

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD TELECONFERENCE MEETING  
WEDNESDAY, DECEMBER 2, 2020 AT 9:00 A.M.**

- 1. NOTICE OF PUBLIC MEETING**
- 2. ROLL CALL**
- 3. APPROVAL OF MEETING MINUTES**
  - a. Board Open Session Meeting Minutes of November 4, 2020
  - b. Board Executive Session Meeting Minutes of November 4, 2020
- 4. AUTHORITY MATTERS**
  - a. CEO Report
  - b. Chairman's Report
- 5. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)**
  - a. Proposed 2021 Staffing Plan
  - b. Proposed 2021 Operating Budget
- 6. MONTHLY REPORTS**
  - a. *For Informational Purposes*
    - i. Active Projects Report
    - ii. Project Close Out Status Report
    - iii. Project Status Reports
    - iv. Contracts Executed Report/Amendments & Change Orders Executed Report
    - v. Contract Terminations Report (*no activity*)
    - vi. Settlement Activities Report (*no activity*)
    - vii. Diversity and Workforce Participation Report
    - viii. Regular Operating District Grant Activity Report
    - ix. Notification of Amendments to Goods and Services Contracts Not Exceeding \$100,000 or 10% of the Contract Value (*no activity*)
    - x. Communications Report (*no report*)
    - xi. Monthly Financial Report
    - xii. Design Contract De-Obligations Report (*no activity*)
- 7. PUBLIC COMMENTS**
- 8. NO EXECUTIVE SESSION**
  - a. Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)  
CCD Report (*no activity*)
- 9. ADJOURNMENT**

**APPROVAL OF MEETING MINUTES**

**NOVEMBER 4, 2020 OPEN SESSION MINUTES**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS TELECONFERENCE MEETING  
WEDNESDAY, NOVEMBER 4, 2020**

A teleconference meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, November 4, 2020 at 9:00 A.M.

Participating by teleconference were:

Robert Nixon, Chairman

Michael Kanef (Treasury)

Bernard Piaia (DOE)

David Nuse (EDA)

Kevin Luckie (DCA)

Kevin Egan

Richard Elbert

Loren Lemelle

Michael Maloney

Mario Vargas

being a quorum of the Board.

At the Chairman's request, Manuel Da Silva, chief executive officer; Andrew Yosha, vice president; Jane F. Kelly, vice president and assistant secretary; Donald Guarriello, vice president and chief financial officer; Albert Barnes, chief counsel, and Andrew Oakley, director, of the SDA, participated in the meeting by teleconference. Joy Johnson of the Governor's Authorities Unit (GAU) also participated in the meeting by teleconference.

The meeting was called to order by the Chairman of the Board, Mr. Nixon. The Chairman then asked Ms. Kelly to read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the

meeting. She said that a call-in number was provided on the SDA Website so that members of the public could participate in the meeting by teleconference. She also advised the Members that the call-in number for the meeting was posted at the SDA offices earlier in the morning. Ms. Kelly then conducted a roll call and indicated that a quorum of the Board Members was present.

### ***Approval of Meeting Minutes***

The Chairman presented for consideration and approval the minutes of the Board's October 7, 2020 Open Session meeting. A copy of the meeting minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Ms. Lemelle and seconded by Mr. Vargas, the Open Session minutes of the October 7, 2020 SDA Board meeting were approved by the Board with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3a***.

### ***Authority Matters***

#### ***CEO Report***

The Chairman then asked Mr. Da Silva for the Report of the CEO. Mr. Da Silva began his report with an update on design-build projects in the design phase. He reported that the design-builder has responded to Department of Community Affairs (DCA) comments for the Perth Amboy HS project's package 1A and staff anticipates a release and permit issuance. He added that design package 1B for foundations, steel, and slabs was approved by SDA and is being prepared for submission to DCA this month. For the Plainfield Woodland ES project, he said that Epic Management, Inc. (Epic) is mobilizing to the site this month in preparation for the start of site work there. He advised that staff issued a notice-to-proceed (NTP) to Cambridge Construction Management, Inc., the construction management (CM) firm, for coordinating the commencement of site work with Epic.

Turning to design-build projects in construction, Mr. Da Silva reported that design phase services activities are ongoing for the Paterson Union Avenue MS project. He added that Package 2 is under review by DCA. He said that for the Millville HS project, Phase III exterior brick veneer work is complete. He advised that the Passaic Dayton Avenue Educational Campus project site is being prepared for winter. He explained that, to this end, window and curtain wall installation is reaching completion; a temporary heating plan is being finalized to support winter interior construction; and site work is ongoing. He added that drywall, ceilings and finish painting is ongoing. Mr. Da Silva informed the Members that for design-bid-build projects in the construction stage, interior structural renovations in the existing building have started for the Orange Cleveland Street ES project. For the Orange HS project, he said that exterior masonry veneer work is ongoing, and exterior window installation has started.

