**DEPARTMENT OF HUMAN SERVICES AGREEMENT**

**WITH**

**(Contracted State Agency)**

This AGREEMENT shall be effective as of the date recorded on the signature page between the signatories identified on the signature page.

WHEREAS the New Jersey Department of Human Services (the “Department”) has been duly designated under the authority of N.J.S.A. 30:1A-1, 30:1-11, 30:1-12, and 30:1-20 to administer or supervise the administration of social service and training programs and has, in turn, designated the Departmental Component to be directly responsible for the funding, implementation, and administration of such social service and training programs, including the program(s) covered by this Agreement; and

WHEREAS the Departmental Component desires that the Contracted State Agency provide services and the Contracted State Agency has agreed to provide services in accordance with the terms and conditions contained in this Agreement;

THEREFORE the Departmental Component and the Contracted State Agency identified on the signature page agree as follows:

I. Definitions

For the purposes of this document, the following terms, when capitalized, shall have meanings as stated:

Annex(es) means the attachments(s) to this document containing programmatic and financial information.

Agreement means this document, the Annex(es), any additional appendices or attachments (including any approved assignments, subcontracts or modifications) and shall supporting documents. The Agreement constitutes the entire agreement between the parties. Any change or modification to this Agreement must be written and approved in writing by the Departmental Component.

Contracted State Agency means the State organization or unit that enters into a contractual arrangement with a Departmental Component of the Department of Human Services.

Days means calendar days

Departmental Component means the division, bureau, office or other unit within the Department of Human Services responsible for the negotiation, administrative review, approval, and monitoring of certain social services and training Contracts or Agreements.

Expiration means the cessation of the Agreement because its term has ended.

Notice means an official written communication between the Departmental Component and the Contracted State Agency. All Notices shall be delivered in person or by certified mail, return receipt requested, and shall be directed to the person(s) and address(es) specified for such purpose in the Annex(es) or to such other person(s) as either party may designate in writing.

The Notice shall also be sent by regular mail and shall be presumed to have been received by the addressee five days after being sent to the last address known by the Departmental Component.

Termination means an official cessation of this Agreement, prior to the expiration of its term, resulting from action taken by the Departmental Component or the Contracted State Agency, in accordance with provisions contained in this Agreement.

II. BASIC OBLIGATIONS OF THE DEPARTMENTAL COMPONENT

Section 2.01 Payment. As established in the Annex(es), payment for Agreement Services delivered shall be based on allowable expenditures or the specific rate per unit of services delivered. Such payment(s) shall be authorized by the Departmental Component in accordance with the Agreement time frames; not to exceed the maximum amount specified in the Annex(es). All payments authorized by the Departmental Component under this Agreement shall be subject to revision on the basis of an audit or audits conducted under Section 3.04 Audit or on the basis of Departmental Component monitoring or evaluation of the quality of services delivered pursuant to this Agreement.

III. BASIC OBLIGATIONS OF THE CONTRACTED STATE AGENCY

Section 3.01 Agreement Services. The Contracted State Agency shall provide services to eligible persons in accordance with all specifications contained in this Agreement.

Section 3.02 Reporting. The Contracted State Agency shall submit to the Departmental Component programmatic and financial reports on forms provided by the Departmental Component, as well as, any other information requested on the checklist attached hereto as Attachment 2. The reporting frequency and due date(s) shall be specified and sample forms, if applicable, shall be included in the Annex(es).

Section 3.03 Compliance with Laws. The Contracted State Agency agrees in the performance of this Agreement to comply with all applicable federal, State, and local laws, rules and regulations (collectively, “laws”), including but not limited to the following: (1) State and local laws relating to licensure; (2) federal and State laws relating to safeguarding of client information; (3) the federal Civil Rights Act of 1964 (as amended); P.L. 1975, Chapter 127, of the State of New Jersey (N.J.S.A. 10:5-31 et seq.) and associated executive orders pertaining to affirmative action and non-discrimination in public contracts; (4) the federal Equal Employment Opportunity Act; (5) Section 504 of the federal Rehabilitation Act of 1973 pertaining to non-discrimination on the basis of handicap, and regulations thereunder; (6) the New Jersey Department of Treasury regulations, policies, and procedures; and (8) policies and procedures of the Department of Human Services (See Section 3.05 of this Agreement). Failure to comply with the laws, rules, regulations, policies, and procedures referenced above shall be grounds to terminate this Agreement.

