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**Office of Student Support Services
STATE FACILITIES EDUCATION ACT
Guidance & Application Instructions
For Fiscal Year 2018**

LEGISLATIVE AUTHORITY, INTENT and PURPOSE

The State Facilities Education Act (SFEA) of 1979, as authorized under New Jersey Statutes Annotated (N.J.S.A.) 18A:7B-1 et seq., requires the provision of a thorough and efficient education for students in programs operated by or under contract with the New Jersey Department of Corrections (DOC), the New Jersey Department of Children and Families (DCF), and the New Jersey Juvenile Justice Commission (JJJC).

The New Jersey Department of Education (NJDOE) is responsible for establishing educational standards, issuing regulations and reviewing program operations and funding for SFEA programs. The NJDOE's administrative responsibility encompasses an annual cycle of the following activities: 1. budget review and approval; 2. educational program review and approval; 3. determination of funding; 4. on-site monitoring and; 5. quarterly reporting on the status of program activities and the budget.

NJDOE regulations for general education and special education students in State facilities are codified at N.J.A.C. 6A:17-3, "Education of Students in State Facilities" and N.J.A.C. 6A:14-8, "Programs Operated by the Departments of Corrections and Human Services, and the Juvenile Justice Commission."

The SFEA provides a funding mechanism for educational services to pupils in State facilities, based on approved annual per pupil costs. Each agency must submit its resident enrollment of students in that agency's State facility education programs on the last school day prior to October 16 of the pre-budget year, a detailed education program plan and a detailed budget to the NJDOE for approval of programs and services.

The application and guidelines establish consistent procedures for the submission of program descriptions and budgets for all educational programs provided in State facilities, and provide a basis for a longitudinal comparison of costs and services. They also identify allowable and non-allowable uses of funds and delineate responsibilities for reporting on the use of these funds.

Information provided in the application for funds helps NJDOE to ensure that: 1. SFEA funds are meeting the goals and objectives for which they were intended; 2. funds are being expended in a manner consistent with statute; 3. proposed budgets for actual costs are reasonable and allowable; and 4. budget balances at the end of the fiscal period are accurate.

The following objectives serve as parameters for achieving the legislative goal and as a framework for the purpose of developing educational programs that meet the specialized needs of all students in State facilities. The delivery of educational programs should strive to be comprehensive, cohesive and collaborative in order to:

- Continue the development of required skills and competencies and assist students to work toward fulfilling the high school graduation requirements contained in N.J.A.C. 6A: 8-5.1, and detailed in the New Jersey Student Learning Standards.
- Provide relevant job training and enhance occupational competencies through career and technical education (CTE) programs, where appropriate.

COUNTY JUVENILE DETENTION FACILITIES

The SFEA requires the establishment of a funding mechanism and standards for the provision of a thorough and efficient education in county juvenile detention facilities through the Juvenile Justice Commission (JJC). In order to supplement funds provided by the county, the Commissioner of Education deducts for district tuition 50% of the approved per pupil costs established by NJDOE. The JJC Office of Education, in consultation with the Commissioner of Education, has developed and promulgated standards for the administration, operation and evaluation of educational programs in these centers. The JJC Office of Education retains administrative oversight and coordination of all program and fiscal reports as required by NJDOE.

DCF REGIONAL DAY SCHOOLS

DCF Regional Day Schools are unique among State facility programs in that they accept placements of students with severe disabilities directly from local school districts. For these students, tuition fees charged to the district are retained at NJDOE and, upon verification of placement, are transferred to DCF. In order to accurately reflect program

costs for this population as differentiated from placements of other students (such as those identified as “at-risk”), these students are included as a separate line item on the SFEA application cover page and should be reflected in the projected budget.

USES OF FUNDS

According to N.J.S.A. 18A:7B-4, funds received under the SFEA by DOC, DCF and JJC, pursuant to section 2 of P.L.1995, c.284 (C.52:17B-170), must be used only for the salaries of teachers, educational administrators at the program level, child study team personnel, clerical staff assigned to child study teams or to educational day programs, paraprofessionals assigned to educational programs in State facilities, for diagnostic services required as part of the child study team evaluations and related educational services personnel whose function requires an educational certificate issued by the State Department of Education, and for the costs of educational materials, supplies and equipment for these programs. Funds may not be used for the renovation or construction of capital facilities, for the maintenance and operation of educational facilities, or for custodial, habilitation or other non-educational costs.

