


DEPARTMENT OF SPECIAL SERVICES
Township of Union Public Schools
M-E-M-O-R-A-N-D-U-M

TO: Pat Ditri
FROM: Kim Conti 
RE: Board Agenda
DATE: 2/6/2012

The committee recommends and I so move that the board approve contract for Burnet Middle School Supporting Students with Disabilities and Challenging Behaviors through Implementation of Positive Behavior Support in Schools (PBSIS) for the 2011-2012 school year in accordance with the information in the hands of each board member.



State of New Jersey
DEPARTMENT OF EDUCATION
PO Box 500
TRENTON, NJ 08625-0500

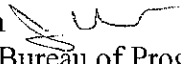
CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHRISTOPHER D. CERF
Acting Commissioner

January 31, 2012

TO: Kim Conti, Supervisor of Special Services
Union Township School District

FROM: John Worthington 
Acting Manager, Bureau of Program Development
Office of Special Education

SUBJECT: Contract for Supporting Students with Disabilities and Challenging Behaviors through
the Implementation of Positive Behavior Support in Schools (PBSIS)
School Year 2011-2012- Burnet Middle School

The New Jersey Department of Education, Office of Special Education (NJOSE) in collaboration with the Elizabeth M. Boggs Center is supporting a statewide initiative on Positive Behavior Support in Schools (PBSIS). PBSIS is designed to implement a tiered system of interventions to build the capacity of schools to include students with disabilities and challenging behavior within general education buildings and settings.

As a participant in the PBSIS initiative, your district is eligible to receive compensation for allowable expenditures related to the implementation of PBSIS practices of the participating PBSIS school during this school year, 2011-2012. **Compensation will be provided on a reimbursement basis according to actual documented expenditures to complete this activity, not to exceed the maximum allowable, \$5,000.00.**

Attached is a contract for your participating school for the time frame of September 1, 2011 to June 30, 2012. The contract delineates specific projects and activities which must be completed in return for funding reimbursement. The following documents and attachments are included with this contract:

- a) Documentation Chart for Reimbursement Expenses – Attachment A;
- b) Invoice – Attachment B;
- c) Data Documentation Chart – Attachment C;
- d) Secondary/Small Group Intervention Plan Report – Attachment D; and
- e) Attachments E-1 and E-2, Contract Terms and Conditions.

Please return one signed copy of the contract by **March 2, 2012** to:

Perkie Cannon
Learning Resource Center – North Satellite
New Jersey Department of Education-OSE
104 American Road
Morris Plains, NJ 07950

If you have questions, please contact Perkie Cannon at (973) 631-6347 or perkie.cannon@doe.state.nj.us.

Thank you for your anticipated cooperation and participation in the Positive Behavior Support in Schools Initiative.

JW/pc

Attachments

c: Barbara Gantwerk
Peggy McDonald
Perkie Cannon
County Superintendent
County Supervisor of Child Study
Chief School Administrator
School Principal

**New Jersey Department of Education-Office of Special Education
Contract for Burnet Middle School
Supporting Students with Disabilities and Challenging Behaviors through
Implementation of Positive Behavior Support in Schools (PBSIS)**

School Year 2011-2012

PURPOSE and BACKGROUND:

The New Jersey Department of Education, Office of Special Education (NJDOE) in collaboration with the Elizabeth M. Boggs Center has developed and implemented the Positive Behavior Support in Schools (PBSIS) Initiative in order to increase the capacity of schools to support students with disabilities and challenging behavior within general education settings. This initiative is a school-wide model of positive behavioral interventions which benefits students with disabilities, as well as other students and staff, by teaching and reinforcing a consistent set of behavioral expectations. This proactive, educative approach to behavior promotes a supportive school climate, providing foundational support for the inclusion of students with disabilities. In addition, this initiative provides small group and individualized interventions for students with disabilities who require more intensive support.

During 2010, the New Jersey Department of Education extended an opportunity to districts statewide to apply for two years of training and technical assistance in the PBSIS Initiative. Schools were selected to participate based on an application process. During 2010-2011, participating schools completed the first year of training and technical assistance to prepare for implementation of PBSIS.

Participating schools will begin implementation during the 2011-2012 school year and continue to receive additional training and technical assistance support. The funding supplied in this contract is designed to support each participating school with initial implementation of PBSIS practices during 2011-2012 school year.

ELIGIBILITY:

Schools that participated in the PBSIS initiative during **the 2010-2011 school year** and provided documentation of completed designated tasks, as described below, are eligible to receive a maximum of \$5,000 on a reimbursement basis for allowable expenditures to implement PBSIS during the **2011-2012 school year**.

The designated tasks that were to be completed and documented during 2010-2011 are as follows:

- Maintained consistent universal team member attendance at regional PBSIS training sessions, days 1-4;
- Maintained consistent universal team member attendance at in-district monthly meetings;

- Completed the following PBSIS components:
 - Conducted surveys of building staff, students and parents to assess behavioral concerns;
 - Conducted building walk-throughs to identify potential areas for intervention;
 - Developed a set of behavioral expectations for designated areas in the building (minimum 2 - 4 areas);
 - Developed a recognition system for all students; and
 - Determined a date and plan for the school-wide instructional event to initiate PBSIS within the building during the fall of 2011.
- Ensured coach attendance at the coaches' training and technical assistance sessions; and
- Ensured Child Study Team participation in functional behavior assessment and behavior intervention plan (FBA/ BIP) training which included a pre/post self-assessment of FBA/ BIP practices.

CONTRACT TERMS:

This contract provides each eligible school that documented the completion of the PBSIS tasks listed above, with **up to a maximum of \$5,000.00, on a reimbursement basis for allowable expenditures**, to promote the initial implementation of PBSIS during the 2011-2012 school year. Initial PBSIS implementation includes implementing Tier 1: Universal Interventions and Tier 3: Individual Interventions during the 2011-2012 school year. Initial implementation also includes participation in regional training and planning sessions during the 2011-2012 school year for the topics of Tier 2: small group interventions and data based decision making. Subsequent to this contract, participating districts will implement small group interventions and data based decision-making during the 2012-2013 school year.

