

A GRANT BETWEEN  
STATE OF NEW JERSEY

DEPARTMENT OF \_\_\_\_\_

AND

\_\_\_\_\_  
(GRANTEE)

GRANT NUMBER \_\_\_\_\_

ADDITIONAL GRANT PROVISIONS

Attachment A is hereby annexed to and provides for additional grant provisions and conditions between the State of New Jersey, Department of \_\_\_\_\_ and \_\_\_\_\_ as detailed below.  
(Grantee/Organization)

I. Audit Requirements

1. Any audit required under Section XIV of this grant will be conducted on an organization-wide basis and on the Grantee's fiscal year. It is the Department's understanding that the Grantee's fiscal year ends on \_\_\_\_\_.  
(Date)
2. Any changes in the fiscal year must be reported immediately to the Department.
3. Copies of audit reports must be submitted to each State funding Department.
4. Grantees must assure the Department that auditors satisfactorily comply with the General Accounting Office's Government Auditing Standards (Yellow Book) for internal and external quality control review program requirements.
5. All grants must include the audit requirements as delineated in the Department of the Treasury Circular Letter 98-07, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

6. The following method has been designated in performing audits.

- State auditors
- Departmental internal auditors
- CPA firm appointed by the Department
- CPA firm appointed by the Grantee
- Other \_\_\_\_\_

7. Grants which are basically procurement in nature and less than \$\_\_\_\_\_ shall not be subject to the audit requirements contained in Section XIV of this grant.

II. Certification to Adequacy of Accounting System

A statement attesting to the adequacy of the Grantee's accounting system in accordance with the standards set forth in the Section VIII, Financial Management System of this grant.

- Must be completed by the Chief Financial Officer
- Is not required

III. Budget Revision and Modification

All budget revisions and modifications must be approved in writing by \_\_\_\_\_, hereby  
(Name) (Title)  
designated by the Department as Grant Management Officer.

The following procedures will be required for budget revisions and modification:

1. For all grants refer to Section XV.
2. The budget variance request must be submitted in writing by the Grantee and must include an explanation of the reasons for the variance request.

Since the Grantee is not to incur expenditures over and above the limits set for budget variances, it is incumbent on the Grantee to request budget variance approval whenever it is anticipated that spending will exceed the limits.

IV. Program Income

Other program income, if any as defined in Section XIII, shall be treated by the Grantee in the following manner:

- Added to funds committed to the project by the Department and be used to further eligible program objectives; or
- Deducted from the total project costs for the purpose of determining the net costs on which the Department grant payments shall be based.
- Cost sharing or matching method (Using program income to meet cost-sharing or matching requirements)
- Not applicable.

V. Method of Payment (See Section IX of this grant)

1. Where deemed applicable, the Department may authorize advance payments to be made to the Grantee. These payments are not to exceed \_\_\_\_\_ dollars or \_\_\_\_\_ percent of the grant amount.
2. Progress payments shall be made by the Department on a \_\_\_\_\_ basis.  
(Mo./Qtr.)

VI. Financial and Performance Reporting (See Section XIX of this grant)

1. Interim expenditure reports shall be submitted on a \_\_\_\_\_ basis. These reports, certified by the Chief Financial Officer, shall be submitted no later than \_\_\_\_\_ days immediately following the end of the \_\_\_\_\_ period.  
(Mo./Qtr.)
2. Performance reports shall be submitted on a \_\_\_\_\_ basis. These reports should be submitted no later than \_\_\_\_\_ days after the end of each reporting period.  
(Mo./Qtr.)
3. Final reports should be submitted by the Grantee no later than 60 days after completion of the grant period or termination of the grant.
4. The Grantee's financial reports shall be prepared in a manner consistent with the Grantee's normal accounting records, which is:

- Cash Basis     Accrual Basis     Other (specify

VII. Bonding and Insurance (See Section III of this grant)  
Type of Insurance Required:

VIII. Interest

A. Charges for Unresolved Audit Findings

An interest charge on unallowable costs that are not repaid by the Grantee shall begin to accrue 30 days from the date the Grantee is notified of the debt. The interest shall continue to accrue while any appeal of the audit findings is underway. In the event the Grantee is successful in its appeal, the accrued interest will be eliminated.

B. Interest Earned on Advanced Payments

The Proposed Revisions of OMB Circular A-102, and A-110, Grants and Cooperative Agreements and Notice of Proposed Rulemaking has revised the current A-110 rule requiring Grantees or Subgrantee to place advances of Federal grant funds in interest-bearing accounts to waive this requirement when Grantee or Subgrantee receives Federal advances of less than \$120,000 or when the interest to be earned would not be sufficient to justify the expenses entailed by the requirement. The Proposed Rule raised from \$100 to \$250, the amount Grantee and Subgrantee may retain for expenses.

In addition, Grantees must deposit advances of State grants and State Aid payments in interest bearing accounts. However, each Department shall determine if interest on advanced State payments exceeding \$250 shall be remitted to the Department or applied to the grant.

In accordance with the Terms and Conditions of the award, interest earned on advanced payments shall be reported.

IX. Other Grant Provisions

A. It is the Department's understanding that the Grantee's fiscal year ends on \_\_\_\_\_.  
Any

(Date)

changes in the fiscal year must be reported immediately to the Department.

B. Other: