



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**



Employment First State for Individuals with Disabilities

ROY COOPER
GOVERNOR

KRISTIN WALKER
STATE BUDGET DIRECTOR

March 4, 2024

TO: Joint Legislative Commission on Governmental Operations

FROM: Kristin Walker *Kristin Walker*

SUBJECT: Grant Award

Pursuant to Session Law 2023-134 Section 4.2(a), the Office of State Budget and Management (OSBM) submits the attached Notification of Grant Award – Golden LEAF Schools of Innovation – from the North Carolina Department of Public Instruction for consultation with the Joint Legislative Commission on Governmental Operations.

The grant supports educational innovation and school turnaround across a network of twenty schools in Tier 1 and 2 counties in North Carolina. It introduces a pioneering school improvement approach centered on Marzano's High Reliability Schools (HRS) model and is supported by other programmatic elements including mathematics resources, career development resources, coaching at the teacher and principal level, and participation/performance incentives. The total award amount is \$25,000,000 through August 1, 2029.

If you have questions or concerns, please contact Jennifer Neisner by email at Jennifer.Neisner@osbm.nc.gov.

Thank you.

cc: Chairs, Senate Committee on Appropriations/Base Budget
Chairs, House Appropriations Committee
Fiscal Research Division



Notification of Grant Application/Award, FY 2023-2024

Office of State Budget and Management 984-236-0600.

Instructions at <https://www.osbm.nc.gov/budget/common-agency-requests/agency-reporting-grant-applicationsawards>

Please indicate if Notification is for a GRANT APPLICATION or GRANT AWARD

☐ Application

☒ Grant Award

- 1 Department
- 2 Division (*except in DHHS*).....
DHHS only, choose division from drop down list.....
- 3 Contact person (*name*)
- 4 Phone number
- 5 E-mail
- 6 Funding Entity (grantor)
- 7 CFDA number.....
- 8 Grant title
- 9 Grant application deadline (*MM/DD/YY*)
- 10 Start date of grant (*MM/DD/YY*)
- 11 End date of grant (*MM/DD/YY*)
- 12 Application type
- 13 Is this grant already in agency's base budget?
- 14 Budget Code the grant will be expended in (*XXXXX*).....
- 15 Budget Fund (*XXXXXX* or *NA*)
- 16 Is there a state matching requirement?
- 17 If yes, what is the matching requirement?

Department of Public Instruction

Standards, Accountability, and Research

Andrew Smith

(704) 239-6921

andrew.smith@dpi.nc.gov

Golden LEAF Foundation

n/a

Golden LEAF Schools of Innovation

01/31/24

02/01/24

08/01/29

New

No

23510

XXXXXX

No

n/a

No

n/a

No

Yes

local govt

No

No

Yes

- 18 If yes, what is the source of state funds being used to match grant funds.
- 19 Is there a maintenance of effort (MOE) requirement?
- 20 If yes, what is the MOE?
- 21 Is an additional General Fund appropriation required to meet the state match requirement?
- 22 Will any of these funds be passed through to local governments or non-state entities?
- 23 If yes, identify affected entities by type
- 24 Will additional state funds be required to continue the program if grant expires or is reduced?
- 25 If yes, is this a requirement of the grant?
- 26 Are new FTEs funded through the grant?.....

- 27 If yes, give the number by type for each year: *Permanent*
Time-Limited

28 Amount of grants funds **applied** for in each year

29 Amount of grants funds **awarded** in each year

SFY 2022-23 Actual	For 2023-24 Complete <u>either</u> Authorized or Proposed		SFY 2024-25 Proposed	SFY 2025-26 Proposed	SFY 2026-27 Proposed
	SFY 2023-24 Authorized	SFY 2023-24 Proposed			
			7.000	7.000	7.000
			\$5,000,000.00	\$5,000,000.00	\$5,000,000.00

<p>30 Purpose of grant or amendment</p>	<p>The Golden Leaf Foundation Schools of Innovation grant project is a school improvement approach with the following components: implementation of Marzano's High Reliability Schools (HRS) model, leveled and targeted coaching, mathematics resources, career development resources, school and leader incentives, and cohort model.</p> <p>Grant funds will be used for time limited staff (coaches, research and evaluation staff, grant director, and grant manager), contract services for local schools, and stipends/bonuses for teachers and educators. A local PRC will be designated for items to be expended by LEAs.</p> <p>2024-25 \$5M and 7 FTEs 2025-26 \$5M and 7 FTEs 2026-27 \$5M and 7 FTEs 2027-28 \$5M and 7 FTEs 2028-29 \$5M and 7 FTEs</p> <p>Total of \$25M and 7 Total FTEs</p>
<p>31 Comments</p>	

Return completed form as email attachment and indicate in message that proper agency sign-offs have been obtained. Contact your OSBM budget analyst if you have questions.

