the fact that plans had been announced for the formation of a local teachers' PAC, with the stated goal of supporting candidates whose ideas on education dovetail with those of local teachers, suggests that school board elections are increasingly important to many in the community.

Not Unique to Hamilton Township

The above examples involve Hamilton Township, Mercer County. But interest and involvement in school board contests, including referenda on school budgets and other school-related questions, is not unique to this township. In the general election of 2000, the local Democratic Party in New Brunswick defeated a ballot question that, if approved, would have changed the city's school board from one that is appointed to one that is elected. This effort, led by the People's Campaign, with involvement from other citizen activist groups, was the fourth such attempt in New Brunswick in a decade.

There are 615 school districts in the State of New Jersey. All except 18 of these districts have elected school boards. New Brunswick is one of the 18 districts under which the Mayor has the authority to appoint school board members. As such, the mayor has considerable power vis-à-vis local school budgets and the direction of educational policy within the city. Believing this to be the wrong approach, various community groups have, through the years, attempted to change this political arrangement. They have attempted to do so through the referenda process. This time, Tammy Dahan, a citizen activist, criticized the existing system stating "I see what's going on with the school system The board is basically controlled by money. People don't have any say in what's going on with their children."⁸

Frank Bright, a member of the People's Campaign added "let's not kid ourselves; this is about power and money."⁹ And Mike Gable, spokesman for the New Jersey School Board Association, which took no position on the New Brunswick matter, said that "people in New Jersey tend to agree with the concept that they should control their local government as much as possible."¹⁰ Finally, Lynn Mayer of the New Jersey Education Association (N.J.E.A.) said that the association "prefers elected boards, under the theory that they are more representative of the people."¹¹

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Equally strong voices were heard on the opposing side of the question as well. New Brunswick Councilwoman Blanquita Valenti said “you elect people and many of them have axes to grind Then nobody’s really responsible for anything because it’s a recurring change of people. And budgets are defeated unnecessarily because everyone assumes they are padded and they don’t represent real needs.”¹² She added that “interest groups dominate school board elections, and towns wind up with single-issue board members beholden to the factions that elected them.”¹³

The Star-Ledger (Newark) attributed to Ken Carlson, a Rutgers University education professor, similar comments. In paraphrasing Carlson, it said that some school board elections attract only a tiny percent of the voters to the polls; and that, therefore, narrow interest groups, like teachers, can control the board.¹⁴

As noted earlier, the people of New Brunswick voted against changing to an elected school board for the fourth time in a decade. The local Democratic Party organization had opposed the change. Through its positions and organization, the party helped defeat the question by a two-to-one margin.

Merits of Partisan Involvement Not Questioned

These examples are not provided for the purpose of judging the merits of partisan involvement in school board elections or public referenda. They are not presented to censure teacher unions, the PTA, senior citizen groups, political parties, or any other associations for participating in the process. In fact, it can be argued that the involvement of these groups devolves to the benefit of the public by making more information available, enhancing interest in school elections, and potentially increasing voter turnout. Instead, these examples, are anecdotally presented to illustrate the fact that these school board elections, with so much at stake relative to educational standards at the local level and to the level of property taxes within a municipality, appear to be attracting more attention. However, it appears that thus far the increased interest is limited to those diverse groups with a real stake in the process.

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There are many who believe that school board elections should remain outside of partisan and interest group politics. In fact, one former member of a school board in a major township said that while he notes that partisan involvement in school board elections in certain communities is an acknowledged fact, he believes that by and large partisan politics has not been injected into these elections in most communities. No doubt these comments still accurately reflect school board elections in general in New Jersey. However, as this study will suggest, signs are pointing to greater involvement by partisan and other interest groups in these important elections.

Purpose of the Study

There are many reasons why people run for school board. Similarly, there are many reasons for groups and individuals to participate. The quality of education is an extremely important issue, as is its cost. How schools are run, how administratively top heavy is the educational system, the quality of the curriculum offered, safety issues, and teacher quality all factor into reasons why individuals run for school board. These issues all factor into why significant segments of the public are increasingly interested in school board elections as well.

Besides the anecdotal evidence of enhanced interest in school board elections that can be gleaned from newspapers throughout the State, this intensification of participation and interest in these elections can be measured also by the increasing amounts of money raised and spent by candidates for school board. Local Campaign Financing, a recent ELEC study points out that:

Historically, school board contests have experienced insignificant levels of financing and a low voter turnout. This situation appears to be changing¹⁵

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The study goes on to note that between 1989 and 1999, school board candidates increased their fundraising by 173 percent and their spending by 215 percent. The publication further states that:

Though financial activity is less in school board elections than in other local and state elections, the data does indicate that the rate of increase in financial activity by school board candidates surpassed that of municipal, county, and legislative candidates during this period. Because of the impact of school budgets on local property taxes as well as on the educational opportunities offered in a district, interest in these elections is increasing. More and more, teachers' unions, local PTA's, and senior citizen groups are engaging in political activity at this level.¹⁶

Education is a very important topic and much has been written about it. The purpose of this study, however, is not to critique education policy but to explore an aspect of education that has been largely overlooked; namely school board elections. And, in this context, the study will focus on the financing of these elections. School boards are an integral part of local governing. Likewise, school board elections are an integral part of the local electoral process.

In its two previous white papers, Repartyization: The Rebirth of County Organizations and Local Campaign Financing, the Commission undertook the challenge of studying campaign financing at the local level. These were pioneering efforts. This study of financing school board elections constitutes the third in this series of local campaign financing. As in previous studies, an overview of financing trends will be provided as will a more in-depth analysis of the sources of contributions to these candidates. Further, an analysis of the spending patterns of school board candidates will be presented as will a discussion of the importance of school boards and school board elections.

Introduction

In completing this study, a purposive or judgmental sampling method was used in selecting the candidate population to be observed. This method was selected because at this point school board candidates as a whole are not undertaking sufficient financial activity to justify using a probability sampling method. Thus, the top ten spending campaigns in 1990, 1995, and 2000 were purposively selected to make up the population to be studied. By studying carefully these selected cases, it is believed that more can be learned about the dynamics of school board election financing than through studying campaigns selected through probability sampling.

Notes

1. Maria Cramer, Times (Trenton), March 3, 2000.
2. Ibid., March 26, 2000, p. A12.
3. Ibid., March 4, 2000, p. A1.
4. Ibid., April 20, 2000, p. A1.
5. Laurie Whalen, Times (Trenton), February 7, 2001, p. A1.
6. Ibid.
7. Ibid.
8. Alexander Lane, Star-Ledger (Newark), July 2, 2000, p. 31.
9. Ibid.
10. Ibid.
11. Ibid.
12. Ibid., July 25, 2000, p. 40.
13. Ibid.
14. Ibid., July 2, 2000, p. 31.
15. New Jersey Election Law Enforcement Commission, White Paper Number 14, Local Campaign Financing (Trenton, N.J.: the Commission, 2000), p. 16.
16. Ibid., p. 17.

CHAPTER TWO

History and Background

It has been alleged that interest in school board elections has been increasing. Though participation has increased, it should be noted that this greater interest and involvement is limited mainly to associations of individuals who have a primary stake in the outcome of these elections. As evidenced by continued low voter turnout, the general public has yet to awaken to the importance of these elections or to the impact of school board policy on local government. Among those concerned with who governs school boards are groups and organizations such as Parent Teacher Associations (PTA's), senior citizen groups, teacher unions, and political parties. Each group has a particular motive for mobilizing its members to vote in April school board elections. It is one of the enduring questions of electoral politics in New Jersey as to why an election of such import meets with apathy on the part of the general public.

Local Emphasis in Education

In normal times, many issues of serious concern to the public involve education, and therefore school boards. The decisions made by these bodies in turn impact strongly upon government at the local level. These issues include curriculum, technology, overcrowding, building expansion and repair, security, and transportation. Most importantly, school boards develop annual school budgets. With schools costing more than any other local service, what these boards do in proposing spending plans have a direct and significant impact on local property taxes. As anyone familiar with New Jersey politics knows, the issue of property taxes is high on the list of concerns expressed by New Jerseyans. And as noted above, schools play a major role in determining how much homeowners will pay in local taxes in any given year.

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Over most of the nation's history, the responsibility for education remained with the states and localities.¹ In fact, it was not until 1979, during the Carter administration, that the national government moved to carve out a more significant role for itself in education. It was in that year that a federal department of education was created. Thus, cooperative federalism in education was officially born.

While the role of the federal government in education is poised to increase following the enactment of President Bush's education reform package, to this point federal funding of education has been minimal. Certainly this situation has been the case in New Jersey, where historically even the State has deferred to local control and funding of public schools. Though the State has set standards for school curriculum and teacher certification, for example, it has until recently been reluctant to wade too deeply into educational waters. In particular, it has been less than aggressive in terms of funding public schools, allowing the schools to be supported principally by local property taxes.

History of Law Suits

The fact that New Jersey's public schools have been funded mainly through local property taxes has led to a series of law suits claiming that the school funding system discriminates against poorer districts and therefore results in inequality of opportunity for children attending school in those districts. These challenges date back to a February, 1970 lawsuit, Robinson v. Cahill, which charged that the State's system of funding public schools was discriminatory.² The New Jersey Supreme Court has consistently agreed with this argument and has issued numerous decisions to that effect. For example, in its first such decision, in 1973, the court directed the Legislature to establish a new school funding formula. In response, the Legislature enacted "The Public School Education Act of 1975." This Act established a new school funding formula but failed to increase taxes to enable the State to meet the goals envisioned in it. It was only after New Jersey's highest court closed the public schools for several days that the Legislature and Governor Brendan T. Byrne enacted the then very controversial "Income Tax Act" on July 8, 1976.

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In responding to the State's highest court, the Governor and Legislature had stepped out on a very precarious political limb. Governor Byrne and the Legislature enacted "The Public School Education Act of 1975"; established a funding formula to lessen the historical dependency on property taxes as the basis for funding local schools; and, provided, through the income tax, a means to underwrite this new program. Despite these efforts, many pronounced this new approach to be disappointing.

In early 1981, the Education Law Center filed Abbott v. Burke I³ and alleged that the gap between rich and poor districts had not gotten smaller but had actually grown larger. A lengthy legal process subsequently ensued. At one point in this process, an administrative law judge declared the entire system of educational funding to be unconstitutional. Saul Cooperman, then Commissioner of Education under Governor Thomas H. Kean, rejected this decision. The matter was not settled though. The New Jersey Supreme Court, in 1990, issued its decision in Abbott v. Burke II⁴ and ordered the State to guarantee equal funding for poor districts. In that decision, the Court also ordered the State to guarantee funding for special programs that were designed to eliminate built-in disadvantages in poor districts. It was in this context that Governor Jim Florio, in May, 1990, introduced the Quality of Education Act.