In continuing, Mr. Da Silva reported that on December 9, SDA will be participating in the first of its kind Minority Women & Veteran Owned (MWV) Business Marketplace & Exchange Summit. He said that this virtual event is being jointly sponsored by the NJ Office of Diversity in partnership with the NJ Economic Development Authority. He advised the Board that the event is expected to attract over 1,000 MWV Owned Businesses and other private sector interests.

Mr. Da Silva reported that on November 18, the Authority will participate in the Alliance for Action's Construction Forecast. He explained that this annual event provides a two year look at upcoming construction projects planned by both public agencies and the private sector.

Mr. Da Silva said that, as the Members know, the Authority is required by law to audit all projects that involve a state investment of more than \$10 million. He reported that staff has been working on auditing all of the Authority's past projects with the goal of being able to proceed with real-time construction audits. He said that, with the exception of the 3 school and one

addition projects which were delivered this Fall, all completed projects that legally must be audited have been audited and the reports have been submitted to the Office of the State Comptroller (OSC). He said that the audits of the 3 schools and the addition delivered in 2020 are in progress, and are expected to be completed and reported to the OSC in early 2021. He added that following the completion of these audits, real-time audits of the projects currently under construction will begin.

Mr. Da Silva informed the Members he had the opportunity recently to attend smaller ribbon cutting ceremonies in Pemberton and Harrison. He reported that in both cases the districts said great things about the SDA team members who worked on the projects.

Mr. Da Silva said that he works for a great Authority with a great cause that he believes in. He said that staff is what drives this mission and this cause. He said that even with the pandemic that is going on staff remains focused on the delivery of the work. He added that he would like to thank Kevin Luckie and his staff at DCA for the services they provide so that the SDA could deliver the schools to their districts on time.

Mr. Nixon returned to the topic of the statutorily required audits. He said that, as a Member of the Audit Committee, he would point out that those audit projects were hovering over the Authority for many years. He said that he gives credit to the internal audit (IA) department and congratulates IA director Peter Green, his staff, the consultants and former IA director, Susan Pacuta. He added that there's been a lot of talk about the SDA in Trenton and that the Authority has an amazing staff. He said that staff comes to work everyday to make sure that schools are delivered on time so that the state's children have safe, 21<sup>st</sup> century school buildings. He said that this is a credit to everybody who wears an SDA employee badge. He added that in turning out these amazing projects, the SDA has much to be proud of.

### *Audit Committee*

#### **Builders' Broker Services Award, Business and Real Estate Property and Casualty Insurance Program**

Mr. Nixon, as Audit Committee Chairman, reported that the Audit Committee met on October 19, 2020 at which time management provided the Committee with the September 2020 New Funding Allocation and Capital Plan Update. He said that staff informed the Committee that there were no changes in the reserve balances for the SDA Districts during the reporting period.

He then advised the Board that the reserve balance for the Regular Operating Districts (RODs) increased by \$1.6 million during the reporting period due to a reduction in state share for grant projects nearing completion.

Next, Mr. Nixon informed the Board that the Internal Audit Division provided the Committee with the results of one audit that was conducted to comply with the statutory requirement that capital portfolio projects with a state share over \$10 million be reviewed to assess whether state funds were expended in accordance with contractual terms, SDA practices and state regulations. He reported that, based on the detailed testing performed, there were no findings. He said that the audit revealed that State funds utilized for the project were expended prudently and consistent with legal requirements.

Next, Mr. Nixon provided the September 2020 Monthly Financial Report. He advised the Members that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period total \$10.8 million, \$2.7 million lower as compared to the budget for the corresponding period. He explained that this decrease is mainly attributable to lower personnel costs and lower expenses related to professional and other contracted services. He reported that year-to-date Authority operating expenses (Actual vs. Prior Year Actual) are \$2.2 million lower as compared

to the operating budget for the corresponding prior year period. He explained that this decrease is mainly attributable to SDA having 32 fewer FTEs than the previous year. Mr. Nixon then reported that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period total \$218.2 million, \$21.5 million lower as compared to the capital spending forecast for the corresponding period. He advised that this variance is the result of lower than forecasted expenditures in grants, construction activity and property acquisitions, offset by an increase in school furniture purchases. He reported that project expenditures (Actual vs. Prior Year Actual), at \$218.2 million, are \$9.7 million lower as compared to the corresponding prior year period. He explained that the variance is due to a decrease in grant activity and school furniture purchases and payroll expense allocation to project expenditures, offset by an increase in expenditures in construction activity, design services, project insurance, and property acquisition. Mr. Nixon then reported that, since program inception, approximately 88.1% of the funds authorized for SDA districts have been disbursed. Additionally, he said that, since program inception, 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He advised the Board that the estimated value of active school facilities capital, emergent and regular operating district grant projects is approximately \$2 billion.