These funds are provided on a **reimbursement basis** for allowable expenses to prepare and implement PBSIS within participating schools according to specifications of this agreement. This contract, for the time frame set forth below, sets out specific projects and activities which the Grantee shall complete in return for funding reimbursement as provided by the Department of Education and shall fully incorporate and make part of this contract the following documents and attachments:

- a) Documentation Chart for Reimbursement Expenses – Attachment A;
- b) Invoice – Attachment B;
- c) Data Documentation Chart – Attachment C;
- d) Secondary/Small Group Intervention Plan Report – Attachment D; and
- e) Attachments E-1 and E-2, Contract Terms and Conditions.

TERM OF AGREEMENT:

This contract covers activities commencing September 1, 2011 and continuing through June 30, 2012.

STATEMENT OF ASSURANCES:

Each school in receipt of this contract must agree to complete and document required activities during the 2011-2012 school year. **Documentation of the activities specified below must be submitted to the school's assigned member of the State PBSIS Team from the Elizabeth M. Boggs Center – UMDNJ** no later than four weeks after the scheduled activity. Final documentation must be submitted to the Elizabeth M. Boggs Center by June 18, 2012. The following is a list of required activities and accompanying documentation:

- Conduct an annual instructional event in the fall of 2011 to teach specific behavioral expectations for different areas of the school (minimum 2 areas). Documentation: lesson plans, schedule for instructional event, other items such as posters, etc.
- Continue to hold monthly meetings of the Universal Intervention Team (minimum 6 meetings). Documentation: Meeting notes, agenda, and sign-in sheets.
- Ensure that appropriate school staff members attend PBSIS training on the following topics:
 - Universal Intervention: Responding to and Documenting Conduct Infractions;
 - PBSIS Coordination across Intervention Tiers; and
 - Secondary/Individual and Small Group Interventions for Students with Repeated Problem Behaviors.
- Ensure that Universal Intervention Team coaches attend quarterly teleconferences to problem-solve around areas of implementation (minimum of 3 teleconferences).
- Following the October, 2011 training on Responding to and Documenting Conduct Infractions, review and/or revise school Office Conduct Referral form and process. Documentation: Revised Office Conduct Referral form by April 2012.
- Collect and report Conduct Data: collect, analyze and report the following data utilizing the Discipline Data Chart (Attachment C, page 12):
 - Number of Office Conduct Referrals (OCRs) per month beginning September 2011
 - Total for all students
 - Total for students with disabilities
 - Number of out-of-school suspensions per month beginning September 2011
 - Total for all students
 - Total for students with disabilities

- Complete PBSIS benchmark self-assessment in spring 2012. Documentation: completed benchmark self-assessment.
- Plan to establish and implement secondary/small group interventions in 2012-2013 based on the needs of school/student population [interventions may include, but are not limited to, check-in/check-out, mentoring, behavior skills support program, social skills training, peer mediation]. Documentation: completed Secondary/Small Group Intervention Plan Report (Attachment D, page 13).

Budget Design – Allowable Expenditures:

These grant funds are to supplement, not supplant (replace), existing federal, state and/or local funds.

Allowable Expenditures:

The following are allowable expenditures for implementation of PBSIS to be provided on a **reimbursement basis** with the submission of appropriate documentation and an approved invoice. Documentation requirements are stipulated in Attachment A, page 7. **Any reimbursement request above \$500.00 for an item must be pre-approved by Perkie Cannon, New Jersey Department of Education-OSE.**

- Substitute teacher(s) in order to release teachers who are members of the PBSIS universal team or secondary planning team during regional PBSIS training sessions or school based PBSIS meetings according to district substitute rate;
- Parent stipends up to a maximum of \$100.00 for full day attendance at regional training sessions or up to a maximum of \$50.00 for a three hour, school based meeting;
- Travel reimbursement for PBSIS team members to attend regional PBSIS training and technical assistance meetings. Travel expenses are limited to .31/mile and toll road expenses with documentation of receipts to and from the school to the regional training/technical assistance (TA) location;
- Posters of behavioral expectations;
- Curriculum for secondary/small group interventions;
- Materials for the student recognition system and the instructional event. Value must be limited to no more than \$10.00 per item. Materials must be tied to an educational objective and the relationship of the instructional item to the educational objective must be direct. Maximum reimbursement amount for all student recognition system requests is \$2,000.00; and
- Printing costs for production of tickets for the student recognition system and/or revision of Office Conduct forms.

Non-allowable Expenditures include but are not limited to the following:

- Cash incentives to students or staff;
- Recognition items for school staff members;
- Food for district staff members ;
- Substitute reimbursement for principals;
- Travel, registration or substitute reimbursement for out-of-state training;
- Consultants;
- Gift cards;
- Field trips;
- Furniture; and
- Equipment, including computer hardware and software.

Method of Payment:

The Department will make a payment to the Grantee in July, 2012 based on submission of an approved invoice (Attachment B, page 8) with accompanying documentation (Attachment A, page 7). Such payments shall, in the sole discretion of the Department, be made in the form of reimbursement of allowable expenditures actually made and reported with accompanying documentation.

Final substitute teacher and parent stipend reimbursement requests and accompanying documentation **must be received no later than June 30, 2012**. Upon receipt of invoices with accompanying documentation of allowable expenses, the school district will receive payment not to exceed the maximum allowable amount of \$5,000.00 for the school year 2011-2012. The New Jersey Department of Education reserves the right to conduct an audit of the expenditures claimed by the Local Educational Agency.

Submission of invoices for allowable expenditures with related documentation described in Attachment A should be mailed to:

Perkie B. Cannon
New Jersey Office of Special Education (OSE)
Learning Resource Center – North Satellite
104 The American Road
Morris Plains, New Jersey 07950
(973) 631-6347
perkie.cannon@doe.state.nj.us

For the School District of: _____

Tax ID#: _____

GRANT AWARD AGREEMENT SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed.