Despite the efforts of the Florio administration to meet the court's objectives, "The Quality of Education Act" still proved unsatisfactory to the New Jersey Supreme Court. In July, 1994, the court held this latest attempt by the State to fulfill its obligation to provide parity in funding between poor and rich school districts to be unconstitutional.⁵

The court continued its challenge of the school funding formula's later in the decade when it determined "The Comprehensive Education Improvement and Financing Act," signed by Governor Christine Todd Whitman, to have fallen short of constitutional standards.⁶ The decision on this Act, which guaranteed minimum spending levels and established core curriculum content standards, was followed soon thereafter by further Abbott decisions in 1998, 1999, and 2000.⁷ In these decisions, the court called for full day kindergarten and preschool as

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well as other entitlements for disadvantaged children. Still not satisfied with the State's response, which included a school construction bill providing billions of dollars to school districts, the Education Law Center is continuing to challenge State educational policy. It should be noted, however, that Governor James E. McGreevey has established a new Commission on Urban education which promises to address this issue of improving the state's poorest schools.

State Spending on Education Increases

In the minds of many, the situation vis-à-vis school spending is still not perfect. But, thirty years of lawsuits and court decisions have brought poorer districts closer to parity with richer districts. Further, during this time, overall State spending on education has increased significantly; in some districts actually comprising the largest proportion of money dedicated to schools. For example, in Camden, in 2001, State funds amount to 89 percent of the school budget. Conversely, five percent of Camden's school budget derives from the federal government and only three percent from local property taxes. Jersey City too receives the largest proportion of school funds from the State. About 73 percent of the city's school budget is comprised of State funds compared with 17 percent that derives from local property taxes and five percent from federal sources. State funding has increased in other municipalities as well, such as Hamilton Township in Mercer County. Hamilton Township's 2001 school budget breaks down as follows: 55 percent local, 40 percent State, and two percent federal.

While the State is playing a larger role in school funding, the overwhelming number of municipalities still rely mainly on property taxes to fund their school systems. In Princeton, for example, the district's school system is chiefly funded through local property taxes. Approximately 86 percent of Princeton's school funding comes from local taxation, eight percent from State aid, and two percent from federal funds. Edison and Atlantic City are also examples of how local property taxes undergird most school systems in New Jersey. In Edison, 87 percent of the school budget derives from local property taxes, only 11 percent comes from the State and a meager 2 percent from the federal government. Though Atlantic City receives a higher proportion of its school money from the State, still only 19 percent of that city's educational

*Funding allocations do not always add to 100 percent because districts may receive additional monies from non-property tax sources such as tuition.

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budget is supported by State money. Additionally, in Atlantic City, 68 percent of school funding comes from local property taxes and 2 percent from the national government.⁸ Each of the districts also receive funding in the form of tuition and revenues simply categorized as free balances and other.

In conclusion, though local property taxes continue to be the main source of funding for most school districts in New Jersey, there is no question but that the State's share of overall school spending has increased. As proof of this point, between fiscal year 1996 and fiscal year 2002, State aid to local school districts increased from \$3.9 billion to \$5.8 billion, a 49 percent jump.

Budget Approval Rates Increase as Voter Turnout Slows

In the early part of the decade, there was increasing alarm within educational circles over the high rate by which voters were rejecting school budgets. Between 1990 and 1995, an average of only 62 percent of school budgets were approved statewide. In three of those years, 1990, 1991, and 1994, the statewide school budget approval rate measured just 52 percent, 56 percent, and 51 percent, respectively.

As noted above, from fiscal year 1996 through fiscal year 2002, school aid to school districts from the State increased from \$3.9 billion to \$5.8 billion. Interestingly, during this same period, the rate of school budgets approved increased throughout the State as well. Between 1996 and 2001, voters approved an average 78 percent of school budgets statewide. In the latter three years, 1999, 2000, and 2001, the approval rate reached 83 percent, 88 percent, and 81 percent, respectively.⁹

On the surface, there appears to have been a link between increased State aid to school districts, which helps to stabilize local property taxes, and an increase in the rate of approval of school budgets. Whether or not a causal relationship between these two variables actually exists, however, will require further observation over time. Other factors, such as good economic times,

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which certainly existed during this period, may also have contributed to voters being more disposed to approve school districts' budgets. Or, as will be discussed below, good economic times and stabilized property tax rates might have made voters less inclined to vote, thereby benefiting interest groups engaged in aggressive efforts to get their followers to the polls. In any case, a more complete analysis of this phenomenon can only be accomplished over time.

As mentioned above, while the school budget approval rate increased between 1996 and 2001, the rate by which voters turned out to vote in these elections during this period decreased. In other words, an inverse relationship has existed between voter turnout and voter approval of school budgets during this period. In 1996, 18 percent of registered voters cast ballots in school board elections throughout the State. Since that time, turnout has consistently dropped, measuring just 13 percent in 2001.¹⁰ One possible explanation for this phenomenon may be that citizens turn out to vote in greater numbers when there is an issue or candidate to vote against rather than when there is an issue or candidate for which to vote. Concomitantly, there may be a symbiotic relationship between economically healthy times and a lessened desire or need on the part of citizens to vote.

Interest Group and Partisan Group Impact on Turnout

As alluded to earlier, interest groups appear to be more successful when voter turnout decreases. This fact is not surprising. It has been argued, for example, that activist voters are more apt to participate in primary elections than those less interested or involved. Turnout in those elections is historically mild as well. And in primary elections, conservative or liberal activists often have a disproportionate impact on election outcomes. It is not farfetched, therefore, to suggest that certain educationally-oriented interest groups, inclined to support school budgets, have met with greater success in getting these budgets approved, and in electing favorable candidates, during times when voter turnout declines.

In suggesting that the efficacy of interest groups increases when turnout decreases is not to criticize their participation nor to suggest that their involvement is harmful to the process. In

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fact, the opposite may well be true. Within their circle, these groups are informing people and encouraging them to vote. Interestingly, one antidote for pathetically low voter turnout in school board elections may in the long run actually be to encourage greater involvement by diverse interest groups and partisan entities that impress upon the voters the importance of school board elections. This argument can be made both from either the perspective of educational quality or from the standpoint of property tax levels. The more information made available to the public, ostensibly by energized interest and partisan groups that hold diverse views, the greater the potential for more voters to participate in school board elections.

Low Turnout: Reasons and Reforms

Since 1990, voter turnout in school board elections has averaged only 15 percent of registered voters in New Jersey.¹¹ The fact that voter participation in school board elections is so light is disappointing, but explainable. Historically, these April elections have not drawn much attention. There has not been much money spent on them nor information provided about them. As this study will indicate, this situation appears to be changing. As more money is raised and spent, as groups and individuals increase their active participation in these elections, and as more information is provided about school board candidates and issues, it is conceivable that voter interest and turnout will increase.

But even these developments may not be enough. For the disappointingly low turnout in school board elections is but a part of a much broader problem — voter turnout in elections in general. Overall, voter turnout in New Jersey elections, as in federal elections, is unsatisfactory. Perhaps solutions to this broader problem, along with greater participation by diverse groups, will impact positively turnout in school board elections.

In the gubernatorial election of 1997, just 56 percent of registered voters cast ballots.¹² The most recent gubernatorial election of 2001 attracted 49 percent of registered voters to the polls.¹³ These low participation rates are consistent with the downward trend occurring since 1960.

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Political scientists and others have sought to explain this unfortunate development in several ways. In recent years, for instance, turnout in elections was thought to be the victim of bitter, negative campaigns. These negative campaigns bred cynicism among the electorate, which in turn was said to contribute to voter apathy. In New Jersey, however, this explanation should be met with skepticism. The three modern day gubernatorial campaigns that attracted the least voters to the polls, 1985, 1997, and 2001, ironically turned out to be the most issue oriented and least negative.

Other explanations are perhaps more credible. For example, political scientists note that the European political party system is stronger than the party system in America. Though the Europeans borrowed their ideas on parties from America, in many ways basing their system on old-time urban machines, America's system has grown weaker through the years. These same political scientists would also point out that voter turnout is higher in Europe than it is in the United States. It is suggested that one explanation for the higher turnout levels in Europe is the strong party system that exists there.

It is certainly true that the 1989 Eu decision by the U.S. Supreme Court, which found California's law blocking participation by parties in primary elections to be unconstitutional, and the 1993 campaign finance reform law in New Jersey, which benefited the political parties in terms of the statute's contribution limit scheme, strengthened the party system in the State. However, despite these developments the influence of these party organizations over elections and government in New Jersey still does not match that of the influence they wielded historically.

Importantly, party identification among voters has weakened substantially. In New Jersey, the number of individuals identifying themselves as independents has grown to over 50 percent. In recent years, the number of people identifying themselves as Republican or Democrat has at times shrunk to as low as 20 and 26 percent respectively.¹⁴ And as party strength and identification have decreased so too has voter turnout. The number of voters registered with a party nationally in the 1950's, for instance, was 72 percent. Turnout in those

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years in a New Jersey gubernatorial elections exceeded 70 percent.¹⁵ Now party identification is significantly down and so is voter turnout in elections.

Thus, if a strong party system provides one explanation for high levels of voter turnout in Europe, then, conversely, the comparatively weaker system here may account somewhat for the State's lower voter turnout levels. In addition, if party strength is linked positively to voter turnout, then one possible explanation for extremely low voter turnout in school board elections becomes apparent. The traditionally non-partisan character of school board elections (which may be slowly changing) contributes to the lack of interest in and awareness of these elections. While the purpose is not to suggest that school board elections become mired in partisanship, the lack thereof must be considered when seeking explanations for the limited voter participation in these contests.

Another factor possibly contributing to anemic voter turnout is the abundance of elections in New Jersey. The voter never gets a breather. Voters are exposed to primary and general elections, school board elections, and May municipal elections, all within weeks or a few months of each other. Federal elections are contested one year, State elections the next, and local elections, including those for school board, every year.

While the Founding Fathers viewed a staggered system of elections to be a check against the formation of permanent majorities, they probably did not envision a system of endless campaigning. Though it is not suggested here that a major overhaul of the electoral system be undertaken, it should be noted that the possibility of campaign overload exists and may be a factor in low voter turnout. In the context of school board elections, this campaign overload may be complicating efforts to get voters to the polls. With primary elections just weeks away, and with general elections finished only months before, it is plausible that voters are tempted to ignore and therefore skip these elections. Voters view these elections as far less critical.

One recommendation made by former governor Christine Todd Whitman to address the issue of low voter turnout in school board elections involved changing the law to have these

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elections coincide with the general election. Implementing such change would increase the number of individuals voting in school board elections and be a step in addressing the overload issue mentioned above. However, in light of New Jersey's traditional view that partisanship is best kept out of school board contests, this idea has not, and probably will not become popular. This idea is not presented as a recommendation but to trigger people's thinking as to the need to explore ways to increase turnout in school board elections. It certainly is, however, consistent with the theory that enhanced partisanship and interest group involvement might drive up voter participation in the school election process.

There may be other, more subtle reasons why people do not vote, especially in school board elections. Competition for people's attention may be contributing to low turnout. For example, cable television has cut into the share of the market once dominated by the major networks. High ratings, once enjoyed by Huntley and Brinkley, are not enjoyed by Brokaw and Rather. Baseball must now compete strongly with football, basketball, and even golf to retain its place as the national pastime. It is conceivable that campaigns face the same dilemma in competing for the attention of voters. If this reality is so for partisan elections, it is even more the case for school board contests.

Finally, society is mobile and commuter-based. Community ties are less strong. Men and women are often employed in one, maybe even two jobs. Add to the financial realities the responsibility of bringing up children in non-extended families, and there is not much time for politics, particularly at the local level and in school board elections. This reason too is given as a factor in the recent trend toward low turnout levels. The commuter-based, mobile society explanation for low participation rates is particularly applicable to school board elections.

