



STATE OF NEW JERSEY

DEPARTMENT OF EDUCATION

A Memo from the New Jersey Department of Education

Date: August 11, 2021
To: Chief School Administrators
Route To: School Business Administrators/Board Secretaries
From: Amanda Schultz, Division Director
Office of Budget and Accounting

Federal Programs: Pension and Social Security Reimbursement to State of New Jersey for Contributions Paid by the State

The New Jersey Department of Education's (NJDOE) Office of Budget and Accounting has been notified by the Division of Pensions and Benefits that the State payment to the Teacher's Pension and Annuity Fund for Fiscal Year 2020-2021 will be **35.24%**.

The NJDOE's [School Finance webpage](#) will provide the reporting form for Title I and other Federal programs under the section titled "Reimbursement of TPAF and Social Security - School Year 2020-2021 - Report Form." The form will show the 2020-2021 final pension rate and Social Security rate for calendar year 2020 of **7.65%** of the first **\$137,700** and **1.45%** for gross wages in excess of **\$137,700**. For calendar year 2021, the rate is **7.65%** of the first **\$142,800** and **1.45%** for gross wages in excess of **\$142,800**.

In accordance with [N.J.S.A. 18A:66-90](#), the above rates must be used when budgeting for Title I and other Federal Programs for FY 21. Your school district will be notified by the Public Employees' Retirement System (PERS) if a payment is due for its members.

Important: Beginning this year, the NJDOE will require that all payments to the State be made via electronic payment (ACH) and not via paper checks. Please contact your [County Office of Education](#) for ACH instructions.

Contact information

Should you have any questions, please contact the Office of Budget and Accounting at TPAF@DOE.NJ.GOV.

c: Members, State Board of Education
Angelica Allen-McMillan, Acting Commissioner of Education
NJDOE Staff
Statewide Parent Advocacy Network
Garden State Coalition of Schools
NJ LEE Group