If any provision of this Agreement conflicts with any federal or State law(s) or shall have the effect of causing the State of New Jersey to be ineligible for federal financial participating in payment for Agreement services, the specific Agreement provision shall be considered amended or nullified to conform to such law(s). All other Agreement provisions shall remain unchanged and shall continue in full force and effect.

Section 3.04 Audit. At any time during the Agreement term and up to 7 years after Expiration or Termination of the Agreement, the Contracted State Agency’s compliance with specific Agreement provisions and the operations of any assignees or subcontractors engaged by the State Agency under Section 5.03 Assignment and Subcontractors may be subject to audit by the Departmental Component or by any appropriate unit or agency of State or federal government.

Whether or not such audits are conducted during the Agreement term, a final financial and compliance audit of Agreement operations, including the relevant operations of any assignees or subcontractors, may be conducted after Agreement Termination or Expiration. If any audit has been started but not completed or resolved before the end of the 7 year period, the Contracted State Agency continues to be subject to such audit until it is completed and resolved.

Section 3.05 Department Policies and Procedures. In the administration of this Agreement the Contracted State Agency, unless otherwise noted in this Agreement, shall comply with all applicable policies and procedures issued by the Department of Human Services including, but not limited to, the policies and procedures contained in the Department’s Contract Reimbursement Manual (as from time to time amended) and the Department’s Contract Policy and Information Manual (as from time to time amended). Failure to comply with these policies and procedures shall be grounds to terminate this Agreement.

IV. TERMINATION

This Agreement may be terminated or suspended in accordance with the sections listed below.

Section 4.01 Termination for Convenience by the Departmental Component or Contracted State Agency. The Departmental Component or Contracted State Agency may terminate this Agreement upon 60 Days’ written advance Notice to the other party for any reason whatsoever, including lack of funding by the Departmental Component.

The parties expressly recognize and agree that the Departmental Component’s ability to honor the terms and conditions of this Agreement is contingent upon receipt of federal funds and/or appropriations of the State legislature. If during the term of this Agreement, therefore, the federal and/or the State government reduces its allocation to the Departmental Component, the Departmental Component reserves the right, upon Notice to the Contracted State Agency, to reduce or terminate the Agreement.

Section 4.02 Default and Termination for Cause. If the Contracted State Agency fails to fulfill or comply with any of the terms or conditions of the Agreement, in whole or in part, the Departmental Component may by Notice place the Contracted State Agency in default status, and take any action(s) listed in accordance with Policy Circular P9.05, Contract Default located in the Department’s Contract Policy and Information Manual. Notice shall follow the procedures established in the Policy Circular.

Section 4.03 Termination Settlement. When an Agreement is terminated under any of the terms of this Agreement, the Contracted State Agency shall be prohibited form incurring additional obligations of Agreement funds. The Departmental Component may allow costs which the Contracted State Agency could not reasonably avoid during the Termination process to the extent that said costs are determined to be necessary and reasonable.

The Contracted State Agency and Departmental Component shall settle or adjust all accounts in a manner specified by the Department and shall be subject to a final audit under Section 3.04 Audit.

V. ADDITIONAL PROVISIONS

Section 5.01 Records. The Contracted State Agency must keep adequate books and records, supporting documents, statistical records, and all other records pertinent to the Agreement. The Contracted State Agency shall retain all such books and records for 7 years after the Expiration or Termination of the Agreement.

The Contracted State Agency’s books, records and facilitates must be available to the Department or an agent of the State or federal government for the purposes of visitation, inspection, evaluation or audit. Such visitations, inspections, evaluations and audits, may be at any time and may be announced or unannounced.