Conclusion

This study, of course, is not about turnout in school board elections. Rather it is about examining financial activity in these contests. Yet encouraging people to vote in these and other types of elections is one of the more important challenges to democracy in New Jersey. While it

History and Background

is true that financial activity in school board elections, as well as participation by groups and organizations, has been rising, there has not as yet been a commensurate increase in voter turnout. The only effect of this increased activity by groups in school board contests thus far has been to bring about outcomes favorable to the groups' adherents. This fact alone makes it doubly important for a greater focus to be placed on school board elections and their importance to the wellbeing of the community. It is not in the interest of the community to have any one group hold a disproportionate influence over the outcome of these contests. It is hoped that this analysis of campaign financing activity in these elections will focus attention on these contests and trigger not only additional studies by political scientists but an enhanced interest on the part of the general public. In so doing, perhaps the public will become more aware of the importance of these contests and the need to vote. Many pundits express dismay at what they perceive to be undue influence over elections and governance by special interest groups. Exercising the right to suffrage is one way of neutralizing any real or imagined influence by any group or organization.

Notes

1. See for example Frederick M. Herrmann, "Stress and Structure Political Change in Antebellum New Jersey." Chapter 5 (Public Policy Toward Education). Ph.D. Dissertation, Rutgers -- The State University, 1976.
2. Robinson v. Cahill, 62 N.J. 473 (1973).
3. Abbott v. Burke, 100 N.J. 269 (1985).
4. Abbott v. Burke, 119 N.J. 287 (1990).
5. Abbott v. Burke, 136 N.J. 444 (1994).
6. Abbott v. Burke, 149 N.J. 145 (1997).
7. Abbott v. Burke, 153 N.J. 480 (1998); Abbott v. Burke, 163 N.J. 95 (2000); Abbott v. Burke, Docket No. M-1131-00 (2001).
8. New Jersey Department of Education.
9. New Jersey School Board Association.
10. Ibid.
11. Ibid.
12. New Jersey Legislative Manual (Trenton, N.J.: Skinder-Strauss Assoc., 2001), p. 877.
13. New Jersey Division of Elections "Total Number of Registered Voters, Ballots List, Percentage of Ballots Cast, and the Total Number of Election Districts in New Jersey. General Election, November 6, 2001." See <http://www.state.nj.us/lps/elections>.
14. Gallup Poll A.L.P.O. 1955: Question 55-554 QK021C; New Jersey Legislative Manual, 1987, p. 896.
15. Mullin, Edward J., editor, New Jersey Legislative Manual (Trenton, N.J.: Edward J. Mullin, Publisher, 1987), p. 896.

CHAPTER THREE

School Board Financing: An Overview

This study of campaign financing in school board elections will review in detail candidate financial activity during 1990, 1995, and 2000. As shown in Table 1, financial activity in these elections increased by a substantial rate during the decade encompassing these years. Except for three of these years, 1992, 1996, and 2000, the financial activity in school board elections rose consistently from year to year.

Table 1
Financial Activity

| Year | Raised | % Change | Spent | % Change |
|------|-----------|----------|-----------|----------|
| 1990 | \$279,332 | | \$218,736 | |
| 1991 | 350,413 | +25% | 309,715 | +42% |
| 1992 | 234,294 | -33% | 175,912 | -43% |
| 1993 | 370,054 | +58% | 286,401 | +63% |
| 1994 | 453,489 | +23% | 369,761 | +29% |
| 1995 | 1,155,533 | +155% | 618,973 | +67% |
| 1996 | 510,975 | -56% | 411,979 | -33% |
| 1997 | 652,833 | +28% | 489,454 | +19% |
| 1998 | 686,468 | +5% | 626,276 | +28% |
| 1999 | 776,770 | +13% | 764,018 | +22% |
| 2000 | 724,493 | -7% | 722,412 | -5% |
| | | | | |

Source: New Jersey Election Law Enforcement Commission

School Board Financing: An Overview

Between 1990 and 2000, school board candidate receipts increased by 159 percent, from \$279,332 to \$724,493. Spending by these candidates rose by 230 percent, from \$218,736 in 1990 to \$722,412 in 2000. It is important to note that compared with candidates for municipal, county, and legislative offices, the financial activity of school board candidates is miniscule. However, when comparing the rate of increase in financial activity by each set of candidates during fairly comparable periods, the record of school board candidates is quite remarkable. It is this significant percentage increase that has stimulated interest in this area.

Local and Legislative Candidates Compared

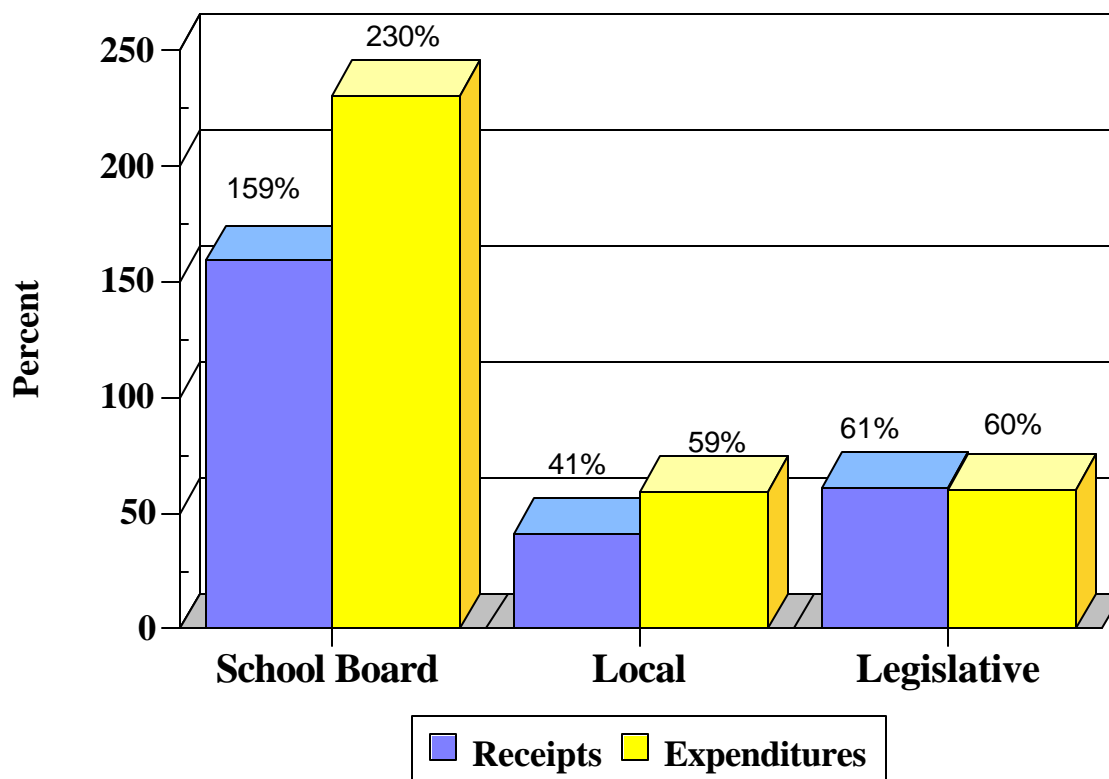
In the general election of 2000, local candidates raised \$15.9 million and spent \$14.5 million. Though the financial activity of these municipal and county office seekers has been notably greater than that of school board candidates, the rate by which their financial activity grew paled in comparison. Between 1990 and 2000, local candidate receipts increased by a mere three percent, \$15.5 million to \$15.9 million. During this period, spending rose by 12 percent, from \$13 million to \$14.5 million. Thus, the 159 percent increase in receipts by school board candidates and their 230 percent rise in spending during this same period is distinctive.

It should be noted that the 2000 general election did not include contests for county executive. Nor were there mayoralty elections in major cities. Thus, these years may not be optimum for comparison purposes. Yet even if 1999, when county executive contests were held in Bergen and Essex counties and mayoralty contests in Plainfield and New Brunswick, were to be compared with 1989, when there were no major local elections of this type, the percentage increase in financial activity does not come close to that recorded by school board candidates. Local Campaign Financing states that “in the 1999 general election, these candidates raised \$18.2 million compared with \$12.9 million in 1989. Local candidates spent \$17 million in 1999 and \$10.7 million ten years before.”¹ Local receipts were boosted by 41 percent and expenditures by 59 percent during this period. Thus, even when these election years are compared, the rate of increase in fundraising by school board candidates dwarfs that of local candidates.

School Board Financing: An Overview

In contrasting school board candidate financial activity with that of legislative candidates, the same result occurs. During the ten-year period 1987 through 1997, candidates for State Senate and Assembly increased their fundraising by 61 percent and expenditures by 60 percent. Fundraising in 1997 by legislative candidates reached \$26.1 million and expenditures \$20.7 million. In 1987, receipts had reached \$16.2 million and expenditures \$12.9 million. Thus, in terms of the rate of increase in financial activity, school board candidates again far exceed this group of candidates. Figure 1 compares the rate of increase in financial activity between all these sets of candidates.

Figure 1
Percentage Increase School Board/Local/Legislative



Source: New Jersey Election Law Enforcement Commission

Conclusion

As mentioned above, this chapter has provided a general overview of financial activity involving school board candidates between 1990 and 2000. It also has compared this activity with that of local and legislative candidates. In the ensuing pages, the study will explore in detail the contributor and expenditure activity of the school board candidates selected for this study. Moreover, the following chapters will compare the various aspects of school board candidate fundraising and expenditure strategies with that of the strategies employed by other local candidates. In this way, a better understanding of the dynamics operating in school board contests can be achieved.

Notes

1. New Jersey Election Law Enforcement Commission, White Paper Number 14, Local Campaign Financing (Trenton, N.J.: the Commission, 2000), p. 11.

CHAPTER FOUR

School Board Candidate Fundraising

Local Campaign Financing stated that “fundraising is not as essential a part of a local candidate’s campaign as it is of a legislative candidate’s campaign. Local campaigns, in general, are more personal in character, especially in small jurisdictions, and more dependent on the local political party organizations for financial support. The generally different nature of local campaigns, however, does not entirely mitigate the need for local candidates to raise money for their campaigns.”¹

Except for the fact that they are less dependent on political party support, the same comments can be made about school board candidates. School board candidates, like candidates for local office, have shown a greater interest in raising funds over the last decade. As noted above, between 1990 and 2000 school board candidate fundraising increased by 159 percent, from \$279,332 to \$724,493. During the same period local candidate receipts increased from \$15.5 million to \$15.9 million. Though the amount raised by local candidates was significantly greater than that of school board candidates, the rate of increase was significantly smaller. Over the ten-year period 1990-2000, local candidate receipts increased by three percent.

This chapter will analyze in detail the fundraising activity of school board candidates in each of the years 1990, 1995, and 2000. In each of these years, the top ten school board contests in terms of financial activity were selected for study. A purposive sampling method was used for selecting the reports to be analyzed. A purposive sample is a nonprobability sample whereby discretion is used in selecting the units to be observed.