Next, Mr. Nixon reported that the Committee discussed the proposed 2021 Operating Budget draft. He reported that management is still in the process of finalizing certain budgetary line items and that a revised proposed 2021 SDA Operating Budget is expected to be presented to the Audit Committee later this month. He said that management plans to present the proposed budget to the Board for adoption at the December Meeting.

Lastly, Mr. Nixon said that management and the Committee are recommending Board approval of a contract award for Broker Services for the Business and Real Estate Property and Casualty Insurance Program (the Program). He explained that the SDA maintains a combined

property and casualty insurance program for its business and real estate activities separate from its construction activity. He said that the Authority is again seeking to engage a broker with the expertise to design a combined program that provides the broadest coverage at the most cost effective price. He said that a two-step competitive procurement process was advertised beginning May 14, 2020. He advised that, following the procurement process, management recommends that the Authority contract with The Safegard Group, Inc. for a 3 year term inclusive of 2 renewal years for a not-to-exceed value of \$1,560,000 or \$520,000 annually. He explained that the selected broker will be responsible for placing and servicing succeeding programs with policy terms commencing December 14, 2020 and December 14, 2021 and December 14, 2022 respectively. He advised that the selected broker also may be consulted to assess and/or procure additional risk and insurance needs as deemed necessary by the SDA.

Following discussion, upon motion duly made by Mr. Vargas and seconded by Ms. Lemelle, the Board approved the proposed contract award with The Safegard Group, Inc. for broker services for a 3 year term in the not-to-exceed amount of \$1,560,000 with its unanimous vote in favor of *Resolution 5a*.

### ***School Review Committee***

**Credit Change Order No. 1 - Catcord Construction Company, Inc.; Change Order No. 6 – Ernest Bock & Sons, Inc.; Adoption of New Rules for OPRA Compliance: Notice of Adoption – Requests for Access to Government Records, N.J.A.C. 19:33**

Mr. Nixon asked Mr. Luckie to provide the report of the School Review Committee (SRC). Mr. Luckie reported that the SRC met on October 19, 2020 at which time three items were discussed. Mr. Luckie said that management is seeking approval of a Credit Change Order (CO) in connection with the Camden Cooper B. Hatch MS (Hatch School) project (Project). He reported that the Hatch School in Camden currently serves as temporary space for 550 Camden HS students while the new Camden HS is being constructed. He noted that the new High School

is scheduled for delivery in 2021. He said that SDA staff observed conditions at the Hatch School involving water intrusion after rain events that was occurring throughout the facility. He explained that, in order to better identify the roof area that needed to be addressed, an infrared flat roof moisture survey was conducted on the entire modified-bitumen flat roof at the Hatch School in August 2019. Mr. Luckie informed the Members that upon completion of the flat roof moisture survey, SDA engaged a general contractor through the Authority's general contractor task order contract to perform repairs to the flat roof to stop the ongoing water intrusion. He noted that the scope of work for the contractor was designed in-house by the Authority's design studio. He reported that SDA engaged Catcord Construction Company, Inc. (Concord) on May 1, 2020 with a schedule that required that the work be performed in June and July 2020 when the school was not occupied. He said that substantial completion was achieved in July 2020. He advised that the contract was issued for a not-to-exceed value of \$480,000, with actual costs determined based upon expended time and material. He said that management is now asking for approval of Credit CO No. 1, in the total credit amount of \$173,000 which represents cost effectiveness in terms of labor efficiencies resulting from favorable weather conditions and an adjustment in the contractor's anticipated approach in making the necessary roof repairs. He reported that Catcord has completed all repairs to the existing flat roof surface at the Hatch School and has demobilized from the site. He added that this Credit CO is necessary to de-obligate the unused contract funds in order to advance contract close-out.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Mr. Kanef, the Board approved the proposed Credit Change Order No. 1 with its unanimous vote in favor of ***Resolution 6a.***