If any litigation, claim, negotiation, audit or other acting involving the records has not been resolved, the records must be retained until after such resolution.

Section 5.02 Application of New Jersey Law. This Agreement shall be governed, construed and interpreted in accordance with the laws of the State of New Jersey including the New Jersey Contractual Liability Act (N.J.S.A 59:13-1 et seq.).

Section 5.03 Assignment and Subcontracts. No rights or obligations of the Contracted State Agency under this Agreement, in whole or part, may be assigned or subcontracted to another entity for any reason without the prior written approval of the Departmental Component. Such consent shall not relieve the Contracted State Agency of its full responsibilities under this Agreement. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or any of its terms, but shall operate only as an approval of the Contracted State Agency’s request for the making of a subcontractor. All approved assignments and subcontracts shall bear full responsibility, without recourse to the Departmental Component, for their performance. The Contracted State Agency shall forward copies of all assignment and subcontract documents to the Departmental Component and shall retain copies of them on file together with this Agreement.

Section 5.04 Client Fees. Other than as provided for in the Annex(es) and/or Departmental Component specific policies, the Contracted State Agency shall impose no fees or any other types of charges of any kind upon recipients of Agreement services.

Section 5.05 Modifications and Amendments. If both parties to this Agreement decide to amend or supplement this agreement, any and all such amendments or supplements shall be in writing, dated and signed by both parties. The amendment or supplement shall incorporate the entire Agreement by reference and will not serve to contradict, amend or supplement the Agreement except as specifically expressed in the amendment or supplement. A modification form(s) shall be supplied by the Department of Human Services Departmental Component.

Section 5.06 Exercise of Rights. A failure or a delay on the part of the Departmental Component or the Contracted State Agency in exercising any right, power or privilege under this Agreement shall not waive that right, power or privilege. Moreover, a single or a partial exercise shall not prevent another or a further exercise of that or of any other right, power or privilege.

Section 5.07 Copyrights. The Department of Human Services reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use any work or materials developed under a Department or federally funded contract or subcontract. The Department also reserves the right to authorize others to reproduce, publish or otherwise use any work or materials developed under said contract or subcontract.

Section 5.08 Sufficiency of Funds. A separate Agreement confirmation letter (Attachment 3) may be sent from the Department of Human Services prior to the effective date or during the Agreement term. The confirmation letter shall include the Agreement term and the negotiated Agreement reimbursable ceiling. The confirmation letter shall be signed by the authorized Agreement signatory and returned to the Department address noted in the letter. If a letter is sent, the Agreement shall not be valid or binding and no payment(s), other than Initial Advance Payment will be approved until the Department is in receipt of a properly executed confirmation letter.

Whenever an Agreement ceiling is revised (increased or decreased) during the Agreement term, an Agreement Modification confirmation letter (Agreement 4) may be initiated that follows the same procedure as the Agreement confirmation letter.

The Agreement term and reimbursement ceiling specified in the Agreement confirmation letter(s) are hereby incorporated into and made a part of this Agreement.

Section 5.09 Salary Compensation Limitation (Excludes Physician and Advanced Practice Nurses).The amounts paid under this contract to the Contracted State Agency for employee compensation are subject to the following conditions:

(i) Full-time Salary Compensation Limitation. No monies under the contract shall be paid to the Contracted State Agency for costs of any individual salary (including bonuses) to be paid to any of the Contracted State Agency’s full-time employees (excluding Physician and Advanced Practice Nurses) in excess of the schedule set forth below:

**Full-time Salary Compensation Limitation Schedule**

Full-time Salary Compensation Limitations vary as follows: Only one Full-time Salary Compensation Limitation shall be applicable to each Contracted State Agency. This includes the aggregate of all contracts held with: 1) the Department of Human Services and 2) the Department of Children and Families.