New Jersey Administrative Code (N.J.A.C.) 6A:17-3.1 and Governor’s budget language allows State agencies to provide educational services to all general education students from the ages of 5 to 20 and to pupils with educational disabilities from ages 3 through 21, who do not hold a high school diploma, to support the costs of SFEA students enrolled in a career and technical education program, an adult education assessment program, or a post-secondary dual and concurrent enrollment education program.

Examples of **Allowable** Uses of SFEA Funds

- Salaries:
 - a. Teachers and administrators at the program level;
 - b. Child Study Team personnel in accordance with N.J.A.C. 6A:14;
 - c. Clerical staff assigned to child study teams and educational day programs;
 - d. Related educational services personnel with NJDOE certificate endorsement;
 - e. Paraprofessional staff assigned to educational programs in State facilities;
 - f. Diagnostic services required as part of child study team evaluations described in N.J.A.C. 6A:14; and
 - g. School nursing services when provided by staff holding an instructional or non-instructional certification endorsed by the NJDOE and during school hours.
 - h. Adult education programs and post-secondary college programs offered by institutions licensed by the NJDOE or the Commission on Higher Education for programs operated by DOC, DCF and JJC, pursuant to

N.J.S.A. 18A:7B-4, 8 and 9, as appropriate for students identified in N.J.A.C. 6A:17-3.1.

- i. Adult education assessment (formerly GED) programs, pursuant to the Governor's Budget language, as appropriate for students identified in N.J.A.C. 6A:17-3.1.

- Other:

- a. Educational materials, supplies and equipment. An item should be classified as a supply if it does not meet all the stated criteria below and the cost is not more than the capitalization threshold of \$2,000.

Equipment is any instrument, machine, apparatus, or set of articles that meets all of the following criteria:

1. It retains its original shape, appearance, and character with use;
 2. It does not lose its identity through fabrication or incorporation into a different or more complex unit or substance;
 3. It is nonexpendable; that is, if the item is damaged or some of its parts are lost or worn out, it is more feasible to repair the item than to replace it with an entirely new unit; and
 4. Under normal conditions of use, including reasonable care and maintenance, it can be expected to serve its principal purpose for at least one year.
- b. Repair and maintenance of educational equipment;
 - c. Reimbursement to SFEA personnel for site-to-site travel for direct educational services;
 - d. Student field trips and activities directly related to Core Curriculum Content Standards or CTE training.

Examples of **Non-Allowable** Uses of SFEA Funds

- a. The renovation or construction of capital facilities;
- b. The maintenance and operation of educational facilities;
- c. Custodial care or habilitation of individuals;
- d. Advertising costs;
- e. Travel costs not related to site-to-site travel for direct educational services;
- f. Food or entertainment;
- g. Professional development and other staff training; and
- h. Other non-educational costs.

GENERAL REQUIREMENTS

REPORTING

Quarterly fiscal and program activity reports are due each year as follows:

	<u>Due on the Last School Day Prior to:</u>
For July 1 through September 30	October 16
For October 1 through December 31	January 16
For January 1 through March 31	April 16
For July 1 through June 30(cumulative)	August 31

UNEXPENDED FUNDS

Funds must be expended by August 30. Any remaining balances should be reported in the August end-of-year cumulative fiscal report. State agencies also are required to show unexpended SFEA balances on the application official submission page in the "Total Carryover SFEA balances from FY16" line and Budget Submission for FY18 page in the "Budgeted Carryover from 2015-16" line. The amount of unexpended funds in the end-of-year fiscal report must match the carryover in these two lines. The Department will reduce an agency's SFEA funding by any carryover above 6% through the "Budget Submission for FY18" page of the application.

MONITORING

Program and fiscal monitoring are conducted annually. Sites are chosen on the basis of a general five-year cycle and at the joint discretion of the State agency Office of Education and NJDOE. The county juvenile detention centers are included in the monitoring process as Juvenile Justice Commission programs.

Monitoring procedures are implemented to answer, at a minimum, the following questions:

1. Did the recipient agency spend the funds in accordance with legislative authority?
2. Did the recipient agency implement the approved program activities in accordance with agreed upon timelines?
3. Did the recipient agency operate programs in compliance with N.J.S.A. 18A:7B-1 et. seq., N.J.A.C. 6A:17-3 and N.J.A.C. 6A:14-8?