The Golden LEAF Foundation (“Golden LEAF”)

GRANTEE ACKNOWLEDGMENT AND AGREEMENT

1. Grantee: North Carolina Department of Public Instruction
2. Number & Title: G-08997 Golden LEAF Schools
3. Purpose of Grant: This Golden LEAF award provides support to the North Carolina Department of Public Instruction to implement a five-year strategy to improve educational outcomes and career development efforts at twenty middle schools in economically distressed communities in North Carolina. The effort will focus on math education and access to career development resources and services, and will include several related strategies to support students, teachers, and administrators at the participating schools. Major components include: 1) implementation of a High Reliability Schools model to create a culture of continuous improvement, innovation, growth, and excellence; 2) coaching focused on leadership, math instruction, and use of ongoing formative assessment to improve classroom outcomes; 3) resources to support high quality math instruction; 4) career development resources; 5) funding for professional development and other learning opportunities for teachers, including travel, substitute pay, and stipends, and progressive incentives for principals based on their retention and their school’s performance; and 6) a cohort model that provides a network to allow educators and school leaders to collaborate, share information, and offer peer support. The award will also support evaluation of the strategy to allow adjustments during implementation and to assess its the overall success.
4. Amount of Grant: \$25 million
5. Award Date: February 1, 2024
6. Special Terms and Conditions Applicable to Grant:
 - a) The term of the grant is 66 months, commencing on the Award Date. Golden LEAF may extend the term of the grant. All project-related expenses must be incurred during the term of the grant. The provisions of this Grantee Acknowledgment and Agreement (this “Agreement”) that by their nature extend beyond the term of the grant will survive the end of the term of the grant.
 - b) The Grantee will provide to Golden LEAF for approval proposed criteria for selection of Golden LEAF Schools. The Grantee will select schools using the criteria approved by Golden LEAF.
 - c) The Grantee will provide to Golden LEAF for approval a proposed budget and draw schedule. The draw schedule will show the anticipated schedule for use of Golden LEAF funds during the term of the grant. The draw schedule will show anticipated draws no more frequently a quarterly basis. Approval of this schedule will not preclude Golden LEAF from releasing funding on a different schedule if Golden LEAF determines the funding is needed for implementation of the Golden LEAF Schools initiative.
 - d) The Grantee will provide to Golden LEAF for approval a proposed strategy for addressing schools that are not meeting expectations for participation as a Golden LEAF School.
 - e) The Grantee will provide to Golden LEAF for approval proposed outcomes for the Golden LEAF Schools initiative. The proposed outcomes will include formative and summative quantitative and qualitative metrics designed to assess the progress of the Golden LEAF Schools initiative and of each Golden LEAF School.
 - f) The Grantee will provide to Golden LEAF for approval a proposed process and schedule for reporting on activities and outcomes of the Golden LEAF Schools initiative. It is anticipated that the Grantee will provide monthly reports that include updates regarding the prior month and other less frequent reports with more detailed analysis of the Golden LEAF Schools initiative.
 - g) Prior to the approval of the items described in Sections 6.b-6.f, Golden LEAF will release up to \$250,000 in grant funds to be used for program development and implementation, including, without limitation, preparation of the items described in Sections 6.b-6.f. It is expected that the Grantee will provide the items described in Sections 6.b-6.f to Golden LEAF for approval no later than April 30, 2024. Release of additional grant funds under this Agreement is conditioned on Golden LEAF approval of the items described in Sections 6.b-6.f.

