

**Fax****STATE OF DELAWARE  
HIGHER EDUCATION COMMISSION**

Carvel State Office Building  
820 North French Street, Wilmington  
Delaware 19801-3509  
302-577-5240  
800-292-7935 (outside New Castle County)  
302-577-8765 (fax)  
[www.doe.state.de.us/high-ed](http://www.doe.state.de.us/high-ed)

**Date:** April 29, 2005  
**To:** Claude Roy  
**Fax:** 207.623.0095  
**Phone:** 800.228.3734  
**Total pages:** (including cover sheet) 19  
**From:** Maureen Laffey  
Director

**Comments:**

Claude,

Per Theresa's request, I am resending the subcontract with ISU to you. It will be in two batches with 18 pages total plus cover sheet. Let me know if it doesn't come through clearly.

**Please note:**

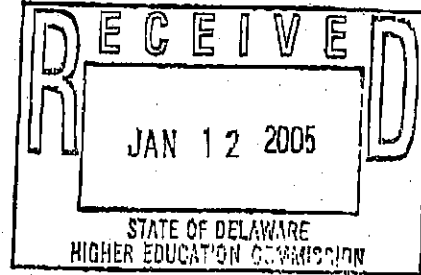
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**ILLINOIS STATE  
UNIVERSITY***Research and Sponsored Programs*

310 Hovey Hall  
Campus Box 3040  
Normal, IL 61790-3040  
Telephone: (309) 438-2528  
Facsimile: (309) 438-7912

January 11, 2005

Maureen Laffey  
Delaware Higher Education Commission  
820 N. French Street - 5<sup>th</sup> Floor  
Wilmington, DE 19801



RE: RSP#05B103.01

Dear Ms. Laffey:

Enclosed are two copies of a subcontract between Illinois State University and the National Association of State Student Grant and Aid Programs for the project, "Recession, Retrenchment, and Recovery: State Higher Education Funding and Student Financial Aid," directed by Ross Hodel from the Department of Educational Administration and Foundations at Illinois State.

Please review the enclosed agreements and have them signed by the authorized signator for your organization to indicate that the elements of this document are acceptable. Also, please fill in the information requested on page 9 (flagged). Please return one signed agreement to this office. The second copy is for your records.

If you have any questions, please contact me at the numbers above or electronically at [lglearn@ilstu.edu](mailto:lglearn@ilstu.edu). Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda G. Learned".

Linda G. Learned  
Assistant Director of Research

LGL:jks

enclosure

**SUBGRANT AGREEMENT  
BETWEEN**

**ILLINOIS STATE UNIVERSITY**

**AND**

**NATIONAL ASSOCIATION OF STATE STUDENT GRANT and  
AID PROGRAMS**

This agreement is entered into by and between Illinois State University (University) and National Association of State Student Grant and Aid Programs (Subgrantee).

**Background** - The Lumina Foundation (hereinafter referred to as "Funding Agency") has awarded to the University a grant for the project "Recession, Retrenchment, and Recovery: State Higher Education Funding and Student Financial Aid" (hereinafter the Prime Award). The Subgrantee has proposed participation of staff and/or association members serving on the project team and the project's advisory committee, as detailed in the application, and any subsequent revisions thereto as applicable, for the Prime Award. The University desires to have the Subgrantee provide services in connection with this grant. Therefore the parties agree as follows:

1. **Scope of Work** The Subgrantee shall furnish the necessary personnel, materials, services, facilities and equipment and otherwise to do all things necessary for the performance of its work described in Attachment 1.
2. **Period of Performance** - The period of performance shall be from December 1, 2004 through December 31, 2006.
3. **Payment** - The Subgrantee shall be compensated by the University the sum of \$25,000, as according to the budget detailed within Attachment 2. The University shall pay Subgrantee the sum of \$12,500 due upon receipt of fully executed agreement. The remaining \$12,500 will be paid upon receipt of interim progress and financial reporting as required in Article 4.

