STATE OF NEW JERSEY
DEPARTMENT OF EDUCATION

A Memo from the New Jersey Department of Education

Date: August 26, 2026

To: Local Educational Agency Leads

Route To: School Business Administrators, Board Secretaries

From: Joseph Howe, Deputy Commissioner/Chief Financial Officer
Division of Finance and Business Services

Deadline: October 1, 2026

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

This memo reminds Local Education Agencies (LEAs) of the annual requirement to reimburse the State for TPAF and Social Security contributions paid by the State on federally funded salaries and provides instructions for completing FY 2025-2026 submissions through the Teachers' Pension and Annuity Fund (TPAF) Reimbursement Management System.

Districts must submit required forms and payment no later than October 1, 2026.

Statutory Requirement

Pursuant to N.J.S.A. 18A:66-90, LEAs must reimburse the State for the increased cost of TPAF and Social Security contributions when those costs are funded, in whole or in part, from federal allocations to the public employer.

The statute provides, in part:
"The State shall be reimbursed by the public employer from any funds allocated to the public employer by the federal government in an amount equal to the increased cost to the State of the pensions and benefits payable to members of the Teachers' Pension and Annuity Fund whose salaries are paid from such federal funds."

This requirement applies whether the federal funds cover all or part of the salary of a TPAF member. The obligation applies annually, regardless of whether the LEA has an amount due.

TPAF Reimbursement Management System

To standardize and streamline the reimbursement process, the Department of Education (NJDOE), last year, launched the TPAF Reimbursement Management System in Homeroom. This application fully replaces the prior PDF form and eliminates the acceptance of paper checks or ACH payments made outside the system.

Key Requirements for FY 2025-2026 Submissions

1. **Mandatory Use for Current-Year Activity** – All FY 2025-2026 reimbursement submissions, including original entries and revisions, must be completed within the TPAF Reimbursement Management System.
2. **Electronic Payments Only** – All ACH payments must be initiated directly within the application. PDF forms, emailed submissions, physical checks, and ACH payments made outside the application will not be accepted or processed. (For a closed school, send email to TPAF at tpaf@doe.nj.gov to request a blank form so payment can be made by check.)
3. **Annual Submission Requirement** – All LEAs must submit the form each year, even if no reimbursement is owed.
    - If reimbursement is required, enter the salary and benefit data, upload supporting documentation (if necessary), and submit payment through the system.
    - If no reimbursement is owed, certify "No Reimbursement Due" within the system.
    - Please combine all school TPAF reimbursements into a single payment if the schools submit their TPAF reimbursements to the district, since the TPAF reimbursement system does not support multiple payments for each district.
4. **Prior-Year Revisions** – Any adjustments or corrections for fiscal years *prior* to FY 2024–2025 must be processed outside of the TPAF Reimbursement Management System. LEAs should contact tpaf@doe.nj.gov for instructions and required forms for prior-year revisions. Any adjustments or corrections for fiscal year FY 2024-2025 only must be processed within the TPAF Reimbursement Management System as a prior-year revision.

FY 2025-2026 TPAF Rate

The NJDOE has been notified by the Department of the Treasury's Division of Pensions and Benefits that the State's contribution to TPAF for Fiscal Year 2025-2026 will be **44.63%.** This is the rate to be applied to federally funded TPAF-member salaries when calculating reimbursement.

The TPAF Reimbursement Management System will display the 2025-2026 **final** pension rate along with the Social Security rate for calendar year 2025 of **7.65%** of the first **$176,100** of gross wages, and **1.45%** of gross wages in excess of **$176,100**. For calendar year 2026, the rate is **7.65%** of the first **$184,500** of gross wages and **1.45%** of gross wages in excess of **$184,500**.

Deadline for FY 2025-2026

The FY 2025-2026 TPAF Reimbursement Form and any applicable ACH payment must be submitted through the TPAF Reimbursement Management System **no later than October 1, 2026**.

- Submissions are date- and time-stamped within the application.
- Late submissions may result in follow-up from the NJDOE and could be recorded as noncompliance.
- LEAs are strongly encouraged to submit well before the deadline to allow for internal review and payment processing.

Guidance and Support

The TPAF Reimbursement Management System User Guide contains step-by-step instructions for:

- Accessing and navigating the application;
- Entering salary and benefit data;
- Uploading supporting documentation;
- Initiating ACH payments through the system, and;

- Certifying “No Reimbursement Due.”

Contact Information
For questions, including prior-year revisions, contact tpaf@doe.nj.gov. Include your LEA code, district name, and “TPAF Reimbursement” in the subject line for prompt assistance.