Mr. Luckie said that the Committee is also recommending Board approval of a CO in connection with the Camden HS project. He reminded the Members that the new 270,000 square-foot, two story Camden HS project (Project) is designed to educate approximately 1,200 students in grades nine through twelve. He said that on August 1, 2018, the Board approved the final charter and the award of a design-build construction contract to Ernest Bock & Sons, Inc. (Bock) in the amount of \$99,585,000 for the Project, and on September 26, 2018, Bock was issued a NTP with the design and construction of the Project. He explained that management is now seeking Board approval of CO No. 6, in the amount of \$0.00 in order to reallocate \$790,870 of unused, remaining funds from 3 scope categories to 2 different scope categories within the Project's Guaranteed Maximum Price (GMP) Reserve Allowance. Mr. Luckie said that CO No. 6 would not increase the current, overall GMP Reserve total as it will only re-allocate the unused money from specific, existing allowances within the Reserve to other separate, existing allowances. He explained that reallocating funds within the overall GMP Reserve Allowance is management's proposed recommended alternative to issuing separate change orders, thereby avoiding the unnecessary duplication of bond and insurance mark-ups. He said that since the value of CO No. 6 is \$0.00, it would not normally require presentation to the Board under the SDA Operating Authority. However, he explained that the value of the allowance funds being reallocated exceeds \$500,000.00 so, in keeping with the "spirit" of the Operating Authority and to ensure transparency, management is seeking Board approval of this CO.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Mr. Kanef, the Board approved the proposed Change Order No. 6 with its unanimous vote in favor of **Resolution 6b**.

Next, Mr. Luckie said that management is also seeking Board approval for the Adoption of New Rules for OPRA Compliance for Requests for Access to Government Records, N.J.A.C.

19:33 (Rules). He advised that New Jersey's Open Public Records Act (OPRA) requires that government records be readily accessible for inspection, copying or examination by members of the public unless exempt by law or regulation. He said that OPRA further authorizes a public agency to identify categories of documents that are exempted from this requirement. He noted that the Board memorandum provides a detailed description of the regulations that are now proposed for final adoption. He advised that, following Board approval on April 1, 2020, the Rules were proposed for promulgation as new rules and published in the June 1, 2020 edition of the New Jersey Register. He explained that the proposed new Rules were published subject to a 60-day public comment period that ended July 31, but no comments were received during that period with the result that the form of the Rules has not changed from the original proposal as published in the Register. Mr. Luckie said that the Members were provided with the proposed Rules and the Notice of Proposal for review in advance of the meeting. He added that management is recommending Board approval so that staff can proceed with the Rule adoption through the issuance and filing of the Notice of Proposal with the Office of Administrative Law.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Mr. Piaia, the Board approved the Adoption of the New Rules for Public Requests for Access to Government Records with its unanimous vote in favor of *Resolution 6c*.

### ***Public Comments***

The Chairman then opened the Public Comments portion of the meeting. No member of the public stepped forward to address the Board.

Mr. Nixon then announced that the Board would be adjourning into Executive Session. Ms. Kelly announced that the Board would be adjourning into Executive Session to discuss management's recommendation that the Board approve the extension of delivery and other

deadlines associated with the West Ward Property transferred by SDA to the City of Newark in 2017. She announced that the Board would vote on this matter upon its return to Open Session. She asked that the Chairman present ***Resolution 10.***, reflecting the Members' resolve to move into Executive Session, for a vote.

Upon motion duly made by Mr. Kanef and seconded by Ms. Lemelle, the Board resolved to adjourn the meeting into Executive Session to discuss the matter so described with its unanimous vote in favor of ***Resolution 10.***

Following return to Open Session, Mr. Vargas announced that in Executive Session the Board had discussed the Real Estate Committee's recommendation to extend certain deliverable and other deadlines applicable to the 2017 transfer of certain SDA real property located in Newark's West Ward to the City.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Nuse, and seconded by Mr. Egan, the Board approved the proposed extension of deadlines associated with the Property at issue with its unanimous vote in favor of ***Resolution A1.***

### ***Adjournment***

There being no further business to come before the Board, upon motion by the Chairman and with unanimous consent, the meeting was adjourned.

**Certification:** The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its November 4, 2020 meeting.

*/s/ Jane F. Kelly*  
Assistant Secretary

***Resolution—3a./3b.*****Approval of Minutes**

**WHEREAS**, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Schools Development Authority be approved by the Authority's Board of Directors; and

**WHEREAS**, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the November 4 2020 Board meeting of the New Jersey Schools Development Authority, for the Open and Executive Sessions were forwarded to the Governor on November 4, 2020.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes of the New Jersey Schools Development Authority's November 4, 2020 Open and Executive Session meetings are hereby approved.