A final expenditure report is due within thirty (30) days following the ending or termination date of this Subgrant. The report should reference the name of this project and the University account number, 05B103.01. It also will include the approved budget, the final total expenditures to date, and the remaining balance. The Subgrantee's fiscal agent will certify invoices for accuracy and propriety. The invoice should be mailed to the University project fiscal agent at the following address:

Dr. Patricia Klass  
Educational Administration and Foundation  
Campus Box 5900  
Illinois State University  
Normal, IL 61790-5330  
(309) 438-8760

In the event that any payments to the Subgrantee under this Agreement are subsequently disallowed by the Funding Agency as items of costs of this Agreement, the Subgrantee shall repay the University, on demand, the amount of any such disallowed items without prejudice, however, to the Subgrantee's right thereafter to establish the allowability of any such item of cost under the Agreement.

4. **Reports** - The Subgrantee shall submit an interim program and financial report by December 15, 2005. A final report of expenditures and final program summary is due to the University project director within 30 days after the termination of the agreement.
5. **Project Director** - The University project director is Dr. Ross Hodel. The project director is not authorized to change any element of this contract. All changes shall be made by written amendment approved by all parties of and to this agreement and signed by the Associate Vice President for Research.
6. **Subgrantee's Project Director** - The Subgrantee's project director responsible for the conduct of the work contemplated herein is Maureen Laffey. Should the Subgrantee's principal investigator become unavailable, the

Subgrantee shall propose a substitute investigator for written approval by the University and the Funding Agency.

7. **Publication of Results** - Publication of results is encouraged. All publications must cite the source of support (e.g. Lumina Foundation funds through Illinois State University) and shall indicate that the findings, opinions, and recommendations expressed therein are those of the author and not necessarily those of Illinois State University and the Lumina Foundation. Use of the name of the University and/or the Funding Agency (except in an acknowledgment of sponsorship of this subgrant) in advertising or for any other commercial purpose, may not be made without prior written approval and must be in accordance with the Prime Award (Attachment 3).
8. **Rights In Data** - All parties shall obtain copies of all data and have unrestricted use all data. This Agreement is subject to all conditions and requirements regarding data ownership and possession as determined by the agreement between the University and the Funding Agency (see Attachment 3).
9. **Taxes** - The Subgrantee shall pay all current and applicable city, county, state and federal taxes, licenses and assessments due on the work described in Article I, above, including without limited to the foregoing, those required by the Federal Insurance Contributions Act and the State Employment Tax Acts, or similar laws in states other than Illinois for which the Subgrantee is legally liable.
10. **Independent Contractor Status** - The Subgrantee shall perform its work under this agreement as an independent contractor.
11. **Standards of Work** - The Subgrantee agrees that the performance of the work and services provided pursuant to the requirements of this Agreement shall conform to high professional standards.
12. **Subcontracting** - Except as may be provided elsewhere in this Agreement, the Subgrantee shall not enter into any subagreement without the prior written approval of the University, and subject to such conditions as the University may require. Purchase orders and other routine expenditures are not subject to this provision.
13. **Special Provisions** - The Clauses, Certifications, and/or Regulations identified on Appendix A, attached hereto, are incorporated herein by reference.
14. **Contract Termination** - The University or the Subgrantee may terminate this contract for any reason upon ten (10) days' written notice. Upon receipt of such notice, Subgrantee shall cease incurring costs under this Subaward and take action to cancel all outstanding obligations which can be reasonably canceled. Within 45 days of the effective date of termination, Subgrantee shall submit a termination claim to the University. Subgrantee shall be entitled to reimbursement for all allowable costs incurred to the date of termination and for all uncancelable obligations, subject to approval by the University, up to, but not to exceed, the estimated cost of this Subcontract. Subgrantee shall show written proof of in the form of documentation that obligations are uncancelable.

In the event of a breach of Contract by the Subgrantee, the University agrees to provide written notice to Subgrantee of such breach and allow Subgrantee ten (10) days to cure the breach. If the breach is not cured to the reasonable satisfaction of the University, the University may cancel this Contract.