7. Standard conditions on the release of grant funds:
 - a) Release of grant funds is contingent on Grantee attending a Golden LEAF grants management workshop or participating in satisfactory discussions with Golden LEAF staff to gain training in the management of Golden LEAF grants and reporting requirements.
 - b) Release of funds is contingent on Grantee returning a fully executed copy of this Agreement no later than forty-five (45) days after the Award Date, unless Golden LEAF agrees to extend the deadline for its submission.
 - c) Golden LEAF grant funds may not be used for acquisition of interests in real property.
 - d) If the Grantee fails to comply with its obligations under this Agreement, no further grant funds will be released unless such noncompliance is resolved to the satisfaction of Golden LEAF.
8. Confirmation of Eligibility/Permissible use of Funds: The Grantee confirms: (1) that the Internal Revenue Service has determined that the Grantee is an organization described in Section 501(c) (3) of the Internal Revenue Code of 1986, as amended, and that such determination has not been revoked, or (2) that the Grantee is a federal, state, or local governmental unit. Grantee agrees to notify Golden LEAF promptly if the Grantee's tax-exempt status is revoked or modified in any way. The Grantee agrees that it will use the funds from this grant only for charitable, educational, or scientific purposes within the meaning of Section 501(c)(3) of the Code, and that it will not use the funds from this grant in any way that would result in or give rise to private inurement or impermissible private benefit. The Grantee agrees that no funds from this grant will be used to carry on propaganda or otherwise to attempt to influence legislation, to influence the outcome of any public election, or to carry on directly or indirectly any voter registration drive. If grant funds are used to pay for sales tax for which the Grantee receives a refund, Grantee will use the refund for expenses that are consistent with the purpose of the grant and permissible under this Agreement. Unless otherwise agreed by Golden LEAF in writing, no portion of the Grantee's rights or obligations under this Agreement may be transferred or assigned to any other entity.
9. Compliance with laws/liens: The Grantee is in material compliance with all federal, state, county, and local laws, regulations, and orders that are applicable to the Grantee, and the Grantee has timely filed with the proper governmental authorities all statements and reports required by the laws, regulations, and orders to which the Grantee is subject. There is no litigation, claim, action, suit, proceeding or governmental investigation pending against the Grantee, and there is no pending or (to the Grantee's knowledge) threatened litigation, claim, action, suit, proceeding or governmental investigation against the Grantee that could reasonably be expected to have a material adverse effect upon the Grantee's ability to carry out this grant in accordance with its terms. The Grantee has timely paid all judgments, claims, and federal, state, and local taxes payable by the Grantee the non- payment of which might result in a lien on any of the Grantee's assets or might otherwise adversely affect the Grantee's ability to carry out this grant in accordance with its terms.
10. Conflict of interest: In connection with the project funded by Golden LEAF, no employee, officer, director, volunteer, or agent of the Grantee shall engage in any activity that involves a conflict of interest or that would appear to a reasonable person to involve a conflict of interest. The Grantee and its employees and contractors shall comply in all respects with conflict of interest provisions applicable under laws, rules, or regulations. This section does not alter the requirement that Grantee may not use the funds from this grant in any way that would result in or give rise to private inurement or impermissible private benefit.
11. Procurement/Disposition: All goods or services acquired using Golden LEAF grant funds must be reasonably necessary to implement the project funded. Except as expressly provided below, all procurement transactions involving the use of Golden LEAF grant funds will be conducted to provide, to the extent possible and reasonable, free and open competition among suppliers. The Grantee shall comply with procurement statutes, rules and regulations applicable to it in connection with this grant.

The foregoing notwithstanding, Golden LEAF has determined that using certain service providers and resources described by the Grantee in its application for funding is necessary to implement the Golden LEAF Schools initiative as intended by Golden LEAF. Specifically, Golden LEAF directs the Grantee to implement the Golden LEAF Schools initiative using Marzano High Reliability Schools, Open Up Resources curriculum and related resources, and Khanmigo; provided, however, that the Grantee must obtain these services and resources within approved budget line items. The Grantee acknowledges that this grant is predicated upon the Grantee's use of these sources of supply.

12. Project and budget modification: The Grantee will immediately notify Golden LEAF of anything that may materially affect

the Grantee's ability to perform the project funded. **If the Grantee proposes to modify the budget, the objectives, or any other feature of the project funded, the Grantee shall not encumber or expend any funds from this grant for such purposes unless and until Golden LEAF has approved such proposed modifications in writing.** Moreover, no further payments shall be made to the Grantee in connection with the project funded unless and until Golden LEAF has approved such proposed modifications in writing, which may be a communication sent through Golden LEAF's grants management system to the Grantee.