**BE IT FURTHER RESOLVED**, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Dated: December 2, 2020

**AUTHORITY MATTERS**

## **CEO REPORT**

**CHAIRMAN'S REPORT**

**REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S  
REPORT)**

**PROPOSED 2021 STAFFING PLAN**



32 E. FRONT STREET  
P.O. BOX 991  
TRENTON, NJ 08625-0991  
609-943-5955

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## **MEMORANDUM**

TO: The Members of the Authority

FROM: Manuel Da Silva, Chief Executive Officer  
Andrew Yosha, Vice President, Program Operations & Strategic Planning  
Donald Guarriello, Vice President & Chief Financial Officer  
Jane F. Kelly, Vice President, Corporate Governance & Legal Affairs

RE: Proposed 2021 SDA Staffing Plan

DATE: December 2, 2020

### **Background**

Article IX, Section 9.1 of the New Jersey Schools Development Authority (SDA or the Authority) Bylaws (Bylaws) establish the Audit Committee as a standing Committee of the Authority. In addition, the Audit Committee's Charter (Charter) sets forth the Committee's authority, composition, voting, and specific responsibilities. On September 4, 2019, the Members of the Authority approved amendments to both the Bylaws and the Charter to clarify and strengthen the Board's oversight role in matters relating to Authority personnel and compensation.

Among the amendments to the Bylaws and Charter approved by the Board, are amendments requiring the annual establishment of a "Staffing Plan" for the Authority. Specifically, Article V, Section 5.1 of the Bylaws requires that the SDA Chief Executive Officer establish an annual Staffing Plan as defined in Article I, Section 1.7 of the Authority's Bylaws, and Section G.2 of the Charter requires that the SDA Audit Committee and Board review the annual Staffing Plan as submitted.

SDA's Chief Executive Officer, in coordination with the members of the Executive Team, has prepared a SDA Staffing Plan for Fiscal Year 2021 and that Plan was presented to the Authority's Audit Committee on November 17, 2020 along with the proposed Fiscal Year 2021 Operating Budget. On that date, following discussion, the Committee determined to advance the 2021 Staffing Plan to the full Board with a recommendation for approval.

### **2021 Operating Budget: Forecasted Staff Utilization and Active Project Analysis**

Article I, Section 1.7 of the Authority's Bylaws provides that the annual Staffing Plan shall represent "the resources required to satisfy the SDA's mission, goals, commitments and operating needs correlated to the volume and type of work activities to be advanced within a defined period. The Staffing Plan shall include existing SDA resources along with projected resource needs, and shall identify each included resource's function responsibilities and major accountabilities in support of the SDA's mission, goals, commitments and operating needs. The Staffing Plan prepared for presentation to the SDA Board shall be developed through a process that includes data-driven analytics."

In developing the Staffing Plan for 2021 consistent with the Bylaws, management employed data-driven analytics for each operating area within the SDA. To this end, staff began with the body of SDA work that will occur in 2021, reviewed the needed activities to address that body of work on a month-by-month basis and with a full-year view for the entirety of 2021.

The analysis evaluated each staff member's activities related to those needs in that same detailed way in order to assess the resources needed to support the Authority's projects. Essentially, the analysis reviewed each staff member's anticipated activities for each month tied to the overall work of the organization that would advance within that month.

This assessment results in our conclusion that 175 staff members, as broken down by functional area, is the number of staff needed to satisfy the SDA's mission, goals commitments and operating needs correlated to the volume and type of work activities that are ongoing and will be advanced throughout 2021.

### **Accompanying Materials**

The accompanying 2021 Staffing Plan materials include a 2021 Forecasted Staff Utilization, depicting the results of the assessment as follows: (1) Staff Utilization by Activity Type for the SDA overall; (2) Staff Utilization by Activity Type by Operating Area; and (3) Staff Utilization Dedicated to Projects.

In reviewing activities within each SDA Operating Area, we recognized that the work of each employee can be categorized as either:

- School Facilities Project Work
- Work that is required either by statute, regulation or other governance requirement (e.g. data collection and reporting, auditing, recordkeeping, public transparency and responsiveness requirements)
- Other Organizational needs

The Members of the Authority

December 2, 2020

Page 3

The following provides a brief description of the accompanying materials:

1. The first page depicts the categorization among those three areas—arrived at after we performed a delineation of SDA staff activities across the organization by detailed activity types. Our analysis concluded that more than 70% of SDA's staff activities are dedicated to school facilities projects; 7.3% are activities required to be performed in satisfaction of statutory, regulatory or other governance requirements and 22.6% are activities related to required organization operation and support.
2. The second page provides a series of bar charts that depict Staff Utilization by activity type by Operating Area:
  - Office of the CEO
  - Office of Corporate Governance and Legal Affairs
  - Program Operations and Construction Operations
  - Office of the CFO

Each Operating Area has staff time dedicated to each of the three categories to varying degrees, each area with significant staff time dedicated in support of school facilities projects.