15. **Notice** - Any notice or report required or permitted to be given under this Agreement shall be deemed to have been sufficiently given for all purposes if mailed by first class certified or registered mail to the following addresses:

Linda Learned, Assistant Director  
 Research and Sponsored Programs  
 Campus Box 3040  
 Illinois State University  
 Normal, IL 61790-3040

Maureen Laffey, Delaware Higher Education  
 Commission  
 820 N. French Street, 5F  
 Wilmington, DE 19801  
 ph: (302) 577-3240 fax: (302) 577-6755  
 ml  
 1.12.05

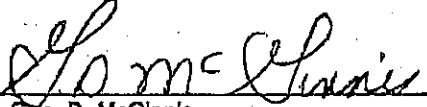
16. **Sponsoring Agency Award Provisions** - It is understood that this subcontract is awarded under a Lumina Foundation grant and all applicable requirements, regulations and provisions of the Prime Grant Award are hereby incorporated into this subcontract (Attachment 3).

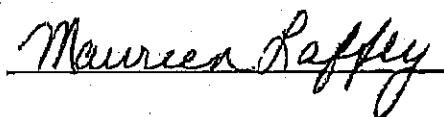
17. **Entire Subcontract** - This subcontract, including all attachments and appendices, constitutes the entire agreement between the parties hereto and supersedes all prior agreements, understandings, and arrangements, oral or written, between the parties.

IN WITNESS WHEREOF the parties have executed this agreement on the dates set forth below to be effective as of the date first above written.

For Illinois State University

For National Association of State Student Grant  
And Aid Programs

By:   
Gary D. McGinnis  
Associate Vice President for Research

By: 

Date: 1/6/2005

Date: 1.12.05

**Attachment 1**

**Scope of Work**

## RSPO Subcontract Information

### **Lumina Foundation Proposal: Recession, Retrenchment and Recovery: State Higher Education Funding and Student Financial Aid**

#### **National Association of State Student Grant and Aid Programs** **Scope of Work and Budget**

The National Association of State Student Grant and Aid Programs (NASSGAP) is one of two national partners in this grant proposal submission. Two NASSGAP staff and members (Maureen Laffey and Cheryl Maplethorpe) will be members of the project team and the project's advisory committee, respectively. In their roles they will assist with survey preparation, finance data analysis, serve as members of the project team that conducts interviews of state policymakers, governmental officials and others in one or more of the five to seven states selected for the study. NASSGAP will also involve their national membership in this project at two meetings per year.

The staff and members will participate in the dissemination of the final report to NASSGAP's national membership, participate in the final symposium, and assist ISU staff in making contacts for interviews of state policy makers.

In the proposal, NASSGAP would receive \$25,000 over the life of the project.

**ATTACHMENT 2**

**BUDGET**



Budget Categories:

Lumina Foundation for Education Proposal Budget

|                        | Requested Lumina Support | Year 1 | Year 2 | Year 3 | Total Lumina Requested | Total Non-Lumina Support | Total Budget |
|------------------------|--------------------------|--------|--------|--------|------------------------|--------------------------|--------------|
| NASSGAP:               |                          |        |        |        |                        |                          |              |
| Maureen Laffey         | 1152                     | 6924   | 6924   |        | 15000                  |                          |              |
| Communication          | 250                      | 1250   | 4500   |        | 6000                   |                          |              |
| Materials and Supplies |                          | 700    | 300    |        | 1000                   |                          |              |
| Travel                 | 500                      | 1500   | 1000   |        | 3000                   |                          |              |
| Project Total          | 1902                     | 10374  | 12724  |        | 25000                  |                          | 25000        |

In-Kind

Other Funds

**ATTACHMENT 3**  
**FUNDING AGENCY GUIDELINES**



**LUMINA**  
FOUNDATION FOR EDUCATION

DEC - 1 2004

**Lumina Foundation for Education, Inc.**  
***Terms of Grant Agreement***

This *Terms of Grant Agreement* refers to the grant award letter dated November 9, 2004, from Lumina Foundation for Education, Inc., (the "Foundation") located in Indianapolis, Indiana, and shall govern the grant that is being made to the undersigned charitable organization (the "Grantee") at the recommendation of the Foundation and its Board of Directors.