School Board Candidate Fundraising

As part of the analysis, the sources of contributions to these candidates will be reviewed. Moreover, the sources of contributions to school board candidates will be compared between years to determine if there are discernable trends in terms of from whom these candidates are receiving contributions. In this way greater understanding of who is involved in these elections can be gained. In addition, comparisons will be made between the sources of campaign contributions to school board candidates and the sources of political donations to local candidates. The information on local candidates is taken from Local Campaign Financing and consists of detail from 50 reporting entities selected randomly from 654 municipal, county executive, and freeholder candidates in the 1999 general election. From these comparisons, further insights into the processes operating behind school board elections may be gleaned.

Sources of Contributions to School Board Candidates

Table 2 compares the sources of contributions to school board candidates in each of the years 1990, 1995, and 2000.

Table 2
Sources of Contributions 1990, 1995, and 2000

| | 1990 | % | 1995 | % | 2000 | % | Total | % |
|--------------|-----------------|----------|------------------|----------|------------------|----------|------------------|----------|
| Individual | \$56,690 | 58% | \$68,224 | 14% | \$79,215 | 39% | \$204,129 | 26% |
| Bus./Corp. | 24,835 | 25% | 38,456 | 8% | 39,807 | 20% | 103,098 | 13% |
| Pol. Party | 200 | -- | 62,815 | 13% | 10,300 | 5% | 73,315 | 9% |
| Other Camp. | 3,655 | 4% | 13,098 | 3% | 43,946 | 22% | 60,699 | 8% |
| Pol. Com. | 100 | -- | 1,400 | -- | 16,747 | 8% | 18,247 | 2% |
| Union | 6,612 | 7% | 308,050 | 62% | 5,650 | 3% | 320,312 | 40% |
| Bus. Pac | -- | -- | -- | -- | 1,000 | -- | 1,000 | -- |
| Asso. Pac | -- | -- | -- | -- | -- | -- | -- | -- |
| Union Pac | 1,227 | 1% | -- | -- | 1,000 | -- | 2,227 | -- |
| Ideological | 4,542 | 5% | -- | -- | 5,600 | 3% | 10,142 | 1% |
| Total | \$97,861 | | \$494,293 | | \$203,265 | | \$793,169 | |

Source: New Jersey Election Law Enforcement Commission

School Board Candidate Fundraising

When combining the three years, the statistics indicate that the bulk of contributions to school board candidates derived from unions. Among the school board elections studied, unions (affiliated with the N.J.E.A.) contributed \$320,000, or 40 percent of total receipts. This figure, though, is misleading in that almost all of this total was raised in 1995, a seemingly critical year in terms of reversing the tide against a wave of recent school budget rejections throughout New Jersey. Only a year earlier, in 1994, just 51 percent of school budgets were approved. In 1995, that percentage increased to 72 percent, a marked improvement in terms of school budget approval rates.² Thus, the \$308,050 spent by the unions in 1995, appears to have had a significant impact on school board election outcomes. This effort and other indicators of more union involvement as noted in the introduction may be a harbinger of trends in future school board elections.

Individual contributors, at \$204,129, posted 26 percent of total contributions to school board candidates over the course of the three years under review. To this point, contributions from individuals appear to have been the most reliable source of funding over time. While the percentage of contributions stemming from individuals declined between 1990 and 2000, the number derived from that source, except for 1995 when unions were particularly active, remained considerable. In 1990, individual contributions accounted for 58 percent of contributions made to the candidates under study. Individual contributions constituted the highest percentage of contributions in that year. In 1995, the percentage of contribution from individuals declined to 14 percent of total contributions. Even still this category constituted the second highest percentage of contributions in that year. Finally, in 2000, individual contributions, making up 39 percent of contributions to those school board candidates studied, reclaimed the top spot in terms of sources of contributions to these contestants.

Contributions from business have been a fairly reliable source of contributions to the school board candidates as well. Over time, business donations comprised 13 percent of total contributions, \$103,098, to the school board candidates in question. Except for 1995, a year dominated by union involvement, business contributions made up 20 percent or more of contributions to these candidates. In 1990, business interests contributed 25 percent of all

School Board Candidate Fundraising

contributions, in 1995 eight percent, and in 2000, 20 percent. Though declining somewhat between 1990 and 2000, business contributions, as a source of funding to school board candidates, remains important.

As noted above, the percentage of contributions deriving from individuals and business has decreased somewhat over time. This lowered percentage may be attributable to an increase in activity between 1990 and 2000 of political parties and party-related entities.

Political parties gave nine percent of the total amount of contributions made to the selected school board candidates during the three years under study. Political parties made a total of \$73,315 in contributions to candidates in the top ten spending districts in 1990, 1995, and 2000. What is significant about this fact, however, is that political parties as a source of contributions to school board candidates were practically invisible in 1990. Only \$200 in contributions came from this source in 1990. That percentage climbed to 13 percent in 1995 and five percent in 2000.

Contributions from other campaigns, meaning primarily the campaigns of municipal candidates running in partisan general elections, amounted to \$60,699, or 8 percent of total school board candidate receipts. What is significant about the donation activity of this group is the fact that it occurred almost entirely in 2000. Other campaign committee contributions as a funding base for school board candidates amounted to four percent in 1990 and three percent in 1995. But in 2000, the contribution activity attributed to other candidates rose precipitously to 22 percent. The obvious question is why would partisan candidates involve themselves in school board elections? One explanation is that school board candidates, as possible future candidates for public offices, or, as individuals already identified in a partisan way, may be a source of support for the ambitious municipal candidate or officeholder who desires to gain further prominence in the community or run for some higher office on the county or state level. It has been mentioned in previous white paper studies that legislators often donate to their party colleagues and in this way foster support for their present or future attempts to obtain positions

School Board Candidate Fundraising

of leadership within their legislative party. The same principle applies to local candidates and their support for school board candidates.

Finally, political committees as a source of funding for school board candidates, made only two percent of total contributions to these candidates, \$18,247. Again, what is significant about this activity is that it too came mostly in 2000, when political committee contributions accounted for 8 percent of contributions to school board candidates. In 1990 and 1995, the activity of political committees was non-existent, not even reaching one percent of total contributions in either year.

Increase in Partisan Involvement Seen in Contributions

Perhaps a more enlightening way of viewing this situation is to combine the activity of all three partisan entities. In this way, the evident increase in partisan involvement, at least with regard to the school board candidates under review, can be observed more readily. The total amount of partisan group contributions made over the three years in question equalled \$152,261. This figure amounts to 19 percent of total contributions to school board candidates made in these three years.

Significantly, as time passed the percentage of contributions attributed to partisan groups increased. Whereas political parties, other candidates, and political committees accounted for just four percent of total contributions in 1990, that figure increased to 16 percent in 1995, and 35 percent in 2000. The amount in contributions made by partisan groups in 2000 is only slightly surpassed by the individual category. Thus, with regard to selected school board candidates under review, the increase in partisan financial activity in 2000 school board elections corroborates certain anecdotal observations cited earlier. Those anecdotal references suggested that an increase in partisan involvement in school board contests was plausible.

School Board Candidate Fundraising

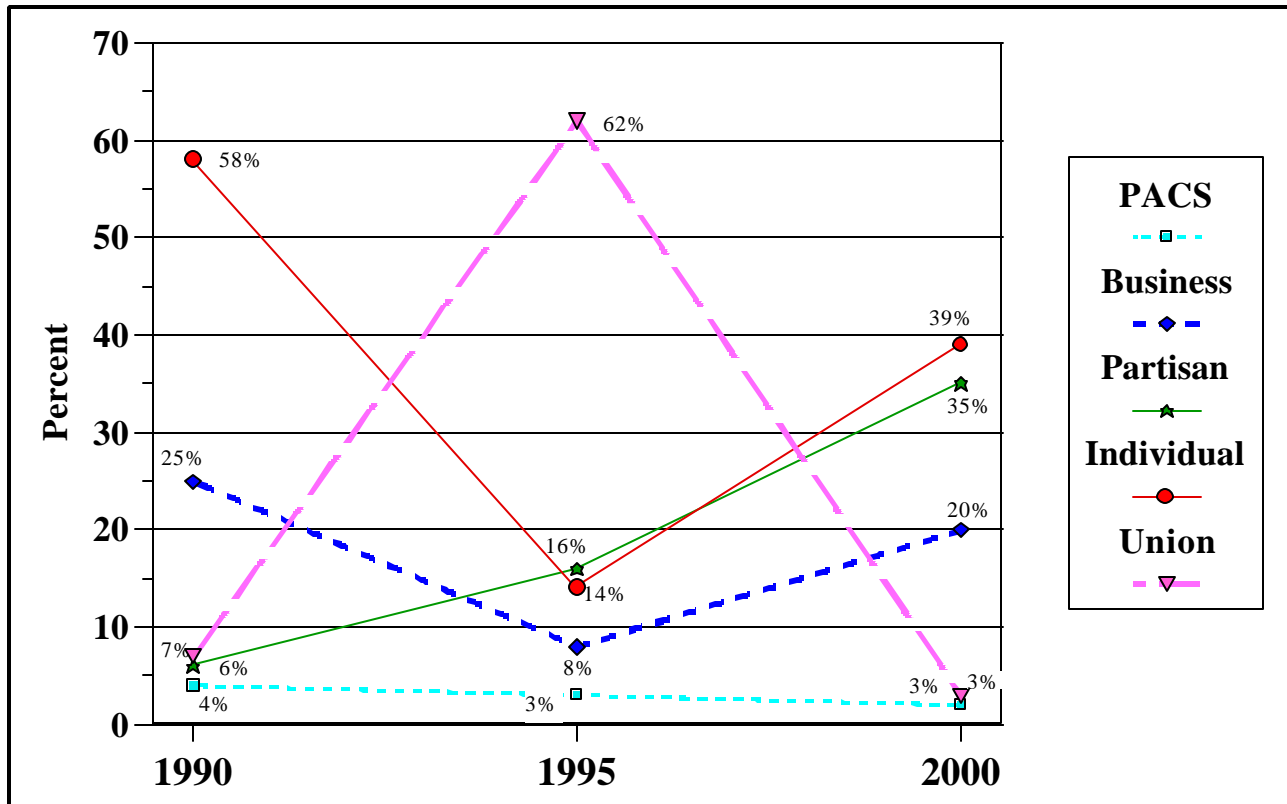
Finally, the only financial involvement by political action committees (PACs) came from ideological PACs. Their contributions amounted to one percent, \$10,142, overall. They made five percent of contributions in 1990, none in 1995, and three percent in 2000.

PACs, which may be considered, if not partisan, at least political in nature, can be described as either business, union, associational, or ideological in nature. As noted above, other than ideological PACs, these entities had scant involvement in the school board elections studied. If taken as a group, PACs made six percent of contributions in 1990, three percent in 1995, and less than one percent in 2000. In other words, paralleling PAC activity at other levels, the involvement of PACs in these school board elections decreased in each of the three years studied.

Figure 2 depicts how the sources of contributions to school board candidates were distributed in each of the three years analyzed. Political parties, other campaigns, and political committees were categorized under the heading partisan groups, and all PAC types were combined into one category of PACs.

As shown in the figure below, there is a positive relationship between the financial support given by partisan groups to selected school board candidates and the later the year. In other words, partisan groups consistently increased their percentage contribution activity as time went on. Likewise a negative relationship exists between the financial support given by PACs to these candidates and the later the year. As time passed, PAC contributions decreased as a percentage of total contributions. The percentage of contributions made by the other types of contributors fluctuated over time.