3. The third page represents the work of the SDA dedicated to projects and demonstrates—for the 70% of overall SDA staff utilization that is dedicated to projects—the apportionment by each SDA Operating Area dedicated to school facilities projects.

### **Conclusion/Recommendation**

SDA Executive Management requests and recommends that the Members of the Authority approve the proposed 2021 Staffing Plan as discussed herein and as presented in the accompanying materials. The proposed 2021 Staffing Plan reflects that 70% of SDA's staff activities are dedicated to school facilities projects; 7.3% are activities required to be performed in satisfaction of statutory, regulatory or other governance requirements and 22.6% are activities related to required organization operation and support. The Staffing Plan includes a headcount of 175, the number of staff needed to satisfy the SDA's mission, goals, commitments and operating needs correlated to the volume and type of work activities that are ongoing and will be advanced throughout 2021. Management's recommendation for Board approval follows a detailed presentation of the 2021 Staffing Plan to the Authority's Audit Committee and the Committee's advancement of the same for Board consideration and approval.

Presentation prepared by: Gregory Voronov and William Coonahan



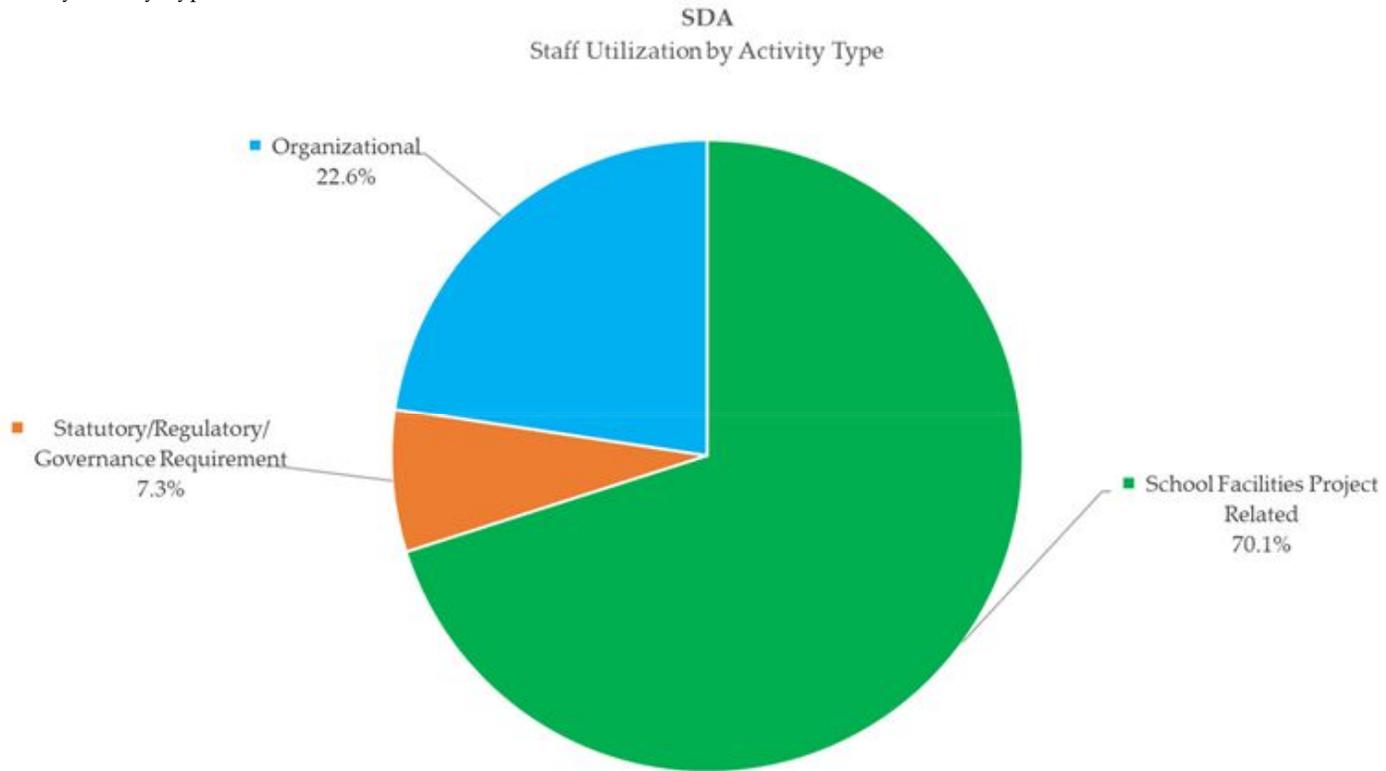
**2021 Operating Budget**  
Forecasted Staff Utilization  
December 2, 2020