The Grantee accepts and agrees to comply with the following terms and conditions governing the grant:

Grantee Information

1. This grant (Grant No. 2932), in the amount of \$300,000 is awarded to Illinois State University and will be used to identify and disseminate successful state-level strategies and policy tools to protect students' access to postsecondary education through economic recession, retrenchment and recovery. The Grantee will use the funds solely to carry out the stated purpose of this grant. The period of the grant will be from December 1, 2004, through December 31, 2006.
2. The Grantee stipulates by signing this document that it is designated as an organization under the Internal Revenue Code, Section 501(c)(3) and 509(a)(1), (2) or (3), or Section 170(c) and has timely filed its Form 990s or other tax reports, as may be required by the Internal Revenue Service, and that the Grantee is in good standing with the IRS and relevant state and local authorities. The Grantee will also file and maintain appropriate corporate and accounting records, including Internal Revenue Service reports, reports with the appropriate Secretary of State, internal and/or audited financial statements, and accounts on grant dollars. All of these tax and financial documents will be made available to the Foundation within a reasonable amount of time following the Foundation's written request for the same.
3. The Grantee representative who signs this *Terms of Grant Agreement* takes responsibility for informing, monitoring, and holding accountable all other parties involved in the execution of the charitable work of the grant.
4. The Grantee will advise the Foundation immediately if the federal government, IRS, or state or local authorities gives the Grantee notice of a change in its tax status.
5. The Grantee will not use the funds to attempt to influence legislation (lobby), to influence the outcome of any election, or to register voters.

Funds

6. Funds received from this grant will be deposited, as quickly and practicably as possible, in a low-risk, short-duration, interest-bearing account, such as a money market account, savings account, or checking account with a "sweep account" feature. The grant proceeds should be designated and segregated in such a way that their origin and associated earnings can be calculated and credited to the grant project. All amounts that are earned on the grant proceeds shall be reported to the extent possible.
7. Except in the case of general operating support grants, the grant funds will be used for administrative overhead expenses only to the extent approved as a part of the grant budget.

enditure

GM  
AHM  
12/1/04

GM  
AHM  
12/1/04

8. If the Grantee seeks to revise a Lumina Foundation annual grant budget line item by more than 10 percent, and that line item is greater than \$5,000, the Grantee must seek advance approval from the Foundation. Grant recipients may keep unspent funds that do not exceed \$1,000 at the end of a grant term and shall use such funds in furtherance of its charitable purposes. These unspent funds should be noted in the final financial report filed with the Foundation. If the unspent funds exceed \$1,000, grant recipients should notify the Foundation, preferably before the term of the grant expires. The grantee may request a no-cost extension of the grant period to spend down the funds or to return the funds to Lumina Foundation.
9. The Grantee will assume responsibility for the selection and oversight of individuals to whom and organizations to which funds may be paid as a part of its activities in furtherance of this grant.
10. The Grantee acknowledges that funding for this request does not guarantee future funding, and that there may be circumstances under which the Foundation may determine that an unpaid portion of the grant should not be disbursed. In the event of the latter, the Grantee shall be reimbursed for expenses the Grantee has incurred, as well as any non-cancelable obligations directly pertaining to the approved work of the grant which the Grantee has entered into, before notification of the Foundation's decision to terminate the grant, and the Foundation shall have no further obligation to the Grantee.
11. Upon receipt of this signed grant agreement, the Foundation will send a check in the amount of \$150,000. Any subsequent payments will be made according to the payment schedule listed below, assuming continued compliance with the terms and conditions of this grant agreement, and subject to the further conditions of timely submission of program reports and management that meets with the continued approval of the Foundation.

#### Reports

12. The Grantee will submit periodic narrative and financial reports on the progress of the work supported by this grant. The Foundation is interested in a critical analysis of the progress made compared to the original goals, reflections about what worked, what didn't, and why, and any recommendations for revisions to the work plan. Reports should not exceed 10 pages and should be doubled-spaced and printed in 12-point font. The reporting form attached as Appendix A can serve as a guide for the organization of the requested reports. The financial report should specifically identify the use of grant funds.