Figure 2
Trends in Sources of Contributions



Source: New Jersey Election Law Enforcement Commission

Comparing School Board Candidates and Local Candidates

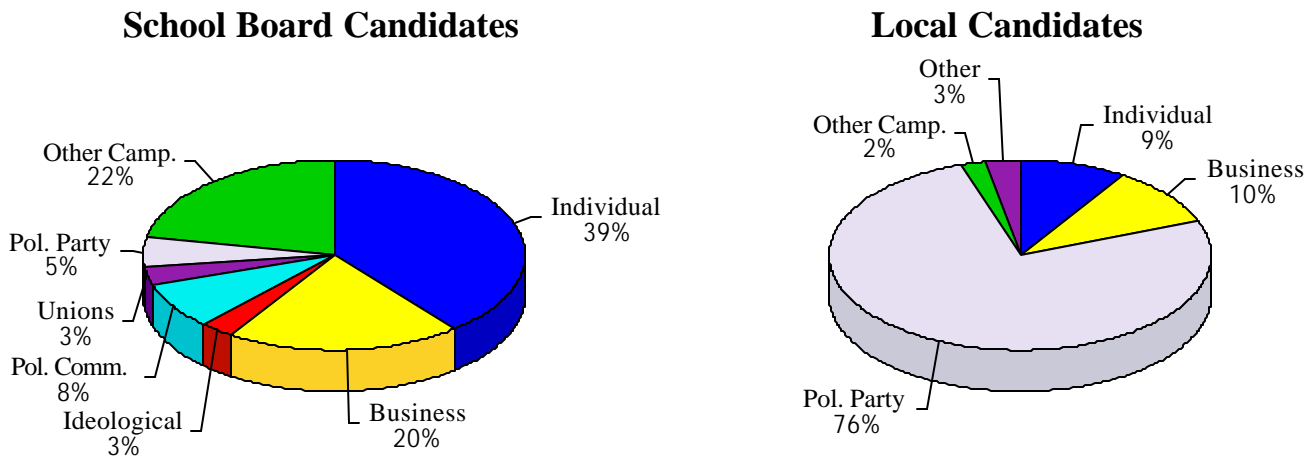
The question of who funds school board candidates versus who funds local candidates must be answered differently for each set of candidates. While each set of candidates under study receives contributions from similar sources, the proportion of funding derived from each contributor type is different for school board candidates than it is for local candidates.

Figure 3 below shows how the sources of contributions are distributed for both school board candidate and local candidates. Data for school board candidates is taken from the top ten

School Board Candidate Fundraising

school board elections in terms of financial activity in 2000. Data for local elections derives from statistical information provided in Local Campaign Financing, which reviewed 50 municipal and county campaigns selected randomly from the pool of local candidates participating in the 1999 general election.

Figure 3
Sources of Contributions: School Board 2000/Local 1999



Source: New Jersey Election Law Enforcement Commission

Local Campaign Financing states that “of all contributions made to the 50 local campaigns (includes municipal and county candidates) selected as part of this study, the bulk of these donations derived from three sources: individuals, business, and political parties.”³ A similar statement can be made vis-à-vis school board candidates, except that a significant portion of their receipts derives from partisan-oriented groups including, but not exclusively, political parties. Moreover, differences in the distribution of these sources of contributions emerged between the two sets of candidates.

School Board Candidate Fundraising

In the 1999 general election, selected local candidates received 76 percent of their contributions from political parties. Add to this amount funds derived from candidate committees or other campaigns and 78 percent of total contributions to the local candidates came from partisan groups. The school board candidates under study received five percent of their money from political parties. But when political committees and other campaigns are added, the data indicates that 35 percent of selected school board candidate contributions in 2000 derived from partisan sources. It has been suggested that there may well be more partisan involvement in school board elections than in the past. The amount of money stemming from these sources relative to school board elections, in light of stated tradition, adds credence to this thinking and is significant in and of itself. But as yet, this money source does not indicate the kind of dependency on party money that is demonstrated by local candidates.

Contributions from individuals constituted nine percent of selected local candidate receipts in the 1999 general election. This compares with individual contributions amounting to 39 percent of selected school board candidate receipts reported in the 2000 election. Overall, a major source of funding to school board candidates has been individual contributors. Thus, school board candidates appear to rely on individuals to contribute to their campaigns to a greater extent than local candidates.

Local candidates appear to rely less on contributions from business than do school board candidates. In the 1999 general election, contributions from business made up 10 percent of local candidate receipts compared with 20 percent of school board candidate receipts recorded in 2000.

In terms of unions and PACs, selected local candidates reported almost no financial activity in this area. Contributions from these sources constituted minimal activity as well. Both unions and PACs made three percent of the contributions to school board candidates respectively in 2000.

Conclusion

This chapter has focussed on the fundraising activity of school board candidates running in ten districts reporting the most financial activity in each of three elections: 1990, 1995, and 2000. An important observation culled from the data is that school board elections may be getting more partisan in nature in light of the increasing proportion of contributions stemming from partisan groups. The chapter also compared school board candidates to other local candidates demonstrating that school board candidates receive proportionately larger amounts from individuals and business compared with local candidates, who receive a dominant percentage of money from political parties.

Notes

1. New Jersey Election Law Enforcement Commission, White Paper Number 14, Local Campaign Financing (Trenton, N.J.: the Commission, 2000), p. 11.
2. White Paper Number 14, p. 19.

CHAPTER FIVE

How School Board Candidates Spend Their Money

Spending by school board candidates increased by 230 percent between 1990 and 2000. These candidates spent \$218,736 in 1990 compared with \$722,412 in 2000. In contrast, local candidates enhanced their spending by 12 percent, though the overall amount spent by local candidates greatly exceeded that of school board candidates. During this period, 1990 through 2000, local candidates spending rose from \$13 million to \$14.5 million.

Though spending by school board candidates has been modest in comparison with spending by candidates in partisan local elections, the rate of increase over a ten-year span has been significant and warrants review. Throughout this chapter, the uses to which school board candidates put their money will be analyzed to determine whether or not any expenditure patterns have emerged over time.

In Legislative Candidates: How They Spend Their Money, Trends In Legislative Campaign Financing: 1987-1997, and Local Campaign Financing, the Commission undertook studies into how New Jersey legislative candidates and local candidates utilized their funds. In these studies, certain differences in spending strategies were outlined. This chapter on how school board candidates spend their campaign money is part of this series and marks the end of this initial effort to analyze candidate expenditures. Spending by gubernatorial candidates is analyzed after each gubernatorial election as well.

These studies of the expenditure patterns of legislative and local candidates have contributed to the understanding of campaign strategies at these electoral levels. In the following

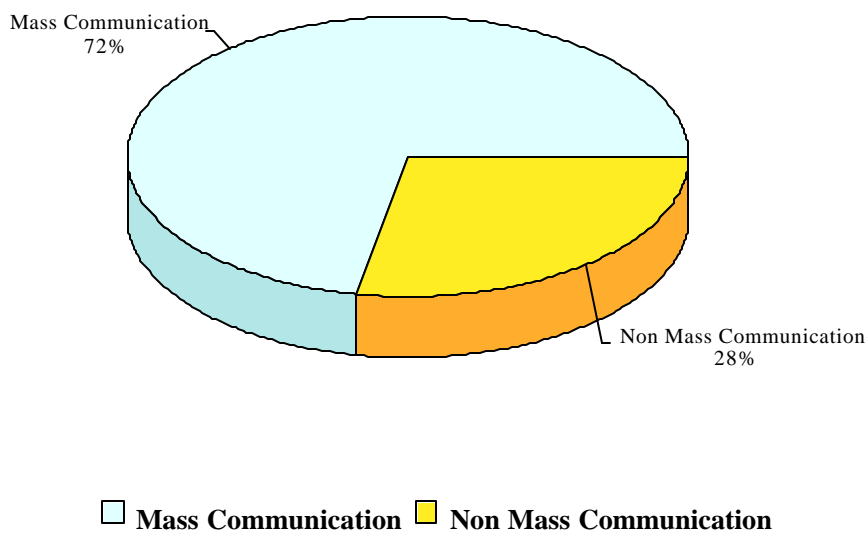
How School Board Candidates Spend Their Money

pages, a discussion will ensue involving the spending strategies of the school board candidates selected for observation in each of the years 1990, 1995, and 2000. The analysis will provide clues to campaigning at the school board level and will determine any patterns of spending that may have developed over time. Finally, the study will compare school board candidate spending to local candidate spending to establish similarities and differences between the two types of candidates.

Overall School Board Candidate Spending

Campaign reports of the school board candidates observed in the three years under review indicate that the majority of expenditures were made for mass communication purposes. Mass communication is divided into two categories: broadcast media and print media. In the context of this study, broadcast includes cable TV and radio, and print includes direct mail, newspaper advertising, and outdoor advertising. Figure 4 depicts the combined spending totals by school board candidates in 1990, 1995, and 2000 and shows how their money was dispersed.

Figure 4
School Board Spending (1990, 1995, and 2000)



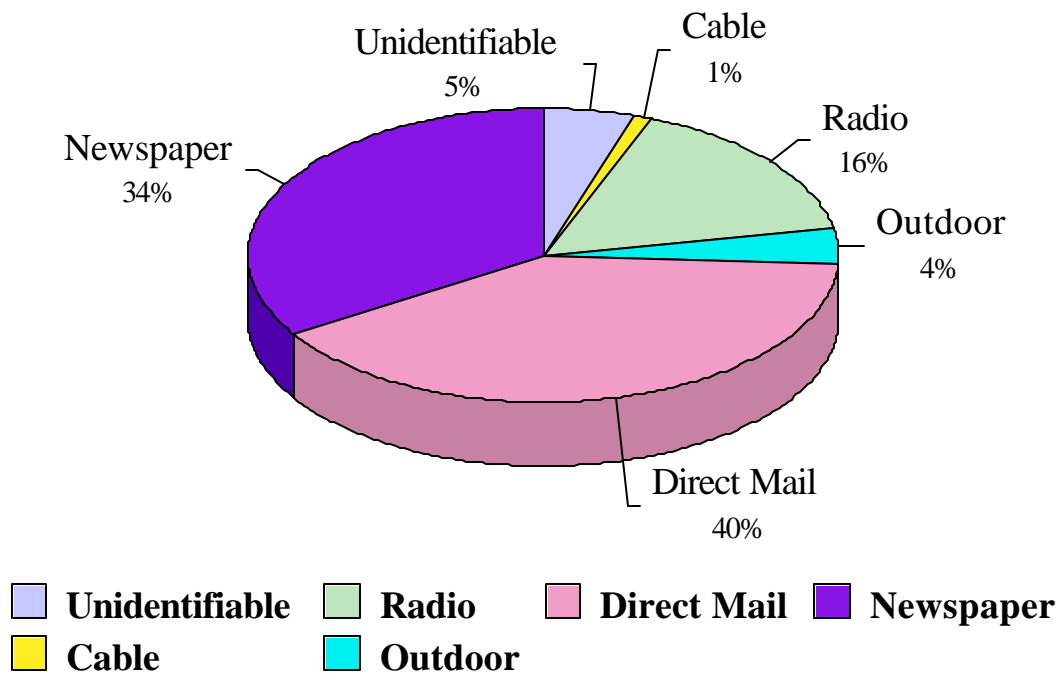
Source: New Jersey Election Law Enforcement Commission

How School Board Candidates Spend Their Money

As shown in the figure above, expenditures for mass communication amounted 72 percent of all expenditures reported by targeted school board candidates in 1990, 1995, and 2000. In total, out of \$1,057,166 spent by the candidates selected for study, \$760,228 was directed toward mass communication. Non mass communication expenditures, including expenses for administration, election day, fundraising, consultants, charity, political contributions, entertainment, and polls amounted to 28 percent of the total. About \$296,938 was spent on non mass communication purposes by the selected candidates during the three years under study.