The results of monitoring visits are used in the following ways:

- Findings, recommendations, and requests for corrective action are transmitted to the recipient agency;
- When appropriate, referrals are made by the monitoring staff to the NJDOE central audit unit;
- Decisions may be made by NJDOE regarding the recovery of funds based on monitoring and reporting findings; and
- The information gathered from monitoring and reporting is used by NJDOE to assist in the review of a corrective action plan, if needed, and may impact the determination of subsequent funding levels.

AUDITING COMPLIANCE

The expenditure of funds must be available for audit by the Department of Education and fully documented, pursuant to N.J.A.C. 6A:17-3.8(i), in the following manner:

1. Salary expenditures must be supported by time and activity reports for each budgeted position, supplemented with a current job description;
2. All non-salary expenditures must be supported by a vendor's invoice, a verification of receipt, and evidence the service or supply is utilized at the program level; and
3. All documentation must be retained for audit for a minimum of five years after the completion of the fiscal year. If an audit has been started or notice received of an audit to be started, all supporting documentation must be retained until the audit process is concluded.

APPLICATION INSTRUCTIONS

In accordance with N.J.S.A. 18A:7B-2, the SFEA application for funds is based on the count of students on the last school day prior to October 16 of the pre-budget year.

The application contains the following sections: 1) Statement of Assurances and Certification (signature page), 2) Narrative, 3) Review Sites: Part 1 Program Description and Instructional Staff; Part 2 Non-Instructional Staff; Part 3 Contracted Services; and Budget Detail, 4) Budget Summary, 5) Exit Report, 6) Budget, 7) Officially Submit, and 8) Class-size Limit Waiver (optional).

LOGIN to access MAIN MENU from the New Jersey Department of Education Homeroom page at <http://homeroom.state.nj.us/>. Provide:

- **District ID**
- **User ID**
- **Password**

Review Sites “Review Site List” button

1. Click on “Site ID” button to select site

Part 1 Program Description and Instructional Staff

1. Be prepared to complete entire page – can’t save if all fields not entered
2. Contact information and site address should be pre-populated
3. Click the contact info revised box if you update the contact information
4. If new facility – Please send NJDOE contact information and address for NJDOE to setup new site

The following is projected for 2018:

5. All instructional and non-instructional positions counted are actual or projected, and not vacant.
6. Enter % time Site Education Supervisor onsite
7. Select Day or Residential
8. Check “Ed Services Providers” if using any funds to contract for services (must detail in Part 3)
9. Referral sources – check box, if applicable
10. Residential Facilities served - Enter name(s), if applicable
11. Student count by category:
 - DCF
 - SFEA Students; Tuition Students; State Responsible Students
 - JJC
 - SFEA Students; JDC (County) Students; State Responsible
 - DCF
 - SFEA Students
12. Total enrollment change from previous Oct 15 (N/A this year – will pre-populate next year)
13. Enter ages served
14. Enter hours of instruction per day
15. Enter average class size
 - Waiver requests required according to New Jersey Administrative Code N.J.A.C. 6A:17-3.4(e) and (f), as follows:
 - (e) Each State agency shall ensure the provision of classes for general education students that shall not exceed 12 students.
 1. A State agency may request exceptions to this requirement as part of the annual approval process required by N.J.A.C. 6A:17-3.7(c).
 2. The Department of Education shall grant exceptions on a case-by-case basis when the requested exception does the following:
 - i. Justifies the need for an alternate program structure;
 - ii. Demonstrates the specialized needs of the students served will continue to be met; and
 - iii. Ensures the necessary supervision, security, and safety of the students served.

(f) The class size of special education programs serving solely students with disabilities shall be in accordance with N.J.A.C. 6A:14-4.7.

- Down load “Class-size Limit Waiver” from Main Menu page, if necessary
16. Choose the appropriate average length of stay
 17. Enter number of full time and part time instructional staff. These boxes do not accept decimals. Round up or down as appropriate. (“Change from previous Oct 15 count” is N/A this year – will pre-populate next year.)
 18. CLICK SAVE
 19. Total staff/total students/ratio will automatically calculate

Part 2 Non-Instructional Staff

1. Fill in % time FTE for each category using decimal if not 1 full FTE
Examples of instructional support positions include: Teacher 3, Technician Aide, Agency Aide, Teaching Assistant and Support Staff. Indicate the percent of FTE next to each non-instructional position that is funded through SFEA. Only the salaries of the non-instructional staff listed in this section are allowable as authorized under N.J.S.A.18A:7B-4. A list of related educational services personnel may be accessed at <http://www.state.nj.us/education/educators/license/esp/>.
2. All instructional and non-instructional positions counted are actual or projected, and not vacant.

