



State of New Jersey

DEPARTMENT OF CHILDREN AND FAMILIES

CHRIS CHRISTIE
Governor

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KIM GUADAGNO
Lt. Governor

ALLISON BLAKE, PH.D., L.S.W.
Commissioner

December 1, 2015

Dear Provider,

In 2010, the Department of Children and Families (DCF) enacted a number of changes to its contract policies in order to address anticipated fiscal challenges facing the Department. The changes, known as the Amendments to Third Party Contract Language (Amendments), took effect July 1, 2010, and restricted cost reimbursement providers' utilization of DCF funds towards: salaries; severance pay; employee travel expenses; employee tuition reimbursement; provider agency sponsored meetings; conferences, trainings, or special events; and purchasing vehicles.

Over the past five years, DCF has periodically reviewed the Amendments as part of its broader efforts to review DCF's programs and contracts and ensure resources are aligned with the Department's core mission and in support of the children and families served by DCF. I am pleased to announce, that as a result of this process, effective January 1, 2016, DCF is revising the applicability of the Amendments to its contracts.

DCF is rescinding the following Amendments in full:

- 1) Salary Compensation Limitation
- 2) Salary Compensation Limitation for Physician and Advanced Practice Nurses
- 3) Compensation Limitation for Employee Severance Agreement
- 6) Compensation Limitation for Employee Tuition Reimbursement
- 7) Compensation Limitation for Employee Provider Agency Sponsored Meetings, Conferences, Trainings, or Special Events

Instead, DCF will revert to applying the policies as stated in DCF's *Contract Reimbursement Manual's Principles for Determining Costs Section 4* Compensation for Personal Services (4.6(4)); Severance Pay (4.6(23)); Training and Educational Costs (4.6(26)); and Meetings and Conferences (4.6(13)); Entertainment Costs (4.7(5)); and Participant Costs (4.7(12)).

In addition, DCF is partially rescinding the following Amendment:

- 5) Compensation limitation for Employee Travel Expenses
 - DCF will no longer require agencies to obtain prior DCF approval for in-state and out of state travel

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- DCF will amend its policy on Travel Costs (Section 4(28)) to continue the requirement that travel be related to the employee's duties as set forth in the contract and/or required for accreditation and/or licensure of the contracted program; disallow in-state lodging to be charged to DCF's contract; and limit DCF's participation towards travel related costs up to, but not to exceed the Federal Reimbursement rates in effect at the time the employee traveled

Please note that DCF is not rescinding Amendment 8, Criteria for and Processing a Vehicle Request (Criteria). Per Section 4.7(6)(b), *Equipment and Other Capital Expenditures*, capital expenditures for general purpose equipment is unallowable, except with prior Departmental approval. Rather, DCF will amend its Equipment Policy (P4.05) to include the Criteria.

Sincerely yours,

DCF Business Manager