

Date: August 25, 2021

To: Chief School Administrators

Route To: District School Business Administrators

From: Kevin Dehmer, Assistant Commissioner Division of Finance

Stabilization Aid and Education Rescue Grants Application Notification

On June 29, 2021, Governor Phil Murphy signed the Fiscal Year 2022 (FY 2022) state budget. Pursuant to language included in the FY 2022 Appropriations Act, a district experiencing the following conditions in FY 2022 may apply for stabilization aid:

- The district experienced a reduction in state aid; or
- The district faces a structural budgetary imbalance.

The stabilization aid is, in part, intended to support plans for restructuring school district operations to align with the state funding levels provided under P.L.2019, Chapter 67. Any district that applies for stabilization aid must provide a written plan explaining how the district intends to fund operations in future years in which the district will not receive similar supplemental State aid.

Additionally, Education Rescue Grants are available to support the costs of rehiring or retaining teaching staff, or if not able to be rehired, the costs of hiring similarly qualified teaching staff. Any district that reduced teaching staff for the 2021-2022 school year may apply for an Education Rescue Grant. The proceeds of each grant shall be dedicated to the salaries, not including fringe benefits or other non-monetary compensation, payable to the teaching staff members by the recipient school district.

Districts will use the Stabilization Aid Application system in <u>NJDOE Homeroom</u> to apply for Stabilization Aid and Education Rescue Grants. To access the Stabilization Aid Application system, the district's Homeroom Administrator must assign district users. The application page consists of four sections:

- 1. *Receipt.* A button at the top of the screen allows the district to print a receipt of documents or files that were successfully submitted. The receipt lists the file names with the date and time each was submitted.
- 2. *Guidance*. This section contains two files for the district to download. One file explains the application process. The second file contains a list of the required submission files that must be uploaded in the Stabilization Aid Application system.
- 3. *Required submission templates.* This section contains submission files that must be uploaded in the Department-established format. Note that there are other files that must also be submitted in a district-determined format, as detailed in the Required Submission list in the guidance section. This section contains only those files with a required format.
- 4. *Uploads.* This section is where the district will upload the required Stabilization Aid and Education Rescue Grant application files. The names of the uploaded files must match the titles listed on the Required Submissions document found in the guidance section of the system, or the file will not be accepted by the system.

Districts should refer to the "Guidance on Application for 2021-22 Stabilization Aid" document in the guidance section of the Stabilization Aid Application system for detailed instructions on the application process.

The FY 2022 Appropriations Act language also provides for stabilization aid to military-impacted districts if, in the prebudget year, certain criteria are met. The aid to military-impacted districts will be calculated by the Department pursuant to the criteria in the FY 2022 Appropriations Act. Military-impacted districts will **not** use the application process for stabilization aid and will receive a revised state aid notice in the <u>NJDOE</u> <u>Homeroom</u> state aid folder indicating the district's allocation of military impact aid.

Thank you for your attention to this matter.

Contact Information

Questions related to the Stabilization Aid and Education Rescue Grants Application should be directed to the Office of Fiscal Policy and Planning at <u>budget@doe.nj.gov</u>.

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