Name of Grantee _____

By _____ Date _____
Chief School Administrator
Union Township School District

By _____ Date _____
Director of Special Services
Union Township School District

By _____ Date _____
Business Administrator
Union Township School District

By _____ Date _____
Principal- Burnet Middle School

New Jersey Department of Education

By _____ Date _____
Barbara Gantwerk, Assistant Commissioner

By _____ Date _____
Peggy McDonald, Director, Office of Special Education

I attest that sufficient funds have been appropriated by the State legislature to cover the current state fiscal year portion of the grant.

By _____ Date _____
David Joye, Executive Director, Office of Budget
& Accounting and Grants Management

Documentation Chart for Reimbursement Expenses

The following is a chart of allowable expenses and required documentation for reimbursement.

Allowable Expense	Item Description	Required Documentation	Unit Cost & Quantity
Substitute Teachers for PBSIS school based meetings and PBSIS regional trainings	Date & Title of Event (e.g., school based meeting, PBSIS training)	<ul style="list-style-type: none"> Dated, titled sign-in sheet Team members requiring substitute teachers are noted 	Cost of substitute teacher for PBSIS Team member(s) X total number of substitute teachers = total amount requested
Parent Stipend for PBSIS in-district meetings and PBSIS regional trainings	Date & Title of Event (e.g., school based PBSIS meeting or PBSIS regional training)	<ul style="list-style-type: none"> Dated, titled sign-in sheet Parent's name is noted 	Regional training day: \$100.00/ day X number of days + \$50.00/ 3 hour school based monthly meeting X number of meetings = total amount requested
Travel Reimbursement to attend PBSIS regional trainings and Technical Assistance (TA) sessions	Name of Participant, Date, Title & Location of PBSIS regional Training or Technical Assistance Event	<ul style="list-style-type: none"> Documented miles to and from school to Training/TA site Toll road receipts Participant requesting reimbursement must have a signature on the PBSIS regional training form 	Number of miles X .31/mile + toll road expenses = total allowable mileage request amount X number of regional training/TA
Materials for Student Recognition System and Instructional Event	Materials for recognition system to reinforce instruction – value limited to \$10.00 per item	Copy of district purchase order/ check- Must contain itemized list/receipt of materials purchased	Itemized list/receipt with name, cost and quantity of each item = total amount requested Maximum reimbursement request allowed, \$2,000.00
Print Costs	Printed tickets for recognition system, revised office conduct referral forms & PBSIS newsletters	Copy of district purchase order/ check	Itemized list with name, cost and quantity of each item= total amount requested
Posters	Behavioral expectations, recognition system, instructional event, spirit event posters	Copy of district purchase order/check for posters	Number of posters X price/poster = total amount requested = total amount requested
Curriculum for secondary/small group interventions	Curriculum for secondary interventions may include social skills, anger management	Copy of district purchase order/ check	Name of curriculum, cost and quantity = total amount requested

**Invoice for Reimbursement
Positive Behavior Support in Schools Initiative
2011-2012**

Attachment B

New Jersey Department of Education
Division of Programs and Operations
Office of Special Education
104 American Road
Morris Plains, NJ 07950

**Contact Person: Perkie B. Cannon
(973) 631-6347**

District _____ School _____

Tax ID # _____

FAX # (business office) _____

I certify that all goods and services have been furnished or rendered and that no bonus has been given or received on account of said document.

Signed – Name and Title Date

For the Period: September, 2011 through June, 2012
Invoice Date: _____

Attach supporting documentation of allowable expenditures

ITEM DESCRIPTION:	UNIT COST	QUANTITY	TOTAL EXPENDITURE
For reimbursement, each line must specify the type of item, date purchased and PBSIS related activity. For use of substitute teachers, include the name of the PBSIS core team member that required a substitute teacher. Use one line for each reimbursement request.			
Posters of behavioral expectations			
Materials for student recognition system and instructional event. Specify name, number of items included in a unit or set of materials, and type of materials. <u>See attached chart with itemized list.</u> (Maximum total reimbursement request for student recognition/ instructional event = \$2,000.00)			
Print costs (i.e., tickets for recognition system, revised office conduct referral forms) Specify items that apply.			
Travel reimbursement from school to regional Training/ TA site: State date, meeting title and name of PBSIS team participants requesting travel reimbursement. ____ # of participants X number of miles X .31/mile + toll road expenses = allowable mileage request per regional training/TA X number of regional trainings and regional TA meetings.			

Curriculum for secondary/small group PBSIS intervention(s).			
Substitute Teacher Reimbursement (include total reimbursement request from chart below)			
Parent Stipend Reimbursement (include total reimbursement request from chart below)			
TOTAL REIMBURSEMENT REQUEST			

Details of Expenditures for Substitute Teachers and Parent Stipends PBSIS	Amount Due
Substitute Teachers for PBSIS Core Team Members for Regional PBSIS Training Attach supporting documentation of allowable expenditures for each day: 1) Regional Training Sign-in Sheets for PBSIS Core Team and 2) In-District Monthly Meeting of PBSIS Core Team Sign-In Sheets	
Regional PBSIS Training, date _____. Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers: Number of substitute teachers ____ X _____ daily sub expense = total	
Regional PBSIS Training, date _____. Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers: Number of substitute teachers ____ X _____ daily sub expense = total	
Regional PBSIS Training, date _____. Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers: Number of substitute teachers ____ X _____ daily sub expense = total	
Regional PBSIS Training, date _____. Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers: Number of substitute teachers ____ X _____ daily sub expense = total	
Substitute Teachers for PBSIS Core Team Members for in-district, monthly PBSIS meetings	
In-district meeting 1, date _____. Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers: Number of substitute teachers ____ X _____ daily sub expense = total	
In-district meeting 2, date _____. Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers: Number of substitute teachers ____ X _____ daily sub expense = total	