For Contracted State Agencies with gross revenue (based on the last annual audit report) for the entire organization of:

a) Over $20 million, the limitation shall be $141,000 (Benchmark Salary),

b) Over $10 million, but less than or equal to $20 million the limitation shall equal 90% of the Benchmark Salary ($126,900),

c) Over $5 million, but less than or equal to $10 million the limitation shall equal 85% of the Benchmark Salary ($119,850),

d) Less than $5 million, the limitation shall equal 75% of the Benchmark Salary ($105,750).

(ii) Part-time Salary Compensation Limitation. The salary compensation limitation for a part-time employee, or for an employee whose time is only partly spent on activities compensated under this contract, shall be calculated by prorating the compensation for the position as prescribed under the Full-time Salary Compensation Limitation Schedule. The prorated percentage shall be specified in the Annex B and shall be determined by the regular number of work hours for that Part-time title or that the employee is scheduled to work on matters compensated under this contract;

(iii) Any salary paid to any employee in excess of these limitations must be paid out of funds received from sources other than this Contract, or funds other than those received from other contracts held within the Department of Human Services or Department of Children and Families;

(iv) The Full - or Part-time Salary Compensation Limitation will apply to cost reimbursement contracts at the time of contract renewal;

(v) Any fixed/fee for service rate contracts set prior to the adoption of this amendment is not subject to the salary compensation limitations prescribed in Section 5.09(i) or (ii), however, any fixed/fee for service rate contract set prior to the adoption of this amendment that is subsequently renewed at a higher rate are subject to the Salary Compensation Limitation Schedule prescribed in Section 5.09 (i) or (ii);

(vi) Any fixed/fee for service rate developed for a new program or service in an existing contract are subject to the Salary Compensation Limitation Schedule prescribed in Section 5.09(i) or (ii);

(vii) Any new contracts entered into after the date of the adoption of this amendment are subject to the Salary Compensation Limitation Schedule prescribed in Section 5.09 (i) or (ii).

Section 5.10 Salary Compensation Limitation for Physician and Advanced Practice Nurses**.** The amounts paid under this contract to the Contracted State Agency to compensate Physicians and Advanced Practice Nurses are subject to the following conditions:

(i) A maximum compensation of $212,000 per annum, regardless of the amount of gross revenues of the entire organization;

(ii) Part-time Physicians and Advanced Practice Nurse’s compensation will be calculated pursuant to Section 5.09 (ii).

Section 5.11 Compensation Limitation for Fringe Benefits. This section is being reserved for future consideration.

Section 5.12 Compensation Limitation for Employee Severance Agreement. Unless an exception has been approved by the Departmental Component for a specific circumstance, the amounts paid under this contract to the Contracted State Agency for an employee severance agreement are subject to the following conditions:

(i) The Contracted State Agency has an established written uniform severance agreement for all employees covered under the contract;

(a) No monies shall be paid to the Contracted State Agency for a severance payment to any employee in excess of the equivalent of two (2) weeks compensation (salary and fringe benefits);

(b) No monies shall be paid to the Contracted State Agency for a severance payment to any employee that has been employed by the Contracted State Agency for less than one (1) year of continuous employment; and

(c) No monies shall be paid to the Contracted State Agency for a severance payment to any employee that was discharged for cause (as cause is determined by the Contracted State Agency’s policies).

(ii) If the Contracted State Agency does not have an established written uniform severance agreement, no monies shall be paid to the Contracted State Agency for a severance payment for any employee covered under the contract.

Section 5.13 Compensation Limitation for Employee Travel Expenses.

The amounts paid under this contract to the Contracted State Agency for staff travel including; conference and registration fees, mileage reimbursement, meals and incidental expenses (M&IE), parking, and overnight lodging accommodations for employees who are compensated in whole or in part under this contract are subject to the following conditions:

(i) **General Provisions:**

(a) In- and out-of-state travel must be directly related to the employee’s duties as set forth in the contract and/or be required for accreditation and/or licensure of the contracted program;

1. For in-state travel and for out-of-state travel that is within 50 miles of the border of the State where the Contracted State Agency is located, no monies provided under the contract shall be used for employee lodging expenses unless previously approved by the Departmental Component;
2. Travel costs may be charged on an actual basis and may include a mileage reimbursement rate, as well as meals and incidental expenses (M&IE) up to, but not to exceed the Federal reimbursement rates (refer to the Federal internet web site, <http://www.gsa.gov>. for current rates) in effect at the time the employee traveled.