Part 3 Contracted Services – Add New Data (You must check the “Ed Services Provider” box in Part 1)

1. Enter the first provider’s name
2. Click radio button for “yes” or “no,” as applicable
3. Add amount of contract/MOA
4. Click Save
5. Once one provider has been entered, you will enter any subsequent providers from a page where the first provider’s data is summarized – by clicking the “New Entry” button
6. If revisions are necessary for any provider, click on the provider’s name using the hyperlink in the box under “Provider”
7. Contracted professional educational services are entered in the 200-320 budget line

Budget Detail

“Amount” and “Justification”

1. Access from Main Menu or Part 1, 2, or 3
2. Enter “amount” in first column
3. **MUST** enter “justification” in 3rd column – Be specific
4. Hover over icon for description of allowable expenses

5. Equipment requests **and** any request over \$17,500 requires three(3) written quotes to be uploaded with application
6. In the “Justification” box, please indicate how the total amount was calculated for each line item where an amount is entered. This is a “basis-of-cost” calculation (e.g., 3 FT teachers x \$70,000/year salary = \$210,000).
7. Refer to the Uniform Chart of Accounts for definitions in regard to the appropriate placement of costs by line item at <http://www.state.nj.us/education/finance/fp/af/coa/coa.pdf>.
8. Refer to the OMB Circular that details purchasing thresholds at
9. <http://www.state.nj.us/infobank/circular/cir1602.pdf>

“Revised Amount” & “Revised Justification”

1. Used only if SFEA requested amount is revised by DOE in the awarded amount
2. Must revise each site budget to reflect overall actual allocation
3. Provide detailed justification in “narrative” for any rate increase request
4. Be reasonable when submitting original site budgets to avoid revisions

Budget Summary “Budget Summary” button on Main Menu

Pre-populates total amount from all sites

Budget for FY18 “Budget” button on Main Menu

State agencies are required to show unexpended SFEA balances on the Budget Submission for FY18 page in the “Budgeted Carryover from 2015-16” line. The amount of unexpended funds in the end-of-year fiscal report must match the carryover in these two lines. The Department will reduce an agency’s SFEA funding by any carryover above 6% through the “Budget Submission for FY18” page of the application.

Budgeted Carryover from 2015-16	\$ <input type="text"/>	a	data entry field
SFEA Tuition 2016-17	\$ <input type="text"/>	b	preloaded
DHS Revenue 2016-17 (DCF only)	\$ <input type="text"/>	c	data entry field
Total Revenue and Balances 2016-17		\$ d = sum of a + b + c	calculated
Projected Expenditures 2016-17	\$ <input type="text"/>	e	data entry field
Projected Ending Balance – June 30, 2017	f = d – e (Calculated)	\$	
Approved SFEA Budget 2017-18	\$ <input type="text"/>	g	preloaded
Budgeted Carryover from 2016-17		\$ h = f - (e*.06) only when greater than 0	calculated

SFEA Tuition 2017-18	\$i=g-h	calculated
Allowable Balance (not budgeted)	\$j=f-h only when greater than \$0	calculated
Total Revenue and Balances 2017-18	\$k=h + l + j	calculated
Projected Ending Balance - June 30, 2018	\$l=k-g	calculated

Official Submission Page (first usage) Click “Officially Submit” button from Main Menu

1. Click “Official Submission Page” button
2. Student count from actual (not projected) October 15, 2016. **This will be populated by NJDOE after the October 15 submission is final and prior to the December 15 SFEA application submission deadline.**
3. Enter rate (for each category if more than one)
[JJC \$9,000 and \$4,500 already pre-populated]
4. “Total Carryover SFEA balances from FY16” must match the amount entered on Budget Submission for FY18 page in the “Budgeted Carryover from 2015-16” line.
5. Click “Calculate/Save” to get total rate requested for all students

NOTE: You will be using funds from districts in 2018 based on 2016 count – project amount needed for 2018 based on Part 1, 2, 3 and site budget detail data entry.

DO NOT CLICK “OFFICIALLY SUBMIT APPLICATION” BUTTON YET!!!