13. Use of grant funds/rescission and termination of grants: The Grantee accepts and will retain full control of the disposition of funds awarded to the Grantee by Golden LEAF under this grant and accepts and will retain full responsibility for compliance with the terms and conditions of the grant. Grant funds shall be utilized exclusively for the purposes set forth above. If the Grantee breaches any of the covenants or agreements contained in this Agreement, uses grant funds for purposes other than those set out above, or any of the representations and warranties made by the Grantee are untrue as to a material fact, the Grantee agrees to repay to Golden LEAF the full amount of this grant. Any condition, purpose, term or provision in Golden LEAF's resolution approving funding, in this Agreement, or in the budget or other forms approved by Golden LEAF shall take precedence over any conflicting provision in the Grantee's application. Grantee shall not use grant funds for any purpose not included in the Grantee's application for funding unless specifically approved by Golden LEAF. If there is a conflict between the purpose of the grant and use of grant funds described in this Agreement and the Grantee's application for funding, this Agreement will control.
14. The Grantee acknowledges receipt of Golden LEAF's policy regarding termination and rescission of grants, which policy is incorporated in this Agreement by reference and is intended to supplement but not replace or limit the rights and remedies of Golden LEAF set forth elsewhere in this Agreement. The Grantee acknowledges that Golden LEAF may, from time to time, amend its policy regarding termination and rescission of grants, and the Grantee acknowledges that the Grantee will be subject to the policy as amended.
15. Release of Funds: Golden LEAF will release funds consistent with the draw schedule approved by Golden LEAF for this project, unless Golden LEAF determines that release of funds on a different schedule is reasonably necessary for successful implementation of the Golden LEAF Schools initiative. If Golden LEAF releases funds as an advance, Golden LEAF may decline to release an additional advance of funds until the Grantee demonstrates that funds previously released have been properly expended and accounted for. Unless otherwise approved by the President of Golden LEAF, Golden LEAF will retain \$500,000 of the grant until the Grantee completes its obligations under this grant, including submission of a satisfactory final report on the project funded. All applicable conditions and contingencies must be met before any payment will be made. Each request for payment shall be submitted through Golden LEAF's online grants management system in accordance with instruction provided by Golden LEAF, unless otherwise directed by Golden LEAF. Payment should not be requested until the Grantee has need for actual expenditures of the funds. The Grantee should request payment at least thirty (30) days prior to its desired payment date.
16. Reporting: The Grantee agrees to submit reports on the schedule approved by Golden LEAF. The Grantee may be required to report results and accomplishments to Golden LEAF for a period beyond the grant term that is reasonably necessary to evaluate the outcomes of the grant. The Grantee will submit reports through Golden LEAF's online grants management system in accordance with instructions provided by Golden LEAF unless otherwise directed by Golden LEAF. The Grantee will furnish additional or further reports if requested by Golden LEAF on forms and following in accordance with processes prescribed by Golden LEAF.
17. Records: The Grantee agrees to maintain full, accurate and verifiable financial records, supporting documents, and all other pertinent data for the project funded in such a manner so as to identify and document clearly the activities and outcomes of the project funded and the expenditure of Golden LEAF grant funds. Financial records regarding Golden LEAF's grant shall be maintained in such a way that they can be reported separately from monetary contributions, or other revenue sources of the Grantee. The Grantee agrees to retain all financial and programmatic records, supporting documents, and all other pertinent records related to the project funded for a period of five (5) years from the end of the grant term. In the event such records are audited, all project records shall be retained beyond such five-year period until all audit findings have been resolved. The Grantee shall provide to Golden LEAF copies of all financial and other records requested by Golden LEAF and shall make available to Golden LEAF, or Golden LEAF's designated representative, all of the Grantee's records that relate to the grant, and shall allow Golden LEAF or Golden LEAF's representative to audit, examine and copy any data, documents, proceedings, records and notes of activity relating to the grant. Access to these

records shall be allowed upon request at any time during normal business hours and as often as Golden LEAF or its representative may deem necessary. The Grantee may be subject to audit by the State Auditor.

18. Independent entity: The Grantee acknowledges and agrees that the Grantee is an entity independent from Golden LEAF, is not an agent of Golden LEAF, and is not authorized to bind Golden LEAF to any agreement of payment for goods or services. The Grantee is responsible for payment of all its expenses, including rent, office expenses and all forms of compensation to employees. It shall provide workers compensation insurance to the extent required for its operations and shall accept full responsibility for payments of unemployment compensation, social security, income taxes and any other charges, taxes or payroll deductions required by law in connection with its operations, for itself and its employees. All expenses incurred by the Grantee are the sole responsibility of the Grantee, and Golden LEAF shall not be liable for the payment of any obligations incurred in the performance of the project funded.
19. Non-discrimination: The Grantee shall not discriminate by reason of age, race, ethnicity, religion, color, sex, parental status, national origin, genetic information, political affiliation, protected veteran status, or disability, or any other legally protected status, in connection with the activities of a project funded by Golden LEAF.
20. Publicity: The Grantee and Golden LEAF will cooperate to develop guidelines for publicity regarding the Golden LEAF Schools initiative. The Golden LEAF Brand and Publicity Guide can be accessed at www.goldenleaf.org/brand-and-publicity-guide/. For assistance with publicity, including review of all press releases, please contact Golden LEAF staff (news@goldenleaf.org).
21. Authority to execute/Necessary Approvals Obtained: The individual signing below certifies their authority to execute this Agreement on behalf of the Grantee and that the Grantee has received any third-party approval that may be required prior to entering this Agreement. By executing this Agreement, the Grantee, to induce Golden LEAF to make this grant, makes each of the representations set forth hereinabove and certifies that each of such representations is true, accurate and complete as of the date hereof.

IN WITNESS WHEREOF, the Grantee has executed this Agreement as of the date below:

Name of Grantee Organization (print): North Carolina Department of Public Instruction

Signature:  _____

Name of Person Signing (print): Catherine Truitt

Title of Person Signing (print): North Carolina State Superintendent

Date: February 27, 2024