<p>In-district meeting 3, date _____ . Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers:</p> <p>Number of substitute teachers ___ X _____ daily sub expense = total</p>	
<p>In-district meeting 4, date _____ . Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers:</p> <p>Number of substitute teachers ___ X _____ daily sub expense = total</p>	
<p>In-district meeting 5, date _____ . Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers:</p> <p>Number of substitute teachers ___ X _____ daily sub expense = total</p>	
<p>In-district meeting 6, date _____ . Attach sign-in sheet. Names of PBSIS core team members requiring substitute teachers:</p> <p>Number of substitute teachers ___ X _____ daily sub expense = total</p>	
TOTAL SUBSTITUTE TEACHER REIMBURSEMENT REQUEST	
<p>Stipend for Parent participant (member of core PBSIS team) for attending up to 1 days of Regional PBSIS Training and monthly in-district meetings of the PBSIS core team:</p>	
<p>Dates of Regional Universal Intervention Training attended (1 day): _____ Attach Regional Universal Intervention Training sign-in sheet. Number of regional training dates _____ X \$100.00 per session = total</p>	
<p>Dates of In-District Monthly PBSIS team meetings: _____ Attach In-District Monthly PBSIS team meeting sign-in sheets. Number of in-district meetings _____ X \$50.00 per meeting = total</p>	
TOTAL PARENT STIPEND REIMBURSEMENT REQUEST	\$

Itemized List of Materials for Student Recognition System Reimbursement Request Addendum to Invoice for Reimbursement for Positive Behavior Support in Schools Initiative 2011-2012

ITEM DESCRIPTION:	UNIT COST	QUANTITY	TOTAL EXPENDITURE
Materials for student recognition system and instructional event. Specify name, number of items included in a unit or set of materials, and type of materials. (Maximum total reimbursement request for student recognition/ instructional event = \$2,000.00)			
GRAND TOTAL ALL FOR ALL MATERIALS			

Discipline Data: September 2011 – June 2012

School District:

School:

Month	Total Number Office Discipline Referrals – All Students	Total Number Office Discipline Referrals – Students with Disabilities	Total Number of Out of School Suspensions – All Students	Total Number of Out of School Suspension – Students with Disabilities
September				
October				
November				
December				
January				
February				
March				
April				
May				
June				
Total				

**Positive Behavior Support in Schools Secondary Interventions:
Small Group Intervention Implementation Plans for
Students with Repeated Problem Behaviors**

School _____ District _____

Intervention Plan(s): _____ [Please include information for all interventions to be implemented.]

Name and Description of Intervention(s):

Anticipated Date of Intervention Implementation:

Name(s) of Staff Members Who Are Implementing and /or Coordinating the Intervention(s):

Method for Identifying and Referring Students to the Intervention(s):

Method for Evaluating the Success of the Intervention(s):

**ATTACHMENTS E-1 & E-2
GRANT AGREEMENT TERMS AND CONDITIONS
DEPARTMENT OF EDUCATION**

I. COMPLIANCE WITH APPLICABLE LAWS

The Grantee shall, at all times, comply with all federal, state and local laws, ordinances and regulations that are in any manner applicable to the activities performed by the Grantee, its agents, subgrantees and employees pursuant to this Grant Agreement. The Grantee shall cause its agents, subgrantees and employees to observe and comply with all such laws, ordinances, and regulations and shall protect and indemnify the State and its representatives against any claim or liability arising from or based on the violation of any such law, ordinance or regulation, whether by itself or its agents, subgrantees or employees. Failure to comply with such laws, ordinances, and regulations shall be grounds for termination of this Grant Agreement for cause.

The laws, ordinances and Administration of Grants Regulations with which the Grantee shall comply include, but are not limited to, the following: *OMB Circular A-21 - Cost Principles for Educational Institutions*; *OMB Circular A-87 - Cost Principles for State, Local and Tribal Governments*; *OMB Circular A-122 - Cost Principles for Non-Profit Organizations*; *OMB Circular A-133- Audits of State and Local Governments, Institutions of Higher Education and Other Non-Profit Institutions*; *State OMB Circular Letter 04-04 - Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; *OMB Circular A-102 - Grants and Cooperative Agreements with State and Local Governments, as codified in U.S. Education Department General Administrative Regulations (EDGAR) at 34 CFR, Part 80*; *OMB Circular A-110 - Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations, as codified in EDGAR at 34 CFR, Part 74, Public School Contracts Law (NJSA 18A:18A) and Executive Order No. 189* Failure to comply with such laws, rules, or regulations shall be grounds for termination of this agreement.

II. INDEMNIFICATION/INSURANCE

The Grantee shall assume all risk of and responsibility for, and agrees to indemnify, defend and hold harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith on account of loss of life or property or mental or physical injuries to any person or persons or damage to property which shall arise from or result directly or indirectly from (1) the work, services, or materials provided under this Grant Agreement; or (2) any failure to perform the Grantee's obligations under this Grant Agreement; or (3) any improper or deficient performance of such contractual obligations.

The Grantee shall, at its own expense, appear, defend, and pay all charges for attorneys and all costs and other expenses arising from any such claim, demand, suit or action incurred in connection therewith. If any judgment shall be rendered against the State of New Jersey for which indemnification is provided under this Grant Agreement, the Grantee shall at its own expense satisfy and discharge the same.

It is expressly agreed and understood that any approval by the Department of the services and activities performed by the Grantee shall not operate to limit the indemnification obligations or any other obligations of the Grantee assumed under this Grant Agreement. The indemnification obligation is not limited by, but is in addition to, any insurance obligations contained in this Grant Agreement.

Furthermore, the provisions of this indemnification clause shall in no way limit the obligations assumed by the Grantee under this Grant Agreement, nor shall they be construed to neither relieve the Grantee of any liability nor preclude the State of New Jersey from taking other actions available to it under any other provisions of this Grant Agreement or otherwise in law.