Go back to Main Menu:

1. Download “Statement of Assurances and Certification” page (signature page)
2. Attach to “Official Submission Page”
3. Log out SFEA application
4. Acquire appropriate signatures

Prepared for UPLOAD:

1. Narrative (Word document)
2. Signed Statement of Assurances and Certification page (signature page)
3. Class-size Limit Waiver (if applicable and available for download on Main Menu page)
4. Quotes (if applicable)
5. Log in and upload these documents from the Main Menu

Official Submission Page (second usage) Click “Officially Submit” button from Main Menu

1. Click “Official Submission Page” button
2. Enter name of person authorized to submit narrative and signed signature page

3. Be sure everything is correct – you cannot go back once “Officially Submit Application” button is clicked
4. Click “Officially Submit Application”

NOTE: If changes are needed – contact NJDOE. If amount requested is changed, you will need new signature page signed and uploaded showing the correct amount.

Exit Report Click “Exit Report” button from Main Menu

See submission data at-a-glance:

1. Site names are listed
2. Total requested for each site
3. Count of student by site (and category, if applicable)
4. Total budget request
5. Total students
6. “Revised Budget” column will be activated if changes to the application are necessary

UPLOADS:

A. NARRATIVE

Respond to each of the following four items in a Word document, titled “Narrative,” and upload into the Main Menu page. Be sure you include the item number below prior to each response. The narrative must include:

1. A description of overall programmatic, budget, or agency changes affecting SFEA programs during the past program year.
2. A full description of the need, rationale and justification for the rates requested.
3. A detailed rationale specifically addressing any requested *increase* in per-student rates over the previous year.
4. A brief description of the CTE programs and academic classes offered to SFEA students in your facilities. In particular, state if any of the CTE programs or classes are funded with SFEA funding.

B. STATEMENT OF ASSURANCES and CERTIFICATION (Signature page)

Download this page from the Main Menu page and follow instructions by attaching to Official Submission page to get signatures prior to uploading.

C. QUOTES

1. Equipment – 3 quotes from vendors (described on p.4)
2. Any request for services over \$17,500 – 3 quotes from providers

D. CLASS-SIZE LIMIT WAIVER (if applicable)

Download this page from the Main Menu. State agencies may apply for a waiver to class-size limits as part of their application for funds. A class-size limit waiver must be completed for each site requesting to waive the New Jersey Administrative Code requirements.

Waiver requests are considered on a case-by-case basis.

GENERAL BUDGET GUIDELINES

1. Use line 100-300 for communication costs/dedicated lines to online labs.
2. The only allowable travel expenditure is for reimbursement for site-to-site travel. This expense should be entered under Other Purchased Services on line 100-500.
3. Use line 100-600 for instructional supplies such as workbooks, tests, chalk, paper, pencils, pens, paints, periodicals or other reference items for classroom instruction (e.g., regular, vocational) and other classroom supplies.
4. Use line 100-640 for textbooks, including online courses.
5. Use line 200-320 for contracted professional educational services.
6. Use line 200-340 for repair and maintenance of educational equipment costs.
7. The "Transportation Other" line 200-516 is to be used for expenditures incurred for transporting students for school activities other than between residence and program site as part of a contracted service agreement.
8. Eligible agencies should enter anticipated tuition cost projections paid to other districts on line 200-560.
9. Use line 200-600 for administrative supplies and materials for educational programs that are consumed, worn out or deteriorated through use.
10. For **equipment requests** identified in the budget justification **and any request for services over \$17,500**, three written quotes from vendors must be provided.
11. Each State agency must submit to the Commissioner of Education requests for revisions to the approved education program plan and budget, pursuant to N.J.A.C. 6A:17-3.8(g). The following revisions require written approval from the Department of Education before implementation:
 - a. Budget category expenditure variances that exceed \$10,000 or 10 percent of the approved amount in any budget line;
 - b. Any addition or deletion to approved contracts for services;
 - c. Any addition, deletion, or substitution of approved amounts for the purchase of instructional or non-instructional equipment; and
 - d. Any substantive addition or deletion in educational programs.

APPLICATION SUBMISSION

Once you have completed all applicable sections of the application, submit by **the last school day prior to December 16.**

Plans will be reviewed and modifications may be requested by NJDOE.

APPEAL PROCESS

Should an impasse in resolution and agreement occur between a State agency and NJDOE regarding the appropriation based on the detailed budget and program plan submitted in the SFEA application, an appeal may be made in writing to the Commissioner of the Department of Education.

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