(ii) **In-State Provisions:** The Contracted State Agency may not approve any in-statetravel reimbursement in excess of two-hundred and fifty dollars ($250.00) per employee, per event, unless written approval is obtained from the departmental component’s contracting authority prior to such travel;

(iii) **Out-of-State-Provisions:**

(a) The Contracted State Agency must obtain prior-approval from the departmental component’s contracting authority for an employee’s out-of-state travel, regardless of travel costs**,** unless such travel is no further than 50 miles from the border of the state where the Contracted State Agency is located, and travel costs per employee are less than two-hundred and fifty dollars ($250.00); and

(b) Out-of-state travel (excluding travel no further than 50 miles from the border of the State where the Contracted State Agency is located) or travel costs in excess of the two-hundred and fifty dollar ($250.00) limit by the employee, that was not pre-approved by the departmental component’s contracting authority shall not be eligible for reimbursement under the contract.

Section 5.14 Compensation Limitation for Employee Tuition Reimbursement. The amounts paid under this contract to the Contracted State Agency for tuition reimbursement and related expenses are subject to the following conditions:

(i) No monies paid to the Contracted State Agency under the contract shall be used for any costs incurred by the Contracted State Agency’s employees to attend any educational courses including tuition, textbooks, supplies, etc. unless such courses are required by the contract or for program licensure, certification, and/or Medicaid standards; or;

(ii) No monies paid to the Contracted State Agency under the contract shall be used for any costs incurred by the Contracted State Agency’s employees to attend educational courses including tuition, textbooks supplies, etc. unless such courses are towards a field of service related to the Contracted State Agency’s contract and the allocated contract monies do not exceed the lesser of $5000 or 1% of the Contracted State Agency’s total annual operating budget; and

(iii) There are monies allocated in the Contracted State Agency’s approved contract budget for the specific educational expenses consistent with Section 5.14(i) and (ii).

Section 5.15 Compensation Restriction for Contracted State Agency Sponsored Meetings, Conferences, Training, or Special Events. The amounts paid under this contract to the Contracted State Agency for the cost of administrative meetings, conferences, or special events are subject to the following condition:

(i) No such monies under the contract shall be paid to the Contracted State Agency for costs associated with meetings, conferences, or special events where agency staff is the beneficiary of the event. Unallowable costs include, but are not limited to the following: meals and refreshments, entertainment, overnight lodging, receptions or other social functions held for honoring all staff;

(ii) The Contracted State Agency may use monies under the contract to cover training-related costs such as modest facility costs and nominal refreshments, e.g. coffee, tea, water, soda, donuts, pastries, cookies, and bagels.

Section 5.16 Criteria for and Processing a Vehicle Request. The Contracted State Agency may request a new or replacement vehicle to be paid from monies under the contract only under the following conditions:

(i) The Contracted State Agency must request written approval from the departmental component’s contracting authority to purchase or replace a vehicle and each request must be accompanied by the following supporting documentation. The request may be denied even if all supporting documentation is supplied. Documentation required includes:

(a) Explanation as to why the purchase or replacement of the vehicle is required to fulfill contractual obligations;

(b) Assurance that no one Contracted State Agency employee will be permanently assigned the vehicle;

(c) Assurance that the Contracted State Agency has sufficient funds to cover the vehicle’s operating costs for the anticipated useful life of the vehicle;

(d) Submission of three (3) written bids for the same year, make, model, and option package;

(e) If the vehicle is a replacement vehicle, documentation consistent with Section 5.16 (ii) below;

(f) Any exceptions to the criteria and purchasing requirements (Section 5.16 (i) (a)-(e)), will be dealt with on a case by case basis with the departmental component’s contracting authority; and

(g) If the request is approved, the Contracted State Agency shall be required to purchase the vehicle from the lowest-priced vendor consistent with Section 5.16 (i) (d).

