**New Jersey Department of Education**

**Budget Narrative for ESSER funds Set Aside (7/7/20)**

**Administrative funds ($1,305,746)**

NJDOE will set aside up to .5% of the grant award to support administrative functions within the Department.

*Salaries- $601,758*

Funds will support 6.35 FTE. NJDOE requires that all employees, full and part-time, meet the required Civil Service job specifications. The Department is an equal opportunity employer. Regular employees of the State of New Jersey receive annual salary increase up to the tenth step in a State-established salary range for each title. These annual increments are estimated at 3.5-4.0 percent of base salary, awarded in nine annual increments on the anniversary of employment in a job title. Employees are represented by the Communications Works of America, Local 1033. These employees will be responsible for approving grant applications, requests for reimbursements, and collecting data required of the grant.

*Fringe- $330,967*

Fringe benefits costs for regular employees are treated consistently as a direct cost to each labor contract, estimated for the period at 55 percent of salary. Long-term contractual employees (consultants) receive FICA only. The labor overhead estimate includes the following:

1. Fringe Benefits – the employer's share of pensions, health benefits, unemployment insurance, earned and unused lump sum sick leave payments and prescription drugs and vision programs.

2. Social Security Taxes (FICA) – this rate is subject to federal legislation.

*Travel-$3,600*

The Department operates under both State travel regulations and Department policies and procedures. The use of personal vehicles is expected for occasional travel within the State, with the cost reimbursed to the employee at the rate of $.35 per mile. It is anticipated that NJDOE staff will be traveling to school districts to monitor sub-grantee use of funds under this grant. Costs outlined above will cover mileage, parking and tolls.

*Equipment-$60,000*

Forty laptop computers will be purchased with grant funds. These laptops will replace outdated laptops that no longer function. Cost estimates for this are $1,500 per laptop ($1,500x40). The Department's procedures for purchasing goods and services are conducted according to established rules of the State Department of Treasury. Cost estimates generally reflect government negotiated contract rules, which are lower than non-governmental retail price listings.

*Supplies-$5,100*

The Department's procedures for purchasing goods and services are conducted according to established rules of the State Department of Treasury. Project supplies include basic stationary and printing supplies that will be needed to manage the day-to-day affairs of this project. This includes toner for each printer, printing paper, writing instruments, etc. Also included in the costs is mailing, printing and graphic services for marketing materials. Cost estimates generally reflect government negotiated contract rules, which are lower than non-governmental retail price listings.

*Other-$239,464*

Other charges include the following: Office of Grants Management, Direct charge, and Electronic Web Enabled Grant (EWEG) system charges.

Office of Grants Management Charge supports salary costs of staff within the Grants Management office who will be working on this grant. Staff will be reviewing reimbursement requests and setting up the subgrantees in the EWEG system the estimated total for this is $150,000. EWEG is the NJDOE electronic grants system. Subgrantees will request all reimbursement requests through this electronic system. Costs attributed to this system are for development and hosting of this application once awarded. A one percent direct administrative charge is assessed by the Department to support costs that can be associated directly with the objectives of the grant and which are incurred by the Department in its agency budget, this amounts to $11,871. The one percent is assessed by the Department on all direct costs except flow-through grants and equipment purchases. Break out of costs is as follows: EWEG: MTW (vendor) rate is $124.10/hr X675.04 hrs ($75,333)+ 3% vendor mark up on subtotal ($75,333\*.03=$2260) totals $77,593; Office of Grants management salaries and operating costs are allocated by amount of time worked on each federal grant and included in other costs.

*Indirect Costs-$46,760*

The Department's indirect cost rate agreement for federal contracts signed by the U.S. Department of Education on August 11, 2011 established an indirect cost rate of 3.9 percent. That agreement was set to expire on June 30, 2020; however, the agreement and its 3.9 percent indirect cost rate was extended by agreement, signed by U.S. Department of Education on May 22, 2020. The extension of this agreement expires on June 30, 2021.

**State Set-Aside, non administrative ($29,485,265)**

The Department will support several target areas with the remaining State set-aside funds. State set-aside funds in the amount of $29,485,265 will be made available to support the following:

* $1,000,000-LEAs that were not eligible for an allocation from the formula portion of the grant as a result of not having received funds under Title I, Part A of the ESEA in the 2019-20 school year (see the Department’s formula grant allocation table [here](https://www.nj.gov/education/covid19/boardops/docs/ESSER%20Fund%20Allocations%20Table.pdf). Such LEAs are marked with an asterisk.);
* $350,000- Public educational institutions, in which public school students are educated, that were not eligible for an allocation from the formula portion of the grant as a result of not being an LEA. Specifically, these subgrants will be provided to: Special Services School Districts (SSSDs); educational institutions run by State agencies including the Department of Children and Families (DCF), the Department of Corrections (DOC); the Juvenile Justice Centers; and Juvenile Detention Centers;
* $13,481,490- Fund the difference between (1) the portion of its ESSER allocation the district must actually dedicate to equitable services for nonpublic schools (based on a nonpublic school’s share of total enrollment in the LEA, in accordance with guidance issued by the U.S. Department of Education), and (2) the portion of its ESSER allocation the district would have to dedicate to equitable services if equitable shares were based on a nonpublic school’s share of Title I-eligible students residing in the LEA.
* $10,000,000- Support formula grants to LEAs for the purchase of 1:1 instructional devices (e.g. Chromebooks, iPads) and connectivity;
* $1,800,000- Develop a Memorandum of Understanding with Rutgers, the State University of New Jersey to address the social-emotional learning needs of students impacted by COVID-19;
* $2,353,775- Support competitive grants for LEAs prioritizing activities that address learning loss in students, the need for additional summer instruction, compensatory education for students with Individualized Education Programs (IEPs), Social Emotional Learning, and support for students experiencing homelessness; and
* $500,000- Contingency fund would be available to LEAs for emergent situations related to COVID.