



STATE OF NEW JERSEY DEPARTMENT OF EDUCATION

A Memo from the New Jersey Department of Education

Date: January 24, 2020
To: Chief School Administrators
Route To: District School Business Administrators
From: Glenn Forney, Deputy Assistant Commissioner
Division of Finance

Initial Release of 2020-21 Budget Software Application

The initial release of the 2020-21 Budget Software Application will be accessible to authorized school district personnel on or about January 27, 2020, through the New Jersey Department of Education's (NJDOE's) [Homeroom portal](#). The budget software in the Homeroom portal is named "2020-21 Budget Statement Software." This release will include the revenue screen, appropriations screen, recapitulation of balances screen, enrollments screen, estimated tuition screens, and many of the School Funding Reform Act (SFRA) calculations and supporting documentation items.

Key Steps/Actions

The 2020 school election and budget procedures calendar for 2020-21 is available through the NJDOE's School Finance webpage at [Election Calendar](#). The Election Calendar includes dates and deadlines relevant to school budget preparation, as well as the four special elections dates in January, March, September and December.

Accessing the Budget Software Application

Access to the 2020-21 Budget Software Application is restricted to those school district employees or vendors for whom the school district's Homeroom Administrator has created a user account granting access to the school district's budget. First-time users authorized by the school district must work through the school district's Homeroom Administrator to create a unique User Identification and Password. Instructions for establishing a Homeroom Administrator and for establishing authorized users are documented in the "Homeroom Administrator Manual" available through the Homeroom portal. Important message to Homeroom Administrators: Once you have entered into the Homeroom Administration system, the 2020-21 Budget Software Application is named "Budget Statement."

Guidance Documents

The NJDOE has prepared formal guidance for completing the 2020-21 budget software. The 2020-21 Budget Guidelines and Electronic Data Collection Manual and related appendices will be accessible through the NJDOE's [School Finance webpage](#) on or about January 27, 2020. Authorized users of the Budget Software Application are encouraged to review the manual prior to preparing the school district's budget statement.

Significant revisions and enhancements to the school district budget software are highlighted in the executive summary section of the 2020-2021 Budget Guidelines and Electronic Data Collection Manual and are elaborated upon throughout that document.

To highlight several of the important revisions and enhancements included in the 2020-21 Budget Software Application:

- On the SFRA report for health care cost adjustment, because the 2020 State Health Benefit Program (SHBP) insurance premium is a decrease of 4.5 percent, there will be no adjustments to the tax levy cap for a school district's budgeted increase in health care premium cost.
- The User-Friendly Budget file created by the budget software has been updated to make it more accessible for posting on the district websites.
- The separate proposal summary will be included in the Advertised File for Newspapers file created by the budget software.

A message on the "Home" tab of the "2020-21 Budget Statement Software" will indicate when an update to the software has been made subsequent to the software's initial release. As in prior years, updates may include, but are not limited to the release of software edits and notification of the availability of the following sections of the application: the "advertised budget" file selector; the "prepare user-friendly budget document" selector; the "minimum tax levy report" selector; the report of "district status above or below the expected local levy" selector; the "printable PDF" file selector; and the "county review and approval" page. The NJDOE will also update the software to load state aid upon release of the 2020-21 state aid numbers. Please note the NJDOE's updates will not overwrite the district's previously entered data.

Budget Planning

For purposes of developing your district's preliminary budget, districts should make allowances for the possibility of changes in state aid from 2019-20 amounts. This recommendation is for planning purposes only and is no indication of the final state aid allocation for 2020-21. In accordance with *N.J.S.A. 18A:7F-5*, state aid numbers will be provided to school districts within two days after the Governor's budget message and represent the anticipated amount of aid payable to the district.

The Consumer Price Index (CPI) applicable for the 2020-21 budget year is 1.70 percent. The applicable regional administrative cost limits for 2020-2021 for the north, central and south are \$2,360, \$2,197, and \$2,188, respectively.

Contact Information

Budget related questions should be directed to the Office of Fiscal Policy and Planning at budget@doe.nj.gov.

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