



STATE OF NEW JERSEY  
**DEPARTMENT OF EDUCATION**

A Memo from the New Jersey Department of Education

Date: March 31, 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 **estimated** State payment to the Teacher's Pension and Annuity Fund for Fiscal Year 2020-21 will be **34.84%**.

The NJDOE's website will provide the reporting form for Title I and other Federal programs around July 2021. The form will show the 2019-20 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 **\$141,900** and **1.45%** for gross wages in excess of **\$141,900**.

In accordance with [NJS 18A:66-90](#), the above rates must be used when budgeting for Title I and other Federal Programs for FY21. Your school district will be notified by the Public Employees' Retirement System if a payment is due for PERS members. Please disseminate this information to your program directors so that the necessary budget revisions can be made prior to June 30, 2021.

*Important:* Beginning this year, we will require that all payments to the State be made via electronic payment (ACH) and not via paper checks. ACH instructions will be provided to each district, so they can prepare for this change along with their respective bank.

**Contact information**

Should you have any questions, please contact the NJDOE Office of Budget and Accounting at [tpaf@doe.nj.gov](mailto:tpaf@doe.nj.gov).

c: Members, State Board of Education  
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