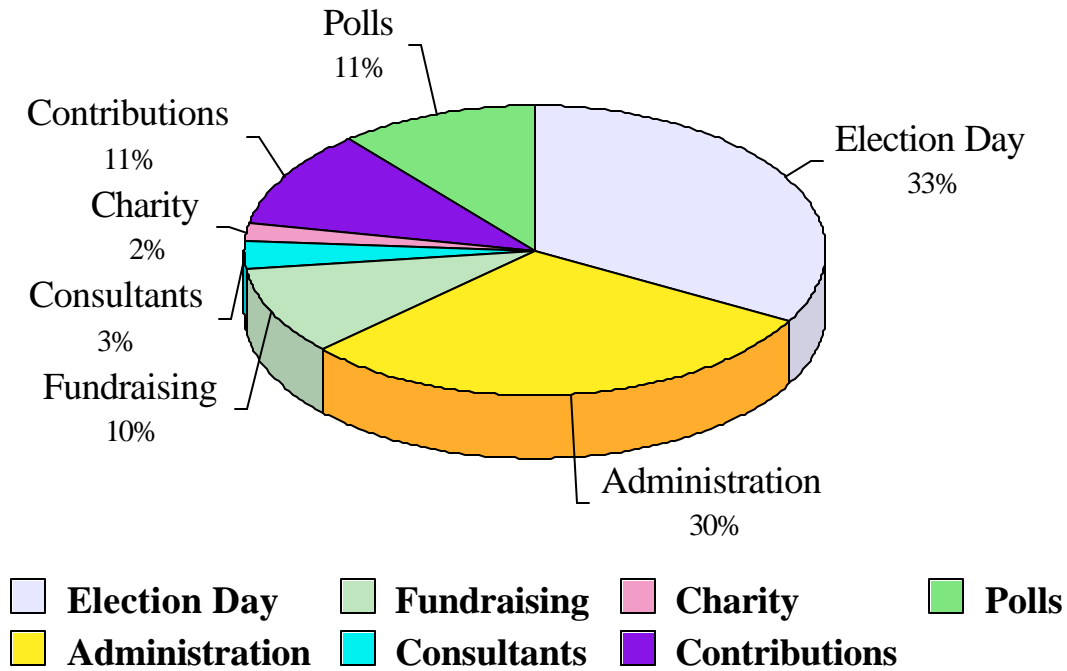
Figures 5 and 6 illustrate the spending patterns of school board candidates within both the mass communication and non mass communication categories.

Figure 5
Distribution of Mass Communication Expenditures



Source: New Jersey Election Law Enforcement Commission

Figure 6
Distribution of Non Mass Media Expenditures



Source: New Jersey Election Law Enforcement Commission

Within the category mass communication, the largest percentage of expenditures were devoted to print advertising. In total, 79 percent of mass communication expenditures went toward print advertising. Another 17 percent was directed toward broadcast advertising. The remaining mass communication expenditures were unidentifiable.

Print advertising expenditures were almost evenly divided between newspaper advertising, at 34 percent of mass communication expenditures, and direct mail advertising, at 40 percent of this category. School board candidates selected for this study spent an additional four percent of mass communication expenditures on outdoor sign advertising. Regarding broadcast advertising, radio constituted 16 percent of mass communication expenditures and cable television advertising just one percent of those expenditures.

How School Board Candidates Spend Their Money

Though the vast majority of school board candidate expenditures went toward mass communication, a reasonable amount was set aside for non communication purposes. As noted above, 28 percent of all expenditures was categorized as non communication spending. Within this category, 30 percent of spending went toward administration and 33 percent for election day activities. Contributions to other candidates and entertainment accounted for 11 percent of non mass communication expenditures respectively and spending on fundraising activities amounted to 10 percent of this category. Spending on consultants and charity accounted for three percent and two percent of non mass communication spending respectively.

Spending Over Time Remains Constant

In observing the spending by the selected school board candidates over the ten-year period (see table 3), there is no discernable change in the pattern of spending undertaken by these candidates.

As shown in the table and demonstrated in Figure 7 below, mass communication spending constituted the largest proportion of expenditures made by the selected school board candidates in each of the three years under study. Out of a total \$143,509 expended in 1990, by the school board candidates selected for observation, 60 percent was directed toward mass communication. In that year, 40 percent of expenditures went toward non mass communication purposes. Due to the efforts of the N.J.E.A. and its affiliates in 1995, those percentages favoring mass communication were driven even higher. Out of a total \$619,050 spent by the selected candidates, 79 percent went toward mass communication. During 1995, just 21 percent was directed toward non mass communication objectives. Finally, in the most recent year under study, 2000, 63 percent of a total outlay of \$294,607 was spent on mass communication by selected school board candidates. The remaining amount of 37 percent of total expenditures was directed toward non mass communication purposes.

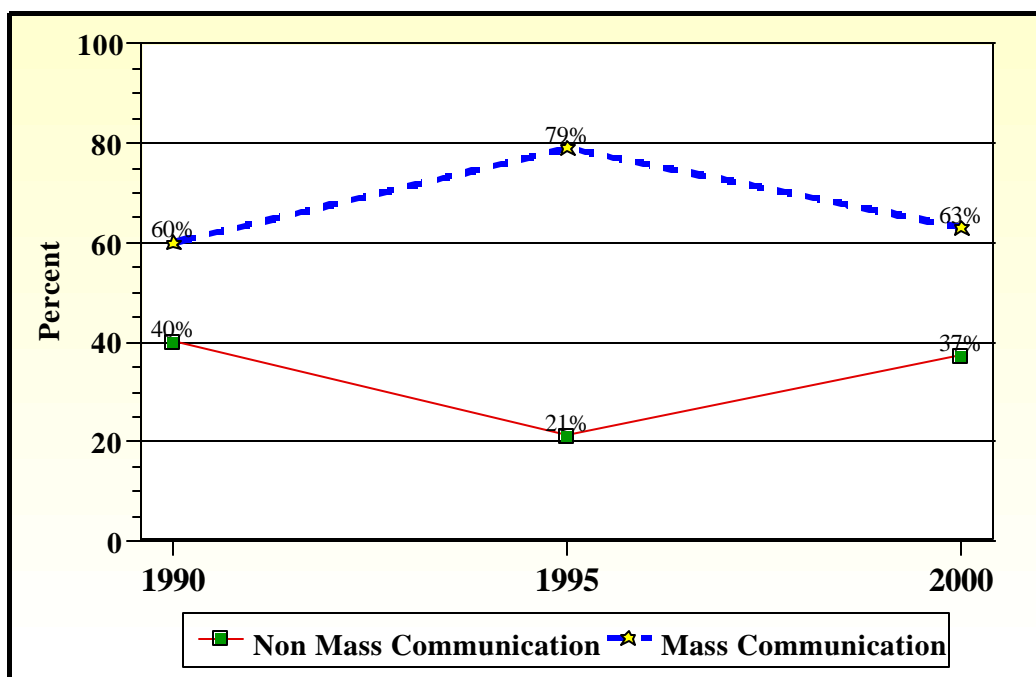
How School Board Candidates Spend Their Money

Table 3
Breakdown of Expenditures (1990, 1995, and 2000)

| | 1990 | | | 1995 | | | 2000 | | | Total | | |
|-------------------------------------|------------------|------------|------------|------------------|------------|------------|------------------|------------|------------|--------------------|------------|------------|
| | Expend. | % All | % Cat. | Expend. | % All | % Cat. | Expend. | % All | % Cat. | Expend. | % All | % Cat. |
| Radio | \$2,870 | 2% | 3% | \$109,159 | 18% | 22% | \$6,082 | 2% | 3% | \$118,111 | 11% | 16% |
| Cable | -- | -- | -- | 3,961 | 1% | 1% | 6,478 | 2% | 4% | 10,439 | 1% | 1% |
| Total Broadcast | 2,870 | 2% | 3% | 113,120 | 18% | 23% | 12,560 | 4% | 7% | 128,550 | 12% | 17% |
| Direct Mail | 60,435 | 42% | 70% | 152,648 | 25% | 31% | 91,452 | 31% | 50% | 304,535 | 29% | 40% |
| Newspaper | 20,730 | 14% | 24% | 198,378 | 32% | 41% | 42,122 | 14% | 23% | 261,230 | 25% | 34% |
| Outdoor | 1,619 | 1% | 20% | 14,269 | 2% | 3% | 15,649 | 5% | 8% | 31,537 | 3% | 4% |
| Total Print | 82,784 | 58% | 96% | 365,295 | 59% | 75% | 149,223 | 51% | 81% | 597,302 | 57% | 79% |
| Unidentifiable | 1,053 | 1% | 1% | 10,758 | 2% | 2% | 22,565 | 8% | 12% | 34,376 | 3% | 5% |
| Total Mass Communication | 86,707 | 60% | -- | 489,173 | 79% | -- | 184,348 | 63% | -- | 760,228 | 72% | -- |
| Administration | 18,938 | 13% | 33% | 30,021 | 5% | 23% | 40,139 | 14% | 36% | 89,098 | 8% | 30% |
| Election Day | 16,373 | 11% | 29% | 40,198 | 6% | 31% | 41,459 | 14% | 38% | 98,030 | 9% | 33% |
| Fundraising | 10,314 | 7% | 18% | 11,793 | 2% | 9% | 6,447 | 2% | 6% | 28,554 | 3% | 10% |
| Consultants | 4,000 | 3% | 7% | 1,350 | -- | 1% | 2,500 | 1% | 2% | 7,850 | 1% | 3% |
| Charity Gifts | 2,806 | 2% | 5% | 1,980 | -- | 2% | 1,529 | 1% | 1% | 6,315 | 1% | 2% |
| Contributions | 508 | -- | 1% | 25,953 | 4% | 20% | 7,408 | 3% | 8% | 33,869 | 3% | 11% |
| Entertainment | 3,863 | 3% | 7% | 18,582 | 3% | 14% | 10,777 | 4% | 10% | 33,222 | 3% | 11% |
| Polls | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Non Mass Communication | 56,802 | 40% | -- | 129,877 | 21% | -- | 110,259 | 37% | -- | 296,938 | 28% | -- |
| TOTAL | \$143,509 | | | \$619,050 | | | \$294,607 | | | \$1,057,166 | | |