The Grantee shall, at its own expense, purchase such insurance as is necessary to cover the risks and liabilities imposed by law for the services under this Grant Agreement. Within five days of a written request by the Department, the Grantee shall provide the Department with a certificate or certificates of insurance, together with declaration pages, showing compliance with the insurance obligation set forth herein.

This Section of this Attachment shall survive the expiration or termination of the Grant Agreement.

III. ASSIGNABILITY

At the option of the Department, this Grant Agreement shall bind the heirs, representatives, successors, or assigns of the Grantee. Any purported transfer or assignment of this Grant Agreement, or any part thereof, without written approval or consent by the Department shall be void, unless the Department subsequently gives written approval or consent.

IV. AVAILABILITY OF FUNDS

The parties hereto recognize that funding under this Grant Agreement is expressly dependent upon the availability to the Department of state, federal, and/or other funds appropriated by the State Legislature. Failure by any funding authority to appropriate monies sufficient to fund this Grant Agreement shall not be construed as a default under or breach of the Grant Agreement.

V. PROCUREMENT STANDARDS

The Grantee shall procure supplies, equipment and services with funds provided under this Grant Agreement in a manner consistent with N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law); and 34 CFR, Part 74, Subpart C or 34 CFR, Part 80, Subpart C, and the Administration of Grants Regulations, whichever is applicable. The Department assumes no responsibility for contractual and administrative matters associated with the Grantee's procurement of such supplies, equipment, and services. No provider of supplies, equipment, and services to the Grantee shall be deemed a third party beneficiary of this Grant Agreement.

VI. PROPERTY MANAGEMENT STANDARDS

The Grantee shall use and dispose of property in a manner consistent with Administration of Grants Regulations, if such property has been furnished by the Department or acquired in whole or in part with federal or state funds or if the cost of such property was charged to a project supported by federal or state funds.

VII. METHOD OF PAYMENT

- A. The Department, in its sole discretion, may determine to make its initial payment to the Grantee upon the Grantee's delivery to the Department of a properly executed Grant Agreement. Such a payment in advance of costs actually incurred by the Grantee pursuant to the Grant Agreement, however, shall not exceed the dollar limits established on Page 1 of the Grant Agreement.
- B. The Department will make progress payments to the Grantee on a periodic basis, as set forth in the Grant Agreement. Such progress payments shall, in the sole discretion of the Department, be made in the form of reimbursement of expenditures actually either made and reported or in the form of a fixed amount determined by the Department.

- C. The Department will not reimburse the Grantee for any costs incurred either prior to the effective date of the Grant Agreement or after the termination or expiration date of the Grant Agreement, unless otherwise stated herein or agreed to in writing by the Department.
- D. The Department will not make final payment to the Grantee until all reports, unexpended program income and other deliverables required under the Grant Agreement have been submitted to the Department in acceptable form.
- E. The Department may reimburse the Grantee for costs incurred during the Grant Agreement period and in conformance with the program's specifications even if the Grant Agreement is not fully executed and dated at the time such costs are incurred. In order to receive such reimbursement the Grantee must have an approved program application or equivalent document dated and executed by the Department prior to its incurrence of cost. Payments for costs incurred under this Section VII. E. will be authorized pending the execution of a Department Grant Agreement.

VIII. MATCHING AND COST SHARING REQUIREMENTS

The Grantee shall demonstrate to the satisfaction of the Department that it has complied with all matching and cost sharing requirements of this Grant Agreement and in accordance with Administration of Grants Regulations.

IX. PROGRAM INCOME

Program income shall be defined as gross income earned by the Grantee from grant-supported activities. Such earnings shall include, but not be limited to, interest on advance payments, income from service fees, program registration fees, commodity sales, usage and rental fees and patent and copyright royalties.

- A. All interest earned on funds advanced to the Grantee by the Department shall be remitted to the Department on a quarterly basis.
- B. Unless otherwise specified by the Department, the Grantee shall retain all royalties received as a result of copyrights and patents produced under this Grant Agreement.
- C. Unless otherwise specified by the Department, all income earned by grant activities must be used to offset grant approved costs.
- D. All program income shall be accounted for in the final financial report submitted by the Grantee.

X. FINANCIAL MANAGEMENT SYSTEM

- A. The Grantee shall maintain a financial management system that, at all times, provides the following:
 - 1. Accurate, current, and complete disclosure of all financial activities related to this Grant Agreement, in accordance with Generally Accepted Accounting Principles (GAAP).

Records that clearly identify the source and application of all funds used for the purposes described in the approved grant application. These records shall, at a minimum, contain information pertaining to Grant Agreement awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and program income.
 - 2. Effective internal and accounting controls over all funds, property, and other assets. The Grantee shall have in place a system for safeguarding all such assets and shall assure that they are used solely for authorized purposes.
 - 3. A comparison of actual outlays with budgeted amounts. Financial information shall be correlated with performance and productivity data and shall result in unit cost formulation.
 - 4. Accounting records that are supported by source documentation.

5. Procedures for determining the reasonableness and allowability of costs in a manner that is consistent with Administration of Grants Regulations.
- B. The Department may, at any time, require that the Grantee provide such other information as is deemed necessary by the Department to enable it to fully monitor the Grant Agreement.