(ii) The Contracted State Agency may request to replace an existing vehicle under any of the following conditions:

(a) odometer reading exceeds 125,000;

(b) vehicle age is 10 years or older;

(c) repair costs to maintain operational capacity of vehicle would exceed fifty (50) per cent of current trade-in Blue Book value of vehicle;

(d) repair costs have exceeded fifty (50) per cent of the current trade-in Blue Book value over the course of the past year;

(e) vehicle was involved in an accident and deemed “totaled” by the insurance carrier; and

(f) upon written request supported by sufficient documentation, the Departmental component’s contracting authority determines that the vehicle is no longer road worthy and unsafe to drive.

(iii) If the Contracted State Agency receives approval to purchase a vehicle, the maximum cost of the vehicle including all dealer fees and charges may not exceed $25,000 per vehicle. This limitation excludes passenger vans, or specialized and adaptive vehicles for handicapped consumers.

(iv) When a Contracted State Agency has a fleet management program that includes leased vehicles, the Contracted State Agency may obtain approval on a program basis so that the Contracted State Agency does not require approval on a vehicle basis.

**DEPARTMENT OF HUMAN SERVICES**

**AGREEMENT WITH**

**(CONTRACTED STATE AGENCY)**

AGREEMENT SIGNATURES AND DATES

The terms of this Agreement have been read and understood by the persons whose signatures appear below. The parties agree to comply with the terms and conditions of the Agreement set forth on the preceding pages in Articles I through Article V, and any related Annexes.

The Agreement contains       pages and is the entire agreement of the parties. Oral evidence tending to contradict, amend or supplement the Agreement is inadmissible, the parties having made the Agreement as the final and complete expression of their mutual understanding.

Agreement Name:

Contract #:

Effective Date:       Expiration Date:

Funding Amount: $

**DEPARTMEMT STATE AGENCY**

Contact Person       Contact Person

Title       Title

Telephone       Telephone

🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟🞟

**AGREEMENT SIGNATURES**

Jonathan S. Seifried

Name)

Acting Assistant Commissioner

Title (Title)

Signature Signature

Division of Developmental Disabilities

(Dept. of Human Services) (Contracted State Agency)

     

(Date) (Date)

*ATTACHMENT 2*

**DEPARTMENT OF HUMAN SERVICES**

**AGREEMENT WITH ANOTHER STATE AGENCY**

**CHECKLIST**

**I. BASIC COMPONENTS OF AGREEMENT**

a.  Standard Language Document P2.03, Agreement with Another State Agency.

b.  Annex A, narrative program description (list all the deliverables, time frames, benchmarks, program exceptions, etc., if any)

c.  Annex B, Budget – cost reimbursement Agreements/Contracts

or

d.  Annex B-2 Budget – non-cost related fixed rate Agreements/Contracts

e.  Subcontracts, if applicable

**II. ADDITIONAL SUPPORTING INFORMATION (if checked)**

a.  Method of Payment (include how payment(s) made & frequency)

b.  Interim Financial Reporting Requirements (include format or forms & frequency)

c.  Due Date of Final Financial Report i.e., Report of Expenditures (ROE) (usually 120 days after Agreement/Contract end)

d.  Disposition of any unexpended balance (if appropriate)

e.  Cost Sharing Requirements (amount, percent Match required)

f.  Include State Contracting Unit/Office, State Program Title, State Account Number, Program Funding Amount (see State of NJ OMB Circular 98-07)

g.  Title and disposition of Equipment at end of Agreement or Contract (if appropriate)

h.  Inclusion of Catalog of Federal Domestic Assistance (CFDA) number, (if federally funded and appropriate)

i.  Other

The Departmental Component shall check all of the above items that apply and attach the checklist to the Agreement.

DATE: