

## **Education Jobs Fund Guidance – New Jersey**

### **A. Program Outline**

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#### **A-1. What is the Education Jobs Fund (Ed Jobs) program?**

The Ed Jobs program is a new Federal program that provides \$10 billion in assistance to states to save or create education jobs for the 2010-2011 school year (unused funds can also be used the following school year). Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

#### **A-2. What is New Jersey's allocation of Ed Jobs funds?**

After administrative expenses, New Jersey's school districts will receive a total of \$262,742,643.

#### **A-3. What is the period of availability of Ed Jobs funds?**

The funds will be available for obligations that occur as of August 10, 2010 (the date of enactment of the Act) to support educational and related services during the 2010-2011 school year. A district that has funds remaining after the 2010-2011 school year may use those remaining funds through September 30, 2012. This period includes the additional year of fund availability authorized under the Tydings Amendment (Section 421(b)(1) of the General Education Provisions Act (GEPA), 20 U.S.C. 1225(b)(1)).

#### **A-4. Where can districts find their allotment of Ed Jobs funds?**

District level allotments can be found in the Commissioner's letter in the State Aid Notice section of the homeroom portal at <https://education.state.nj.us/doefs2/?prj=sanote>.

### **B. Allowable Uses of Funds**

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#### **B-1. For what purposes may a district use its Ed Jobs funds?**

A district must use its funds only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services.

**B-2. May a district use Ed Jobs funds to meet previously unmet pension fund liabilities?**

No. A district may not use Ed Jobs funds to meet pension obligations incurred in prior school years. However, a district may use its funds for pension obligations accruing on the basis of services that an employee performs during the 2010-2011 school year. For NJ districts, the NJ Public Employees' Retirement System (PERS) deferral is considered an unmet pension fund liability.

**B-3. What categories of expenses may a district support with Ed Jobs funds?**

For purposes of this program, the phrase "compensation and benefits and other expenses, such as support services" includes, among other things, salaries, performance bonuses, health insurance, retirement benefits, incentives for early retirement, pension fund contributions (see B-2), tuition reimbursement, student loan repayment assistance, transportation subsidies, and reimbursement for childcare expenses.

**B-4. Which employees may a district support with Ed Jobs funds?**

A district may use the funds to pay the salaries of teachers and other employees who provide school-level educational and related services. In addition to teachers, employees supported with program funds may include, among others, principals, assistant principals, academic coaches, in-service teacher trainers, classroom aides, counselors, librarians, secretaries, social workers, psychologists, interpreters, physical therapists, speech therapists, occupational therapists, information technology personnel, nurses, athletic coaches, security officers, custodians, maintenance workers, bus drivers, and cafeteria workers.

**B-5. What are the statutory prohibitions on a district's use of Ed Jobs funds?**

The statute prohibits districts from using Ed Jobs funds for general administrative expenses as that term is defined by the National Center for Education Statistics (NCES) in its Common Core of Data ([http://nces.ed.gov/pubs2009/revexpdist07/appendix\\_b.asp](http://nces.ed.gov/pubs2009/revexpdist07/appendix_b.asp)). These prohibited expenses are administrative expenditures related to the operation of the superintendent's office or the district's board of education, including the salaries and benefits of district-level administrative employees.

The statute also prohibits districts from using Ed Jobs funds for other district-level support services as that term is defined in the Common Core of Data. These prohibited activities include the payment of expenditures for fiscal services, district program planners and researchers, and human resource services.

**B-6. May a district use Ed Jobs funds to pay the salaries and benefits of a district-level administrative official who also teaches or has other school-level responsibilities?**

For an individual with both district-level and school-level responsibilities, a district may use Ed Jobs funds to pay only that portion of the employee's salary and benefits associated with

the time spent on allowable (i.e., school-level) activities. The district must maintain documentation substantiating that amount of time.

**B-7. May a district use Ed Jobs funds to change previously established employee salary schedules or to reduce the number of furlough days?**

Yes. A district may use Ed Jobs funds, for example, to restore reductions in salaries and benefits and to implement salary increases for the 2010-2011 school year. In addition, a district may use the funds for any additional salary and benefits costs associated with the elimination of furlough days that had been scheduled for the 2010-2011 school year.

A district may not use Ed Jobs funds to compensate employees for any period prior to August 10, 2010, the date of enactment of the Act.

**B-8. May a district use Ed Jobs funds to pay the compensation and benefits of individuals who provide school-level services but are not employees of a district?**

No. A district may not use the funds to pay for contractual school-level services by individuals who are not employees of a district (e.g., janitors employed by an outside firm). However, a district that contracts with another district to provide educational and related services may use Ed Jobs funds to pay that portion of the contract associated with the salaries and benefits of the employees of the district providing the services.

**B-9. Does the receipt of Ed Jobs funds require districts to comply with Federal civil rights laws?**

Yes. The receipt of any Federal funds obligates recipients to comply with Federal civil rights laws that prohibit discrimination based on race, color, national origin, sex, disability, and age.

**B-10. Are Ed Jobs funds subject to reimbursement of TPAF and Social Security under N.J.S.A. 18A:66-90?**

Yes. As required by N.J.S.A. 18A:66-90 for all federally funded positions of TPAF members, each local board of education shall reimburse the State of New Jersey for the employer's cost of pensions, group life insurance, social security and other benefits. That statute further requires the reimbursement to the State within 90 days after the close of the next fiscal year.

## **C. Reporting/Application Requirements**

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### **C-1. Is there a jobs reporting requirement for districts that receive Ed Jobs funds?**

Yes. Districts must comply with the reporting requirements of section 1512 of the American Recovery and Reinvestment Act of 2009 (ARRA). Guidance can be found on the department's website at <http://www.state.nj.us/education/arra/resources/reporting/>.

### **C-2. What do districts need to do to apply for Ed Jobs funds?**

Any district that received SFSF funds in fiscal year 2010 – these funds were distributed as part of equalization aid – need not submit an application. For all other districts, there will be a set of assurances that the chief school administrator must agree to in order to be eligible for these funds. The forthcoming application will be available through your homeroom portal <http://homeroom.state.nj.us/>.

### **C-3. How do districts report Ed Jobs money spent for reimbursement?**

This program will be administered as a reimbursement program, with payments to districts based on expenditure reports. Districts must fill out a Ed Jobs Cash Management Report documenting any expenditure under the Ed Jobs program. Reimbursement will be paid once a month, on the last day (or next business day) of each month. Cash management reports must be filled out for each reimbursement, and must be completed at least one week prior to date of payment. Districts can fill out Ed Jobs Cash Management Reports through the homeroom portal (<http://homeroom.state.nj.us/>), which will be available in November, 2010.

### **C-4. How do districts track the Ed Jobs expenditures?**

Separate tracking of Ed Jobs program revenues and appropriations/expenditures is required. Due to the more restrictive nature of this program, the revenue and expenditures should be recorded in the general fund (fund 18) and reported at year end as a separate program.

### **C-5. What record keeping is required?**

The districts must maintain records that will facilitate an effective audit and demonstrate that the funds were used in compliance with applicable requirements. Copies of Ed Jobs Cash Management Reports should be retained for audit purposes.