



STATE OF NEW JERSEY

# DEPARTMENT OF EDUCATION

A Memo from the New Jersey Department of Education

Date: February 18, 2025  
To: Local Educational Agencies  
From: David F. Corso, Assistant Commissioner  
Division of Finance and Business Services

## Planning Information Regarding State School Aid for the 2025-2026 School Year

This notification is to provide local educational agencies (LEAs) with information regarding K-12 State school aid allocations for the upcoming school year. To assist LEAs in planning their Fiscal Year 2026 (FY2026) budgets, the New Jersey Department of Education intends to limit the amount by which districts' State school aid may decrease next year.

Specifically, school districts can anticipate that total K-12 State aid will not decrease by an amount greater than three percent (3%) of their K-12 State aid for the 2024-2025 school year. This limit will apply to the four primary aid categories – equalization, special education, security, and transportation aid as calculated under the “School Funding Reform Act of 2008.” Changes to other aid categories, including Choice funding, Military Impact Aid, County Vocational Stabilization Aid, and Educational Adequacy Aid are determined through factors such as annual participation or enrollment and are therefore not considered in the calculation of the limit.

We encourage LEA leaders to take this into consideration when planning for a balanced budget in FY2026 and to coordinate this discussion with your local board of education throughout the school district budget process. Please reach out to your [county office](#) team for additional support and assistance that may be needed.

c: Members, State Board of Education  
NJDOE Staff  
Statewide Parent Advocacy Network  
Garden State Coalition of Schools  
NJ LEE Group  
AFTNJ