XI. FINANCIAL AND PERFORMANCE REPORTING

- A. As used in this Grant Agreement, the term "Grant Agreement Budget" refers to the financial plan approved by the Department.
- B. The Grantee shall submit interim expenditure reports comparing actual expenditures with the Grant Agreement Budget. These reports shall be submitted on a periodic basis, as prescribed in this Grant Agreement.
- C. The Grantee shall submit [program] performance reports, as prescribed in this Grant Agreement.
- D. The Grantee shall submit a final financial report, as prescribed in the Grant Agreement, and Grant Agreement obligations will remain in force until all final reports are reviewed and approved by the Department. In addition to the program income information required by Section IX. D. of this Attachment, the final financial report shall include:
 1. Balance sheet showing assets, liabilities, and fund balances of individual funds that pertain to this Grant Agreement as well as all other funds of the Grantee.
 2. Operating statements that show sources of revenue and purposes of expenditures from each fund.
 3. Statement of changes in fund balances that identify additions to and deductions from the various funds and accounts for balance differences between successive balance sheet dates.
 4. A comparison of actual expenditures with the expenditures shown in the Grant Agreement Budget and a written performance report detailing the way in which expenditures advanced the purposes of this Grant Agreement.
- E. When the Grantee is required to submit an audit report, pursuant to Section XIII of this Attachment, the financial information required in subsections XI. D. 1, 2, and 3 above shall be included in the auditor's report. The information and report referenced in subsection D. 4. above, however, shall be submitted separately to the Department.
- F. Extensions to the reporting due dates prescribed in this Grant Agreement may be granted by the Department upon receipt of a written request from the Grantee.
- G. If reports are not submitted as required, the Department may, in its sole discretion, suspend payments under this Grant Agreement or any other Grant Agreement entered into between the Department and the Grantee.

XII. MONITORING OF PROGRAM PERFORMANCE

- A. The Grantee shall monitor the performance of all activities undertaken pursuant to this Grant Agreement to assure that time schedules are being met, projected work units are being accomplished and other performance goals, as defined in the approved application, attached hereto and made a part hereof which is part of the Grant Agreement, are being achieved.
- B. The Grantee shall inform the Department, in writing, of all conditions that may negatively affect or are negatively affecting program objectives or performance as soon as they are known. These conditions include but are not limited to circumstances and problems that prevent the meeting of time schedules and goals or preclude the attainment of project work units within established time periods. The disclosure shall be accompanied by a statement of the action taken or contemplated by the Grantee to correct the problems and the time frame within which corrective action will be taken.

- C. The Grantee shall inform the Department, in writing, of all favorable developments or circumstances which will enable the Grantee to meet time schedules and achieve goals sooner or more effectively than originally projected.
- D. The Department may, at any reasonable time, make site visits to:
 - 1. Review program accomplishments and management and financial control systems; or
 - 2. Provide technical assistance.

XIII. AUDIT REQUIREMENTS

- A. The Grantee's operations under this Grant Agreement shall be audited, as specified in Attachment B hereto, by the Department, by any other appropriate unit or agency of the State of New Jersey and/or by a private firm or firms retained or approved by the Department. Audits are intended to ascertain the effectiveness of the financial management systems and internal procedures that have been established to meet the terms and conditions of this Grant Agreement and to verify that accounts and financial statements are accurate.
- B. The Grantee shall make available at its office at all times requested, all records retained pursuant to the requirements of Section XVIII of this Attachment, for examination, audit and/or reproduction by the Department, without conditions or restrictions of any type.
- C. Audits will be conducted based on the Grantee's fiscal year and in accordance with generally accepted auditing standards, including the standards published by the General Accounting Office's Standards for Audit of Government Organizations, Programs, Activities, and Functions.
- D. Audits will be conducted on an organization-wide basis to test the fiscal integrity of financial transactions, as well as compliance with the terms and conditions of this Grant Agreement and applicable federal and state statutes and regulations.
- E. The Grantee shall include in all subgrantee agreements, the requirement that the subgrantee shall make all of its records readily available to the Department for audit in accordance with the terms and conditions of this Section XIII.
- F. Audits will be conducted on a continuing basis or at scheduled intervals, as determined solely by the Department.
- G. All audit reports shall be promptly delivered to the Grantee for review. The Grantee shall cooperate with the Department to assure timely and appropriate resolution of audit findings and recommendations.
- H. When audits disclose overpayments to the Grantee, the Department may, at its option, either require the Grantee to repay the overpayment by the Department or deduct the amount of overpayment from monies due the Grantee under this Grant Agreement or under any other Grant Agreement between the Grantee and the Department. Any overpayments not repaid through actual repayment or by deduction within thirty (30) days of notice to the Grantee shall be charged simple interest at ten percent (10%) per annum. The thirty (30) day notice of repayment or deduction shall commence upon mailing of written notice to the Grantee.

XIV. GRANT AGREEMENT MODIFICATION/BUDGET REVISION CRITERIA AND PROCEDURES

- A. The Grantee shall request and obtain, in writing, the prior approval of the Department for every Grant Agreement modification/budget revision alleged to be necessary for any of the following reasons:

1. Changes in the scope, objective, or schedule of the project or program;
 2. The need for additional funding;
 3. Changes to approved subgrants;
 4. Transfer of expenditures to an unbudgeted line item;
 5. Costs requiring prior approval pursuant to the Cost Principles section of Administration of Grants Regulations; or
 6. Budget category expenditure variances which cumulatively exceed \$10,000 or 10 percent of the total Grant Agreement amount, whichever is lower.
- B. Any additions or deletions to the equipment purchases included in the approved application must have prior written approval from the Department.
- C. All requests for Grant Agreement modification/budget revisions must be received by the Department no later than 90 days prior to the expiration of the Grant Agreement period. Requests received less than 90 days prior to the expiration of the Grant Agreement period will not be considered by the Department.
- D. When requesting approval of a proposed Grant Agreement modification/budget revision, the Grantee shall show the change in budget line item categories and complete the budget modification request form prescribed by the Department.
- E. The Department may request changes in the scope of the services of the Grantee to be performed under this Grant Agreement. Such changes, including any increase or decrease in the amount of the Grantee's compensation, shall not be effective until incorporated in written amendments to this Grant Agreement.
- F. If the Grantee is making program expenditures or providing Grant Agreement services at a rate which, in the judgment of the Department, will result in substantial failure to expend the Grant Agreement amount or provide the full scope of Grant Agreement services, the Department may, upon thirty (30) days written notice to the Grantee, reduce the Grant Agreement amount and/or services associated with each program element to levels that more accurately reflect program expenditures during the Grant Agreement period. This reduction shall take into account the Grantee's fixed costs.