Source: New Jersey Election Law Enforcement Commission

Figure 7
Distribution of School Board Spending Over Time

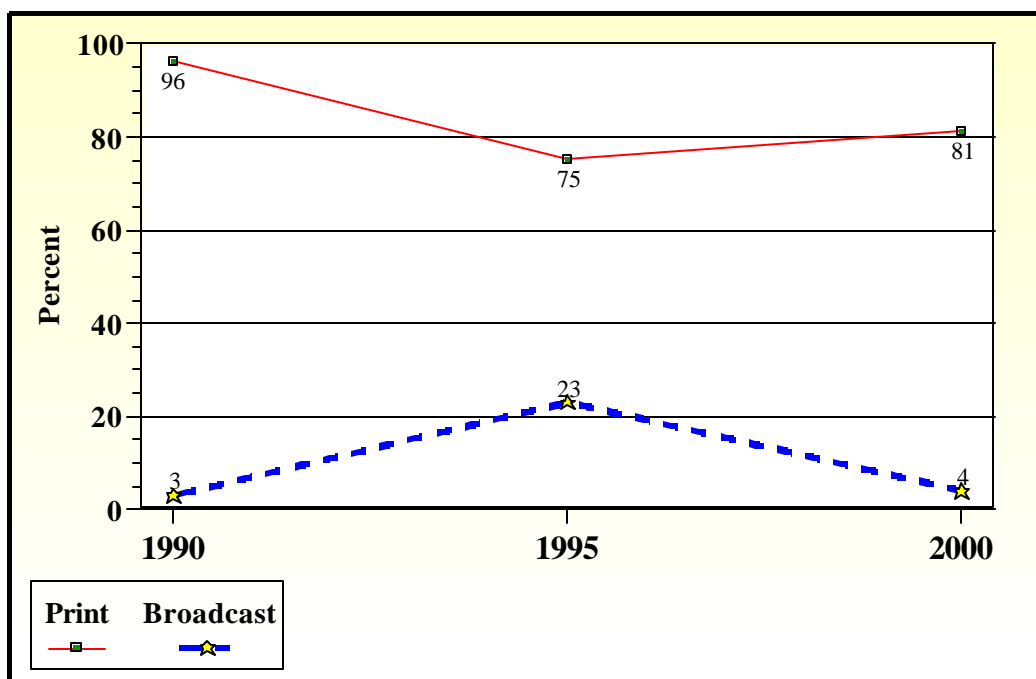


Source: New Jersey Election Law Enforcement Commission

As shown in Figure 8 below, within the category mass communication, the majority of expenditures were directed toward print media in each of the three years under study. During the 1990 school board elections, the selected candidates spent 96 percent of a total mass communication expenditure of \$86,707 on print media. Just three percent of that spending went toward broadcast media. Though this pattern changed somewhat in the N.J.E.A. dominated year of 1995, print media expenditures still far outdistanced broadcast media expenditures. About 75 percent of spending within the mass communication category went toward print media in that year. An additional 23 percent went toward broadcast media. The selected candidates spent a total \$489,173 on mass communication. In 2000, selected school board candidates spent 81 percent of a total mass communication expenditure of \$184,348 on print media. Only four percent was expended on broadcast media in that year. Unfortunately, 12 percent of mass communication dollars was unidentifiable in 2000.

Figure 8

Distribution of Mass Communication Expenditures Over Time



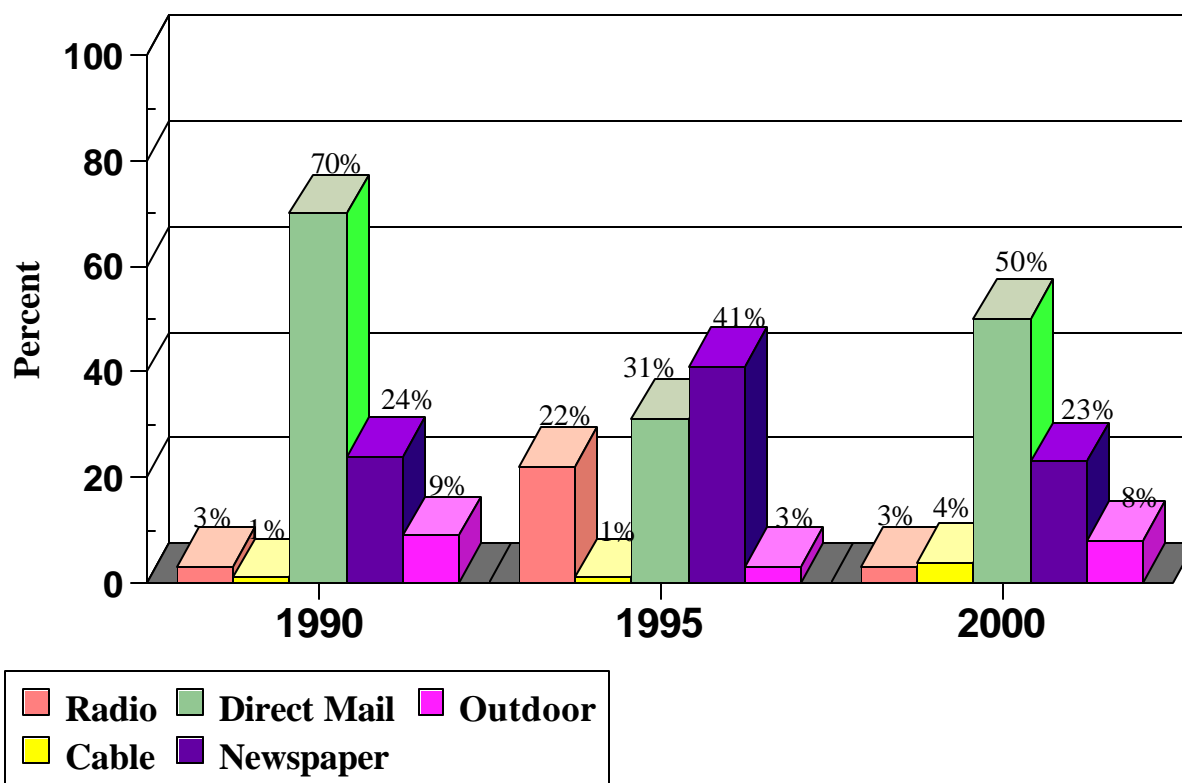
Source: New Jersey Election Law Enforcement Commission

When mass communication spending by selected candidates is broken down further, it is clear that school board candidates have chosen to spend the vast majority of their mass communication dollars on direct mail and newspaper advertising. As demonstrated in Figure 9 below, 70 percent of mass communication dollars went toward direct mail and 24 percent went toward newspaper advertising in 1990. Outdoor advertising accounted for two percent of mass communication expenditures and radio for three percent of these expenditures. Again, mass communication expenditures in 1990, totaled \$86,707. In 1995, newspaper advertising surged to 41 percent of total mass communication spending. Direct mail spending amounted to 31 percent of mass communication expenditures. During 1995, school board candidates did more radio advertising than in other years. Selected school board candidates in 1995 spent 22 percent of mass communication dollars on radio advertising. During that year, one percent was spent on

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cable television and three percent on outdoor advertising. A total of \$489,173 was spent on mass communication in 1995. Finally, out of \$184,348 in mass communication expenditures in 2000, 50 percent was expended on direct mail by selected candidates. An additional 23 percent of mass communication expenditures was spent on newspaper advertising. Eight percent was expended for outdoor advertising and four percent was spent on cable television. Three percent of mass communication expenditures in 2000, or \$6,082 went toward radio advertising.

Figure 9
Comparison of Spending within Mass Communication Category



*unidentifiable expenditures not included.

Source: New Jersey Election Law Enforcement Commission

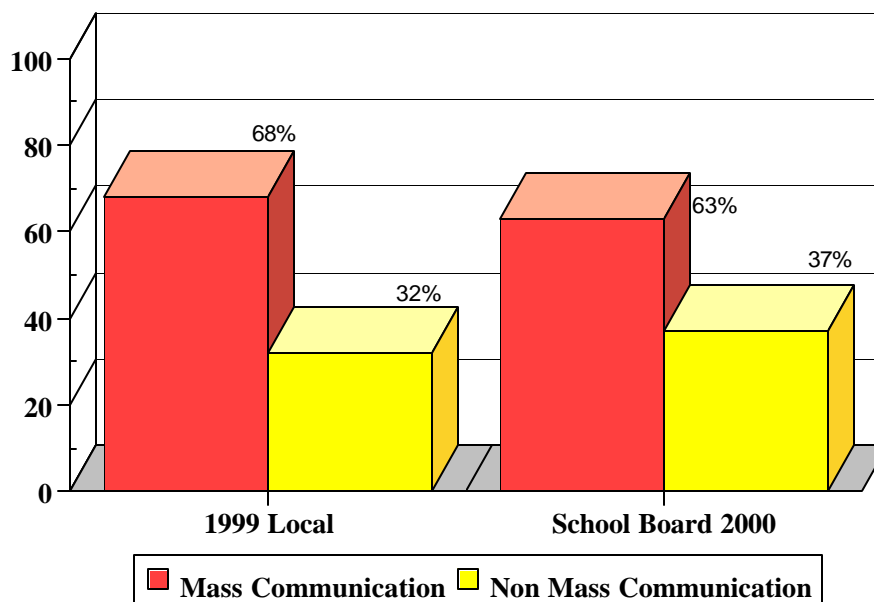
How School Board Candidates Spend Their Money

Though spending on mass communications constituted the bulk of school board candidate spending, reasonable amounts were reported by selected school board candidates as being spent for non mass communication purposes. As Table 3 above demonstrates the pattern of non mass communication spending in each of the three years under study remained fairly consistent. Administration costs, including payments to aides, office materials, etc., and election-day expenditures constituted the highest percentage of spending in this category. All other areas -- fundraising, charity, contributions to other candidates, entertainment, and polls -- constituted under ten percent each in each of the years except 1995. In this year, 20 percent of spending in this category went toward contributions and 14 percent toward entertainment.

School Board Candidates/Local Candidates Compared

In comparing how school board candidates spend their money with how local candidates spend theirs, it is important to note that the spending strategies of both sets of candidates are similar. As shown in figure 10, local candidates spent the majority of campaign dollars on mass communication. The 50 local candidates selected for observation in the 1999 general election spent 68 percent of their money on mass communication. School board candidates, on the other hand, spent 63 percent of their money on mass communication in the 2000 election. And, whereas local candidates spent 32 percent of their money on purposes other than mass communication, school board candidates spent 37 percent of their money on purposes not related to mass communication.

