

## **INSTRUCTIONS**

### **PRIVATE SCHOOLS FOR STUDENTS WITH DISABILITIES** **PRESCRIBED “COST OF OWNERSHIP” FORMAT** **FOR A RELATED PARTY TRANSACTION** **REAL AND PERSONAL PROPERTY** **FOR THE 2014-2015 SCHOOL YEAR**

Below please find a copy of the Department of Education’s prescribed cost of ownership form for related party transactions (real and personal property) involving private schools for students with disabilities. If a private school for students with disabilities is involved in a related party transaction (real and/or personal property), this form must be prepared by the lessor, attached to the lease agreement with copies of both forwarded to the Department of Education by the private school for every year a related party transaction exists.

The attached form must be completed by the lessor and must include the anticipated costs of ownership, which pertain to the real or personal property leased by the private school for students with disabilities. Until the lessor provides a final year-end accounting of the actual costs of ownership, the private school’s accounting records may only reflect an allowable lease expense of an amount less than or equal to the “Total Lease Amount” shown in column (2) “Allocated to Private School Lease,” on page 3 of this format. The lease expense, which may be included in the certified actual cost per pupil, is limited to the final year-end actual costs of ownership incurred by the related party plus a 2.5 percent return on the actual costs of ownership. The related party must provide this information to the private school for students with disabilities.

In addition to the form being signed by the property owner, notarized and made part of the lease, a completed copy of the notarized form along with a copy of the lease must be forwarded to [doepssd@doe.state.nj.us](mailto:doepssd@doe.state.nj.us), or by mail to the address below:

Approved Private Schools for Students with Disabilities  
New Jersey State Department of Education  
Division of Administration & Finance  
Office of School Finance/Fiscal Policy and Planning  
P.O. Box 500  
Trenton, NJ 08625-0500

Please forward this completed form for the 2014-2015 school year to the above address by July 25, 2014. If a private school for students with disabilities enters into a related party transaction during the school year, a completed form must be filed within 60 days of the transaction.

Please forward this information to the appropriate personnel in the school’s administrative offices including the school business manager.

If you have any questions concerning this form, please contact Elise Sadler-Williams at (609) 777-4483 or [doepssd@doe.state.nj.us](mailto:doepssd@doe.state.nj.us).

**PRIVATE SCHOOLS FOR STUDENTS WITH DISABILITIES**  
**PRESCRIBED "COST OF OWNERSHIP" FORMAT**  
**FOR A RELATED PARTY TRANSACTION**  
**REAL AND PERSONAL PROPERTY**  
**FOR THE 2014-2015 SCHOOL YEAR**

(To be completed and attached to all related party lease/rental agreements)

1. Lessor

2. Lessee

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Type of Property Leased/Rented:    \_\_\_ Real Estate    \_\_\_ Equipment    \_\_\_  
Service

4. Description of Property \_\_\_\_\_  
\_\_\_\_\_

5. Term of Lease from \_\_\_\_\_ to \_\_\_\_\_

6. Type of Lease (please check one):    \_\_\_ Open    \_\_\_ Closed End

7. Annual Lease Payment(s):    Year    1. \_\_\_\_\_    2.  
\_\_\_\_\_

3. \_\_\_\_\_    4. \_\_\_\_\_    5. \_\_\_\_\_    6.  
\_\_\_\_\_

7. \_\_\_\_\_    8. \_\_\_\_\_    9. \_\_\_\_\_    10.  
\_\_\_\_\_

8. Is this a sub-lease? If so, please attach a copy of the primary lease to this form.  
\_\_\_ Yes    \_\_\_ No

9. Is the property leased by the private school for students with disabilities also leased/used by  
another organization or individual?    \_\_\_ Yes    \_\_\_ No    If yes, see #12.

10. Does the lessor conduct other business on any portion(s) of the property leased by the private school?     Yes     No    If yes, see #12.
  
11. If the lease involves personal property, does the lessor also lease equipment to other parties in addition to the private school for students with disabilities?     Yes     No  
If yes, see #12.
  
12. When determining the Anticipated “Costs of Ownership” Per Year allocated to the private school lease, the lessor must only include those costs specifically associated with the private school lease or an allocated portion based on square footage, usage or revenue, etc. The “Costs of Ownership” must include anticipated dollar amounts in column (3) all other leases, column (2) allocated to private school lease and the total of columns 2 and 3 in column (1) total.

**Anticipated "Costs of Ownership" Per Year**  
**2014-2015**

Lessor \_\_\_\_\_ Lessee \_\_\_\_\_

<b><u>Description</u></b>	<b><u>(1)</u></b> <b><u>Total</u></b>	<b><u>(2)</u></b> <b><u>Allocated to</u></b> <b><u>Private School</u></b> <b><u>Lease</u></b>	<b><u>(3)</u></b> <b><u>All Other</u></b> <b><u>Leases</u></b>
1. Depreciation	_____	_____	_____
2. Mortgage Interest	_____	_____	_____
3. Real Estate Taxes	_____	_____	_____
4. Property Insurance	_____	_____	_____
5. Maintenance	_____	_____	_____
6. Repairs	_____	_____	_____
7. Insurance	_____	_____	_____
8. Other (Itemize)	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Anticipated Costs	_____	_____	_____
Allowable Return @ 2.5% of Column 2		_____	
Total Lease Amount		_____	

If one or more of questions 9 through 11 on pages 1 and 2 were answered yes, please explain the method used to allocate costs between the private school lease and all other leases. Use the back of this page, if needed.

\_\_\_\_\_  
 \_\_\_\_\_

**NEW JERSEY STATE**  
**DEPARTMENT OF EDUCATION**  
**DIVISION OF FINANCE**

**AFFIDAVIT**

I hereby certify that all information contained on pages 1 through 4 of this form and submitted to the Division of Finance, New Jersey State Department of Education by the undersigned is to the best of my knowledge accurate. I also certify that if applicable (see items 9-11), the costs associated to the private school lease were allocated equitably based on square footage, usage, revenue or another equitable allocation method as appropriate and the costs identified in column 2 are not the entire cost of the lessor.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Lessor)

**This affidavit must be executed before an individual authorized by law to administer oaths.**

State of \_\_\_\_\_ County of \_\_\_\_\_ on  
the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. \_\_\_\_\_  
personally appeared before me and is known to be the individual described in, and who executed  
the foregoing instrument, and they duly acknowledge to me, that they executed the same, and that  
the statements contained therein are true.

\_\_\_\_\_  
(Signature of Public Notary)

\_\_\_\_\_  
(Signature of Lessor)

Seal

\_\_\_\_\_  
(Official Title)