



Perth Amboy, New Jersey: Big Money Floods a Small School Board Race

Perth Amboy, New Jersey is “a 4.5 square mile municipality located along the shores of the beautiful Raritan Bay in Middlesex County.” The district operates five elementary schools, one middle school, and one high school. Its nine-member board of education is [elected at-large](#), with three seats open for election every three years. If an unexpired seat is vacated, that seat is filled in the next election.

What follows is the odd story of how a small school board race in a relatively unknown town became a magnet for out of state donors, whose names will not be unfamiliar to those who have been reading this report.

Perth Amboy school board candidate Jeanette Gonzalez’s husband, Kenneth Gonzalez, served four terms on the Perth Amboy board of education. According to Gonzalez, Perth Amboy school board elections usually cost candidates several thousand dollars. [She noted that](#) her husband often raised between \$5,000 and \$8,000 for his campaigns.

In 2012, Jeanette Gonzalez and three other candidates [formed a joint committee and raised a total of \\$8,605](#) among the three candidates. They were shocked to learn that a new committee, Better Schools Now for Perth Amboy, [had reported that it had already raised over \\$44,000](#) in support of four candidates for the school board.

New Jersey campaign finance law allows individuals to contribute a [maximum of \\$2,600 to a candidate’s committee](#). From September 28, 2012, to November 05, 2012 (the day before the Perth Amboy school board election), there were eight contributors to the joint committee, “Ortiz, Ortega, Iglesia & [Damaris] Gonzalez Better Schools Now for Perth Amboy”.

Four of the eight contributors were from California, and one was from Colorado. [New Jersey blogger Mark Weber](#) detailed the intricate story behind the unusual out-of-state interest in a small-town school board race. Weber reported that in 2011, Perth Amboy’s new superintendent, Janine Caffrey, began advocating against teacher job protections. Caffrey became a lightning rod in the state – in November of 2011 she penned an op-ed titled, [“Tenure laws keep bad apples in the classroom.”](#) Caffrey testified in Trenton – alongside then Newark Mayor Cory Booker – [in support of a bill before the Senate Education Committee](#) that would have effectively ended tenure protections in the state.

Less than a year into her tenure in Perth Amboy, the Board of Education [filed 11 accusations against Caffrey](#), and shortly voted to put her on administrative leave. Corporate-reform-minded state superintendent Chris Cerf refused to allow it—twice. Before Cerf intervened, B4K, headed by New Jersey billionaires David Tepper and Alan Fournier, an affiliate of Michelle Rhee’s StudentsFirst, [waged a media campaign on Caffrey’s behalf](#).

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And then, in the fall of 2012, money began to come in to fund a slate of candidates for the board of education sympathetic to Caffrey. Tepper and Fornier, who are not from Perth Amboy, rallied out-of-state corporate reform donors. Four donors were from California – all regular contributors to candidates that support education reform; Greg Penner, the husband of Carrie Walton Penner; David Goldberg, the former CEO of SurveyMonkey and husband of Facebook Executive Sheryl Sandberg; and venture capitalist Arthur Rock. All give generously to support education reform initiatives in the state of California, and across the nation. These three were joined in their donations by Lydia Callaghan, the wife of hedge-funder Adam Weiss, who has ties to Whitney Tilson of DFER, and Success Academy board member and hedge fund billionaire Dan Loeb.

The Colorado donor was Kent Thiry who supports corporate-reform-friendly candidates in his own state, including Denver school board candidates as noted in our Denver report.

Despite the coordinated national effort to influence a small, local board of education race, only one of the four candidates was elected to the 2012 Perth Amboy school board (William Ortiz). Thus, the 2012 out-of-state money blitz into the Perth Amboy school board elections was not successful.

Without a board majority, the remainder of Caffrey's time in Perth Amboy continued to be contentious. Less than one year after the 2012 election the board voted for the fourth and final time to put Caffrey on paid administrative leave. Less than 1 year after that vote, the board and Caffrey reached a settlement agreement that paid Caffrey six figures to leave the district for good. This not only ended Caffrey's tenure reform crusade, but the corporate reform interest in Perth Amboy as well. Subsequent elections have returned to previous levels of funding, with no outside interference. ■

Table 1: In-State Contributions to Ortiz, Ortega, Iglesia & [Damaris] Gonzalez Better Schools Now for Perth Amboy

DIRECT CONTRIBUTIONS TO ORTIZ, ORTEGA, IGLESIA & GONZALEZ	DATE	AMOUNT
Alan Fournier	09/28/2012	\$2,600.00
	09/28/2012	\$2,600.00
	09/28/2012	\$2,600.00
	09/28/2012	\$2,600.00
Jennifer Fournier	09/28/2012	\$2,600.00
	09/28/2012	\$2,600.00
	09/28/2012	\$2,600.00
	09/28/2012	\$2,600.00

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Table 1 continued: In-State Contributions to Ortiz, Ortega, Iglesia & [Damaris] Gonzalez Better Schools Now for Perth Amboy

DIRECT CONTRIBUTIONS TO ORTIZ, ORTEGA, IGLESIA & GONZALEZ	DATE	AMOUNT
David Tepper	11/05/2012	\$1,250.00
	11/05/2012	\$1,250.00
	11/05/2012	\$1,250.00
	11/05/2012	\$1,250.00
Lydia Callaghan	10/05/2012	\$2,000.00
	10/05/2012	\$2,000.00
	10/05/2012	\$2,000.00
	10/05/2012	\$2,000.00
Dave Goldberg	10/09/2012	\$2,000.00
	10/09/2012	\$2,000.00
	10/09/2012	\$2,000.00
	10/09/2012	\$2,000.00
Greg Penner	10/04/2012	\$2,000.00
	10/04/2012	\$2,000.00
	10/04/2012	\$2,000.00
	10/04/2012	\$2,000.00
Arthur Rock	10/03/2012	\$2,000.00
	10/03/2012	\$2,000.00
	10/03/2012	\$2,000.00
	10/03/2012	\$2,000.00
Kent Thiry	10/08/2012	\$2,600.00
	10/08/2012	\$2,600.00
	10/08/2012	\$2,600.00
	10/08/2012	\$2,600.00

Source: New Jersey Election Law Enforcement Commission