Figure 10
Comparison of School Board/Local Candidates Spending



Source: New Jersey Election Law Enforcement Commission

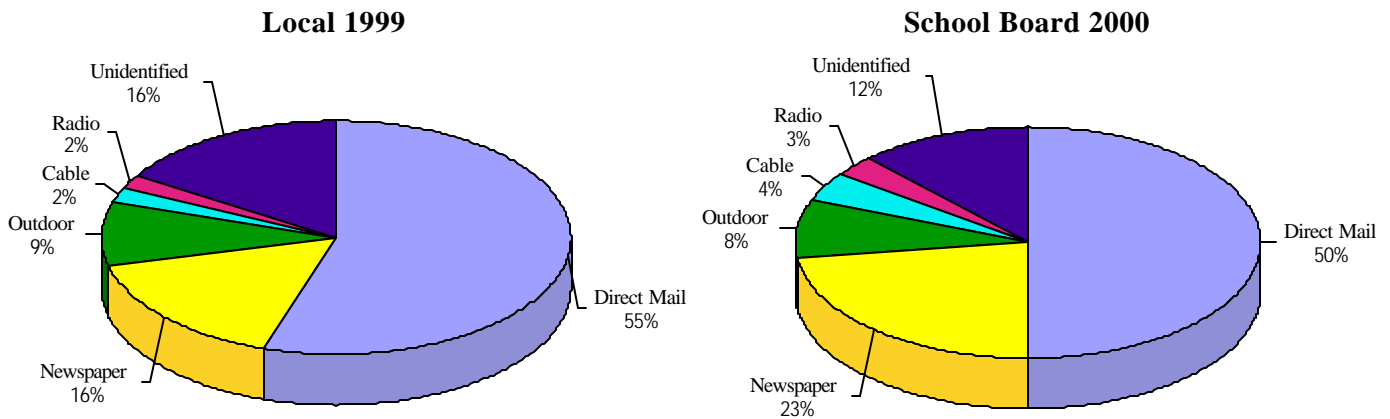
When observing the mass communication category more closely (see Figure 11 below), the spending patterns exhibited by both sets of candidates differs slightly. Though local and school board candidates spent similarly on mass communication, slight differences did emerge with regard to spending on direct mail and newspaper advertising. Local candidates spent 55 percent of their mass communication dollars on direct mail, while school board candidates spent 50 percent of this category for this purpose. While local candidates did spend 16 percent of mass communication dollars on newspaper advertisements, school board candidates exceeded this percentage by spending 25 percent of their money on this type of advertising.

Radio spots absorbed two percent of 1999 local candidate mass communication spending and three percent of 2000 school board candidate mass communication spending. Cable television advertising accounted for two percent of local candidate mass communication spending in 1999, and four percent of 2000 school board candidate spending on mass communication. Outdoor advertising made up nine percent of local candidate mass

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communication dollars and eight percent of school board candidate spending in this category. Finally, 16 percent of local candidate mass communication expenditures were unidentifiable compared with 12 percent of school board candidate expenditures in this category. Thus, school board candidates placed a greater emphasis on newspaper advertising than did local candidates whereas local candidates spent slightly more on direct mail than did school board candidates.

Figure 11
Comparative Distribution of Mass Communication Expenditures



Source: New Jersey Election Law Enforcement Commission

In comparing local candidates to school board candidates in the area of non mass communication spending, the strategies employed by both sets of candidates in this category differ slightly as well. While fundraising and administration costs were emphasized by local candidates, election-day activities and administration were stressed by school board candidates. Local candidates also spent more money on consultants and on charity.

Conclusion

The data contained in this chapter indicates that school board candidates invested the majority of their funds in mass communication. In terms of the school board candidates selected

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for observation in the elections of 1995, 1999, and 2000, approximately 72 percent of their spending went toward mass communication. Within this category, school board candidates applied most of their money to print media, in particular, direct mail and newspaper advertising. In general, little money was invested in broadcast media, except in 1995, when the N.J.E.A. participated actively in school board elections and selected candidates spent 22 percent of their mass communication dollars on radio advertising.

With the understanding that there has traditionally been low voter turnout relative to school board elections, this use of money by these candidates has been wise. It is through direct mail that candidates can best target their messages to those who vote in these elections and not waste valuable campaign dollars on expensive broadcast advertising that reaches a broad audience with a general message. Newspaper advertising would also be geared toward a local audience as well. Thus, school board candidates appear to have utilized their funds effectively and wisely.

Finally, the chapter compares spending by school board candidates with that of local candidates and found similar patterns in terms of how these two sets of candidates spend their money. Both school board candidates and local candidates spent the bulk of their money on mass communications. Though there were differences in the way these two sets of candidates spent their money within the mass communication category, these differences were only slight. For example, school board candidates spent 50 percent of their mass communication dollars on direct mail compared with 55 percent of these dollars spent by local candidates. And school board candidates spent 23 percent of mass communication dollars on newspaper advertising, whereas local candidates spent 16 percent of this category on newspaper advertising.

Spending on non mass communication purposes by the two sets of candidates was similar but not identical. School board candidates emphasized election-day activities and administration while local candidates emphasized fundraising, administration, consultants, and charity.

CONCLUSION

In recent years, the Commission has sponsored studies that have explored campaign financing at the local level. This effort started with Repartyization: The Rebirth of County Organizations, published in November, 1997. This publication demonstrated how county political party organizations were strengthened by the U.S. Supreme Court's Eu decision in 1989 and reforms to New Jersey's campaign finance laws in 1993. It explained how these organizations became key players in elections as the money began to flow their way.

The effort to analyze financial activity at the local level continued in November, 2000, with the publication of Local Campaign Financing. This publication examined campaign fundraising and spending by selected municipal and county candidates. In this current publication, the third in this pioneering series, all aspects of campaign financing relative to school board candidates are analyzed. This effort is the first such sponsored by the Commission and as far as is known the first of its type in the State. This report recognizes the importance of these elections in New Jersey's political life.

As noted above, this study focuses on three school board elections held between 1990 and 2000. In 1990, 1995, and 2000, the top ten campaigns in terms of financial activity were analyzed. The study, therefore, was a purposive one. Candidates were selected in a way that would yield the most data. This method was chosen because, though the financial activity of school board candidates increased between 1990 and 2000 at a rate substantially higher than that of all other types of candidates, the sheer amount was dwarfed by these other candidate types.

Conclusion

Financial Activity Increases

Total fundraising by school board candidates increased by 159 percent between 1990 and 2000. In 1990, school board candidates raised \$279,332 compared with \$724,493 in 2000. Moreover, the rate of increase in spending by these candidates during this period exceeded even that of their fundraising. In 1990, school board candidates spent \$218,736. In 2000, they spent \$722,412, constituting an increase of 230 percent over ten years earlier.

In examining the sources of contributions made to the selected group of school board candidates it was found that over the course of the three elections studied, the majority of contributions came from unions. Though the overall percentage of union derived contributions is somewhat skewed due to the very significant effort made by the N.J.E.A. and affiliates in 1995, nevertheless, unions contributed 40 percent of total receipts.

The most reliable source of school board candidate funding, however, derived from individuals. Over the three years reviewed, 26 percent of total contributions came from individuals. Contributions from business constituted a steady source of funding for the candidates as well. Overtime, business provided 13 percent of total contributions to the selected school board candidates.

Partisan Involvement

Perhaps the most interesting aspect of this analysis of school board fundraising involves political parties. As a source of contributions to school board candidates, political party involvement was practically non-existent in 1990. As time wore on, it became evident that political parties were becoming more active in school board elections, making 13 percent of contributions in 1995 and five percent in 2000. The same pattern held for contributions from other types of candidates as a source of money for the selected school board candidates. Insignificant in 1990 and 1995, other types of candidates made 22 percent of 2000 contributions and eight percent overall. Finally, activity on the part of PACs was negligible, at one percent of the total.

Conclusion

When contributor activity by partisan entities including political parties, other candidates, and PACs is combined; the amount of such activity equals 19 percent of total contributions to school board candidates. Moreover, when viewed from the standpoint that the vast majority of this activity has been occurring in more recent years, suffice it to say that partisan interests are getting more involved in these elections. This fact, bolstered by the increased incidence of union involvement and the anecdotal evidence presented in the introduction, is perhaps the most significant finding of the study. Tradition holds that school board elections in New Jersey are non-partisan events. The data suggests this situation may be changing, at least behind the scenes.

In terms of contributor activity, the report compared that of school board candidates with that of other local candidates. It was noted that each set of candidates received contributions from similar sources, but that the proportion of funding derived from each contributor type was different. Most importantly, local candidates received 76 percent of their contributions from political parties. While the involvement of parties in school board elections appears to be growing, in terms of contributor activity, this involvement in no way approximates that of their activity vis-à-vis municipal and county general elections.

In addition to delving into the area of contributor activity, the analysis concerned also the spending patterns of school board candidates. How school board candidates spent their money was then compared to how other local candidates spent their money.

The data indicates that the majority of expenditures by the school board candidates selected for study went for mass communication. About 72 percent of expenditures made during the three elections under review were directed toward mass communication. Most of the mass communication spending went for the purchase of print advertising, 40 percent of which was for direct mail, and 34 percent for newspaper advertising. While radio advertising constituted 16 percent of total mass communication spending, most of this spending occurred in 1995. Thus, school board candidates opted for an advertising medium designed to reach a more targeted population within a local community.

In comparing school board candidate spending with that of local candidate spending, it is made clear by the data that the overall spending strategies of both sets of candidates is similar.

Conclusion

The 50 local candidates selected for observation in a previous study matched school board candidates in terms the high percentage of money dedicated to the mass communication category. In the 1999 general election, local candidates spent 68 percent of their campaign money on mass communication. In 2000, 63 percent of overall school board candidate spending went for that purpose.

There were only slight differences discovered between the two sets of candidates relative to the distribution of mass communication dollars. School board candidates were more inclined to use traditional advertising in newspapers than were local candidates and slightly less inclined than their counterparts to use direct mail. Twenty-three percent of school board candidate mass communication dollars in 2000 went for newspaper advertisements compared with 16 percent of 1999 local candidate mass communication dollars. And school board candidates directed 50 percent of their dollars to direct mail compared with that percentage spent by local candidates, which amounted to 55 percent of their mass communication dollars.

These findings are not surprising in that direct mail advertising and newspaper advertising can be better pinpointed to a target population than can many other forms of advertising, such as radio. Certainly this expenditure pattern makes sense for school board candidates. There is a smaller percentage of the electorate voting in school board elections than in all other types of elections. And with school board election voters identifiable in terms of interest, it is most effective to use school board candidate dollars for newspaper and direct mail advertising.

In conclusion, the study found that there has been a rapid increase in the rate of spending on school board elections between 1990 and 2000 and that this increase has been accompanied by a discernable increase in partisan activity in these elections. Because of the importance of school boards, the increase in the rate of spending in these elections, and the desire to round out the study of campaign financial activity at the local level, it was felt that school board election financial activity should be reviewed. It is believed that this study represents the first such review of activity at this electoral level.

PREVIOUS WHITE PAPERS

- Number One:** Contribution Limits and Prohibited Contributions (1988)
- Number Two:** Trends in Legislative Campaign Financing: 1977-1987 (1989)
- Number Three:** Legislative Public Financing (1989)
- Number Four:** Ideas for an Alternate Funding Source (1989)
- Number Five:** Lobbying Reform (1990)
- Number Six:** Autonomy and Jurisdiction (1991)
- Number Seven:** Is There a PAC Plague in New Jersey? (1991)
- Number Eight:** Technology in The Future: Strengthening Disclosure (1992)
- Number Nine:** Legislative Candidates: How They Spend their Money (1994)
- Number Ten:** Nonconnected, Ideological PACs in the Garden State (1995)
- Number Eleven:** State Parties And Legislative Leadership Committees: An Analysis 1994-1995 (1996)
- Number Twelve:** Repartyization: The Rebirth of County Organizations (1997)
- Number Thirteen:** Trends in Legislative Campaign Financing: 1987-1997 2nd Volume (1999)
- Number Fourteen:** Local Campaign Financing (2000)
-