XV. GRANT AGREEMENT CLOSEOUT PROCEDURES

- A. For purposes of this Grant Agreement, "Date of Completion" shall mean the date when the Grant Agreement expires pursuant to its terms or is terminated in accordance with Section XVI of this Attachment.
- B. In accordance with the terms of this Grant Agreement, the Grantee shall submit the final financial report to the Department. Within the limits of the Grant Agreement amount, the Department may make upward or downward cost adjustments based on the information contained in the report. Grant Agreement obligations will remain in force until all final reports are reviewed and approved by the Department.
- C. The Grantee, along with the final financial report, will refund to the Department any unexpended funds or unobligated (unencumbered) cash advances.
- D. All outstanding obligations (encumbered funds) which have not been paid out as of the Date of Completion must be liquidated within ninety (90) days of the Date of Completion.
- E. Whether or not audits were conducted during the Grant Agreement term, a final financial and compliance audit may be initiated up to three years after the Grant Agreement completion date beginning with the date the Grantee submits the final reports established in this Grant Agreement.

- F. If either the final financial report or the final audit discloses an overpayment to the Grantee, the Department may, at its option, either require the Grantee to repay the overpayment by the Department or deduct the amount of overpayment from monies due the Grantee under this Grant Agreement or under any other Grant Agreement between the Grantee and the Department. Any overpayments not repaid through actual repayment or by deduction within thirty (30) days of notice to the Grantee shall be charged simple interest at ten percent (10%) per annum. The thirty (30) day notice of repayment or deduction shall commence upon mailing of written notice to the Grantee.
- G. The provisions of this Section XV. D., E. and F., shall survive the expiration or termination of this Grant Agreement.
- H. The Grantee shall provide, along with the final financial report, a written accounting of all property acquired with Grant Agreement funds or received from the Department, in accordance with the requirements set forth in Section VI. of this Attachment.

XVI. TERMINATION AND SUSPENSION

- A. Definitions:
 - 1. For purposes of this Grant Agreement, "Suspension" means the temporary cessation of all activities under this Grant Agreement, at the direction of the Department.
 - 2. For purposes of this Grant Agreement, "Termination" means discontinuation of this Grant Agreement, prior to the Date of Completion that results from action taken by the Department or the Grantee in accordance with the provisions contained herein.
- B. The Department may terminate this Grant Agreement for convenience, upon 60 days written advance notice to the Grantee, for any reason whatsoever, including lack of funding available to the Department. Upon receipt of a notice of Termination for convenience, the Grantee shall cease incurring additional obligations of Grant Agreement funds. However, the Department shall allow the Grantee to incur all necessary and proper costs which the Grantee cannot reasonably avoid during the Termination process, as long as these costs comply with Administration of Grants Regulations. The Grant Agreement Closeout procedures set forth in Section XV of this Attachment shall apply to a Termination for convenience.
- C. If the Grantee fails to fulfill or comply with any of the terms or conditions of this Grant Agreement, in whole or in part, the Department may place the Grantee in default status and take any or all of the following actions:
 - 1. Suspend activities under the Grant Agreement, upon 30 days advance written notice by the Department, and withhold further payments, except for those necessary and proper costs which the Grantee cannot reasonably avoid during the period of suspension and which comply with Administration of Grants Regulations. The notice of Suspension shall state the reason for the action, the effective date of the Suspension, the corrective action that must be taken and the time period during which the corrective action must be accomplished.
 - 2. Terminate the Grant Agreement for cause, in whole or in part, upon 30 days advance written notice by the Department. The Notice of Termination shall state the reason for the action, the effective date of the Termination and the Grant Agreement Closeout procedures to be followed. As of the effective date of a Termination for cause, the Grantee shall immediately cease incurring additional obligations of Grant Agreement funds. The Grantee shall have no right to utilize Grant Agreement funds to pay any costs incurred after the effective date of a Termination for cause.
 - 3. Terminate the Grant Agreement for cause, in whole or in part, immediately effective upon notice, whenever the Department determines that the Grantee has jeopardized the safety and welfare of the public, materially failed to comply with the terms and conditions of the Grant Agreement, or whenever the fiscal or programmatic integrity of the Grant Agreement has been compromised. The notice of Termination pursuant to this provision shall state the reason for the

action, the effective date of the Termination and Grant Agreement Closeout procedures to be followed. As of the effective date of such a Termination for cause, the Grantee shall immediately cease incurring additional obligations of Grant Agreement funds. The Grantee shall have no right to utilize Grant Agreement funds to pay any costs incurred after the effective date of the Termination.

4. Invoke any other remedy or remedies that may be legally available.
- D. The Department and the Grantee may mutually terminate the Grant Agreement, in whole or in part, when both parties agree that its continuation will not produce beneficial results commensurate with the further expenditure of funds. The parties shall agree, in writing, upon the termination conditions. The Grant Agreement Closeout procedures set forth in Section XV of this Attachment shall apply to a mutual Termination.

XVII. ACCESS TO RECORDS

- A. The Grantee shall make available to the Department, any federal agency whose funds are expended in the course of this Grant Agreement and any of their duly authorized representatives, all accounting records, books, documents and other papers that are required to monitor and audit the Grantee's operations.
- B. When reasonable and practical to do so, the Department and federal agencies shall provide prior notice of all visits entailing inspections, audits and other reviews. However, the Department retains the right to make unannounced visits, inspections, and audits as deemed necessary.
- C. The Department reserves the right to review all the records of grantees and subgrantees. Therefore, all grants and subgrants entered into by the Grantee shall include a provision whereby the grantee or subgrantee acknowledges its obligation to make all pertinent records available to the Department, to any federal agency whose funds are expended in the course of this Grant Agreement and any of their duly authorized representatives.
- D. The Department shall have the right to review all work papers produced in connection with audits made by the Grantee or by independent Certified Public Accountants or licensed public accountants engaged by the Grantee to perform such audits.

