

Funded: New Jersey Report

A Detailed Look at New Jersey's Funding Policies



New Jersey



Funding Basics

Formula Type

New Jersey has a primarily student-based funding formula. It assigns a cost to the education of a student with no special needs or services, called a base amount. It then accounts for the additional cost of educating specific categories of students both through program-specific allocations and by applying multipliers to the base amount to generate supplemental funding for certain students.

The categories of students generating supplemental funding in New Jersey are students in certain grade levels, low-income students, English language learners, and students enrolled in career and technical education programs. Services for students with disabilities are funded through a program-specific allocation.

Base Amount

New Jersey has a fixed base funding amount. For FY2017, the per-student base amount was \$11,009.

This means that an average student with no special needs or disadvantages would be funded at that level.

Expected Local Share

New Jersey expects school districts to contribute revenue to their public schools. The amount each district is expected to raise is based on a combination of its property values and its residents' income.

The state sets both a property rate and an income rate each year. The local share of each district's adequacy budget—the amount calculated by the state to be necessary to adequately educate its students—is equal to the average of its local assessed property wealth times the property rate and its local income levels times the income rate. The two rates are set such that, once the state calculates the total amount of funding necessary to educate its students and subtracts the amount of funding appropriated for the purposes of providing state education aid, the overall local contribution will cover the remaining amount of necessary funding.

Student Characteristics

Grade Level

New Jersey provides different amounts of funding for students in different grade levels. It does so by applying multipliers to the base per-pupil amount for students in two different grade spans: the base amount is multiplied by 1.04 for students in grades 6-8 and by 1.16 for students in grades 9-12.

Students in grades K-5 are funded at the base amount.

English Language Learner

New Jersey provides additional resources for English language learners. It does so by applying a multiplier of 1.47 to the base per-pupil amount for these students.

The funding is actually provided in an amount equal to .47 times the per-pupil base amount, distributed in addition to the student's own base amount funding, which is first adjusted for grade level.

Student Poverty

New Jersey provides increased funding for students from low-income households. It does so by applying a multiplier to the base per-pupil amount for these students. The value of the multiplier depends on the concentration of low-income students in the district and ranges from 1.41 to 1.46. See "District Poverty" for a description of the formula that determines the precise weight allocation.

In practice, students are eligible for this supplemental funding if they qualify for free or reduced-price lunch (FRL) under the National School Lunch Program. However, state law does not tie eligibility for this funding to the lunch program; instead, it specifies the same qualifying criteria, defining eligible pupils as those from households with an income at or below 185% of the federal poverty threshold.

Special Education

New Jersey funds special education using a census-based system, assuming that a set percentage of students in each district will require special education services and using each district's full enrollment count to determine the amount of special education funding required.

The state assumes that 14.92% of students will require special education services and that 1.63% will require speech services only, and provides flat amounts of funding for each student assumed to require those services. The state provides supplemental funding for these students in the flat amounts of \$17,034 and \$1,159, respectively. All districts receive at least a portion of this special education funding, even if they are too wealthy to qualify for other formula aid. The allocation is adjusted for local cost of living.

Gifted

New Jersey does not provide additional resources for gifted and talented students.

However, the state considers the costs of gifted education in setting its base amount and expects that districts will be able to use a portion of the base funding to serve gifted and talented students.

Career and Technical Education

New Jersey provides specific funding for career and technical education programs. It does so by applying a multiplier of 1.25 to the base per-pupil amount for students enrolled in county vocational school districts.

The funding is actually provided in an amount equal to .25 times the per-pupil base amount, distributed in addition to the student's own base amount funding, which is first adjusted for grade level.



Community Characteristics

District Poverty

New Jersey provides increased funding to certain districts based on the concentrations of students from low-income households that they serve. It does so by increasing the multiplier applied to the per-student base amount for students from low-income households (see “Student Poverty”) as the concentration of low-income students in the district increases.

Multipliers range from 1.41 to 1.46. Specifically, the multiplier is 1.41 in districts whose populations are eligible for free- or reduced-price lunch (FRL) under the National School Lunch Program at a rate of less than 20% and 1.46 for districts whose populations are FRL-eligible at a rate of 40% or higher; and in accordance with a sliding scale for districts whose populations are FRL-eligible at a rate between 20% and 40%. In practice, students are eligible for this supplemental funding if they qualify for free or reduced-price lunch under the National School Lunch Program. However, state law does not tie eligibility for this funding to the lunch program; instead, it specifies the same qualifying criteria, defining eligible pupils as those from households with an income at or below 185% of the federal poverty threshold.

Sparsity and/or Small Size

New Jersey does not provide increased funding for sparse districts or small schools.

For a complete list of primary sources, please see the appropriate state page at funded.edbuild.org