#### Report Schedule:

| <u>Period Covered</u>   | <u>Program Report Due Date</u> | <u>Financial Report Due Date</u> |
|-------------------------|--------------------------------|----------------------------------|
| 12/01/2004 - 12/01/2005 | January 1, 2006                | January 1, 2006                  |
| 11/01/2005 - 12/31/2006 | N/A                            | March 1, 2007                    |
| 12/01/2005 - 12/31/2006 | March 1, 2007                  | N/A                              |

#### Payment Schedule:

\$150,000 - Upon receipt of signed grant agreement  
 \$150,000 - December 1, 2005

### Communication and Evaluation

13. The designated staff representative for this grant is Robert C. Dickeson, Ph.D.. Please feel free to contact him at 317-951-5755 at any time.
14. The Foundation reserves the right to use information regarding the grant in news releases, Web sites, newsletters, mass mail and other public media, whether in hard copy or electronic communications format, to report the grant and its purpose and the identity of the Grantee. Beyond routine, factual listings, the Foundation will, however, notify the Grantee if it plans extensive coverage of the grant.
15. Lumina Foundation places a high value on communications pertaining to its grants and the grantees thereof. Therefore, the Foundation requires that the Grantee notify its designated staff representative at the Foundation to discuss, in advance, its plans for publicly announcing the grant through news releases, Web sites, newsletters, mass mail or other public media, whether in hard copy or electronic communications format.

In cases in which the work being funded by the grant involves publications or other public communications of any type or nature flowing there from, the Grantee shall provide the Foundation with an advance copy of any materials to be publicly communicated or produced, including any proposed references to the Foundation and/or the grant. The Foundation reserves the right to review and approve the possible use of its name in the context of all communications publicizing the grant or the work funded thereby and to determine the appropriate use of its name in connection therewith before any such communications are issued. The Foundation shall be given a minimum of five business days to complete its review of significant communications.

The Grantee shall provide to the Foundation, on a timely basis, copies of final public communications, as well as copies of media coverage of the grant and copies of any work products that flow from the grant. The Grantee shall summarize communication efforts as part of its regular reports to the Foundation. (See additional memo, "Communicating Your Lumina Foundation Grant," provided in this packet for Grantee's communicators.)

16. The Foundation may conduct independent evaluations and site visits in keeping with its commitment to oversee, evaluate, and learn from its grants and the Grantee will provide its full cooperation to the Foundation in those efforts.

### Miscellaneous Information

17. All legal proceedings and matters pertaining to this grant shall be governed by the laws of the State of Indiana, notwithstanding the conflicts of law principles of Indiana or any other state; provided, however, that nothing herein shall be interpreted as (i) a waiver of the sovereign immunity of the state in which the Grantee is incorporated or headquartered, or (ii) an agreement by the Grantee to any obligation or undertaking contrary to the laws of its state of incorporation or headquarters which bind state agencies. Further, any disputes arising hereunder shall be heard exclusively in the state or federal courts with subject matter jurisdiction sitting in Indiana.

If any of the terms of this Grant Agreement are violated or if there is a change in the Grantee's tax-exempt status, the Foundation reserves the right to postpone or cancel grant payments and, in extreme

cases, request repayment of a portion of the grant funds. Failure to comply with the terms of this Grant Agreement may also jeopardize future funding from the Foundation.

The undersigned duly authorized representative of Illinois State University, acting for and on behalf of said organization, as the Grantee hereunder, has read, accepts, and agrees to comply with the terms of this Grant Agreement with Lumina Foundation for Education, Inc., and agrees to notify all related persons and agencies under the direction of the Grantee to comply with all of said terms.

**Lumina Foundation for Education:**

Leah M. Austin

Signed

11-10-04

Date

Leah M. Austin

Print Name

Senior Vice President, Research and Programs

Lumina Foundation for Education, Inc.

**Representative of Grantee:**

G. D. McGinnis

Signed

11/30/04

Date

Gary D. McGinnis

Print Name

Associate Vice President for Research

Title, Grantee

**Countersignature and Effective Date of the Terms of Grant Agreement:**

J. D. Maas

Signed

12/1/04

Date

J. DAVID MAAS

Print Name

CFO

Lumina Foundation for Education, Inc.