XVIII. RECORD RETENTION

- A. Financial and statistical records, supporting documents, and all other records related, in any way, to this Grant Agreement shall be retained for a period of three years after the expiration or termination date of this Grant Agreement beginning with the date the Grantee submits the final reports established in this Grant Agreement, except as set forth below:
 1. If any litigation, claim, or audit is started before the expiration of the three year period, all records and supporting documents shall be retained until all such litigation, claims and audit findings are resolved.
 2. Records pertaining to nonexpendable property acquired with Grant Agreement funds shall be retained for three years after final disposition of such property.
- B. The retention period starts from the date of submission of the final financial report or, for Grant Agreements that are renewed annually, from the date of submission of the annual financial report.
- C. The Grantee shall transfer to the custody of the Department all records that the Department determines must be retained for a longer period than that which is provided for herein.
- D. The Grantee shall cause all subgrantees to comply with the terms of this Section XVIII.

XIX. SUBGRANTING/CONSULTANT AGREEMENTS

- A. Whenever the Grantee intends to subgrant any work or services under this Grant Agreement, the subgrant must have Department approval prior to the Grantee's entry into the subgrant. It is understood, however, that consent of the Department to the subgrant in no way relieves the Grantee of its full obligations under this Grant Agreement. The Grantee shall at all times give personal attention to the fulfillment of this Grant Agreement and shall keep all work and services under its control. Consent to the subgrant shall not be construed to be an approval of said subgrant or of any of its terms, but shall operate only as an approval of the Grantee's request for the making of a subgrant between the Grantee and a subgrantee. The Grantee shall be responsible for all work and services performed by the subgrantee and such work and services shall conform to the provisions of this Grant Agreement.
- B. The Grantee shall cause all subgrantees to be subject to the audit provisions of Sections XIII, XVII, and XVIII of this Attachment as well as all other applicable terms of the Grant Agreement.
- C. The Grantee will be reimbursed for costs incurred in connection with subgrants and consultant agreements. The Grantee must complete a "Nonemployee Compensation" form, as provided by the Department, for each subgrantee and consultant. No nonemployee compensation may be paid unless a written, legally binding, subgrant or consultant agreement is maintained in the Grantee's file. This form must be submitted to the Department within thirty (30) days of the execution of the subgrant or consultant agreement. [Effective with the Fiscal Year 1999 Grant Agreements, grantees will report nonemployee compensation with the mid-Grant Agreement and final fiscal reports using the *Nonemployee Compensation Report*.]

XX. PUBLIC NOTICES [also see attachment E-2]

When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded, pursuant to this Grant Agreement, in whole or in part with federal money, the Grantee shall, in accordance with P.L. 104-134, Section 507, state:

- A. the percentage of the total cost of the program or project to be financed with federal money; and
- B. the dollar amount of federal funds to be expended on the project or program.

XXI. INDEPENDENT GRANTEE

In performing services under this Grant Agreement, the Grantee is an independent grantee, and nothing herein is to be construed as establishing an employer-employee relationship.

Attachment E-2

New Jersey Department of Education Grant Agreements

1. Section 8136 of the Department of Defense Appropriations Act (P.L. 100-463 states: When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with federal money, all grantees receiving federal funds, including but not limited to state and local governments, shall clearly state (1) the percentage of the total cost of the program or project which is financed with federal money, (2) the dollar amount of federal funds for the project or program, and (3) the percentage and dollar amount of the total costs of the project or program that will be funded by non-governmental sources.
2. Grantees who develop materials during the course of a grant-supported program may exercise their right to ownership by copyrighting the materials. However, the grantee (and all subgrantees) must grant to the DOE and to the federal agency providing the funds (as applicable), for governmental purposes, a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use these materials and to authorize others to do so.

This license to the DOE covers any and all materials developed under the grant agreement (deliverables). The license to the DOE does not preclude the grantee from exercising its right of ownership of the materials, or to prevent the grantee from selling or licensing the materials. If the materials are to be licensed, or sold by the grantee, then the net proceeds constitute *program income* as defined, and the funds must be treated accordingly.

At least one copy of all materials developed by the grantee during the period of grant agreement support must be forwarded to the DOE at time of grant agreement closeout.

3. Recipients of federal and/or state grant funds are required to have an annual audit performed in accordance with the Single Audit Act, Federal OMB Circular A-133 and State Circular 04-04 (See section XIII, Attachment A, Grant agreement Terms and Conditions). The State of New Jersey policy regarding grant recipients is as follows:
 - a. Recipients that expend \$300,000 or more in federal and/or state funds within their fiscal year must have an annual organization-wide audit performed in accordance with the revised Single Audit Act, OMB Circular No. A-133.
 - b. Recipients that expend less than \$300,000 but \$100,000 or more in federal and/or state funds within their fiscal year must have either an annual financial audit performed in accordance with Government Auditing Standards or an annual program-specific audit performed in accordance with the revised Single Audit Act, OMB Circular No. A-133 Revised, Section 235.
 - c. Audit reports for recipients requiring an annual organization-wide audit as indicated in No. 1 above, must include the auditors comments on internal controls over state grants and state aid, and compliance with material terms and conditions of state grant agreements, state aid programs, and applicable laws and regulations.
 - d. Single audit reports must also include a supplementary schedule of the recipient's state grant and state aid financial assistance programs. This schedule, entitled Schedule of State Financial Assistance, must show the following information for each grant program:
 - (1) State Grantor Department
 - (2) Program Title
 - (3) State Account Number
 - (4) Program Amount (funds received)
 - (5) Program/Grant Grant agreement Period
 - (6) Total Disbursements

Failure to comply with these audit requirements could jeopardize your eligibility for future grant funding. Consult your business administrator and independent accountant regarding these requirements.