2021 Forecasted Staff Utilization

Projected Staff Utilization by Activity Type

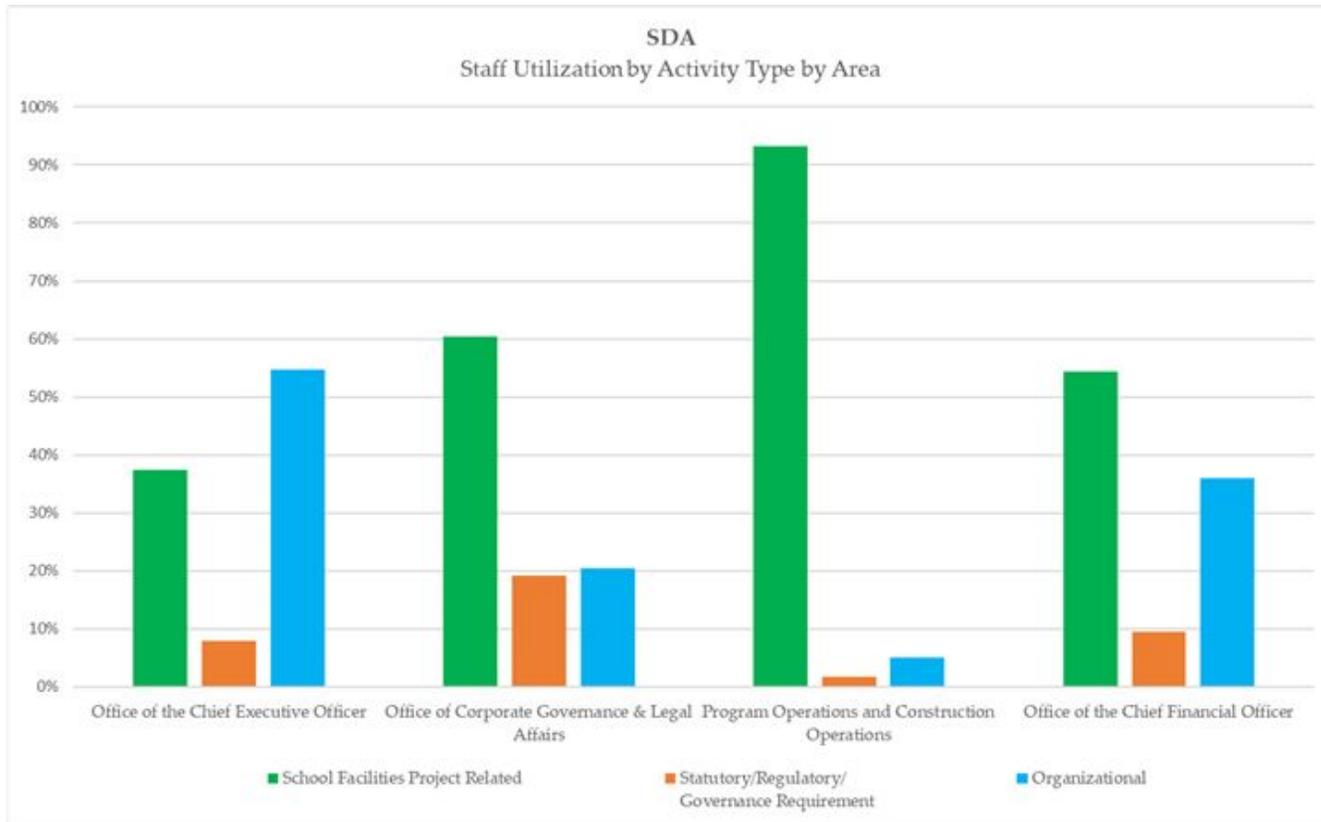
Total FTE's 175





**2021 Forecasted Staff Utilization**  
 Projected Staff Utilization by Activity Type

Total FTE's 175



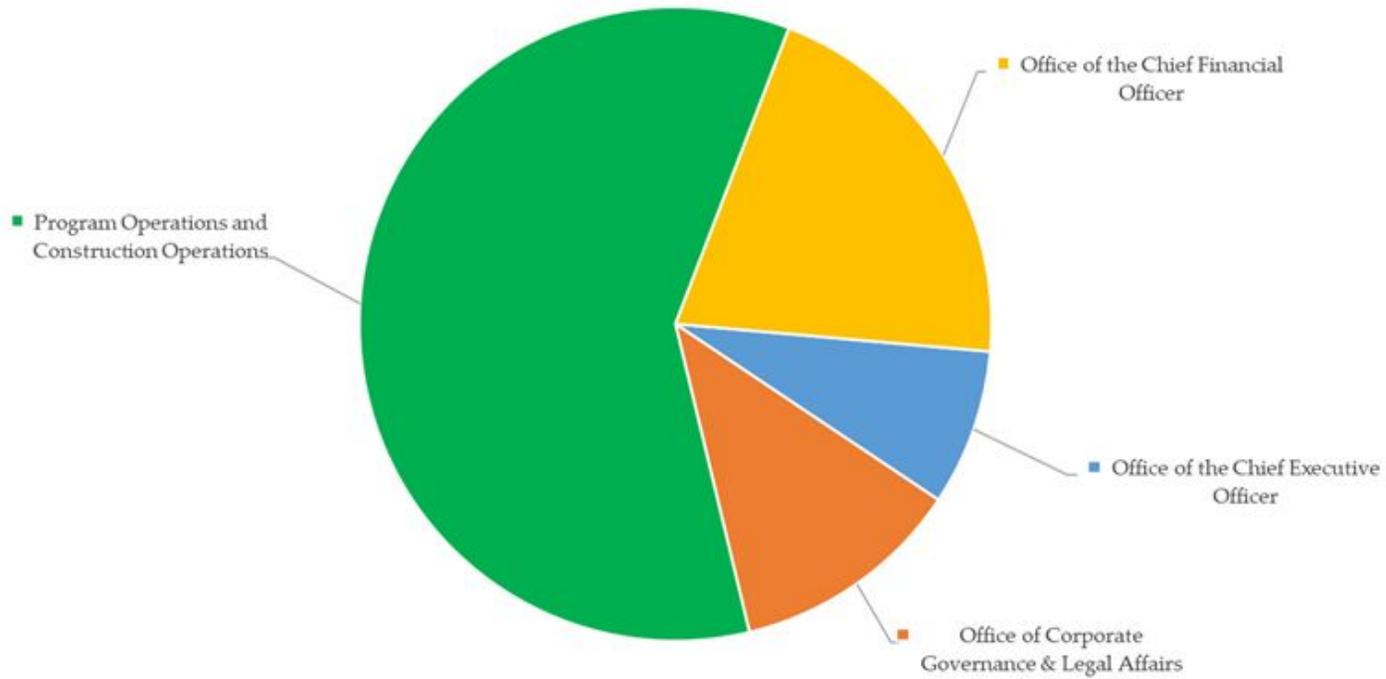


2021 Forecasted Staff Utilization

Projected Staff Utilization - School Facilities Project Related Utilization by Area

Total FTE's 175

SDA  
Staff Utilization Dedicated to Projects



***Resolution-5a.*****Resolution Approving the  
2021 Staffing Plan  
of the New Jersey Schools Development Authority****Resolution**

**WHEREAS**, the New Jersey Schools Development Authority (SDA or the Authority) was established by law pursuant to P.L.2007, C.137 (N.J.S.A. 52:18A-235 et. seq.) as an entity “in but not of” the New Jersey State Department of the Treasury; and

**WHEREAS**, pursuant to law, the Authority is authorized to “adopt bylaws for the regulation of its affairs and the conduct of its business”, which bylaws were adopted by the Authority on August 15, 2007; and

**WHEREAS**, Article IX, Section 9.1 of the Authority’s Bylaws (Bylaws) establishes the Audit Committee as a standing committee of the Authority; and

**WHEREAS**, the Audit Committee’s Charter (Charter) sets forth the authority, composition, meetings, voting, and specific responsibilities of the Audit Committee; and

**WHEREAS**, on September 4, 2019, the Members of the Authority approved amendments to the Bylaws and Charter to clarify and strengthen the Board’s oversight role in matters involving personnel and compensation; and

**WHEREAS**, among the amendments to the Bylaws and Charter approved by the Board are amendments requiring the annual establishment and presentation to the SDA Board of Directors of a “Staffing Plan” for the Authority; and

**WHEREAS**, Article V., Section 5.1 of the SDA Bylaws requires that the SDA’s Chief Executive Officer establish the annual Staffing Plan for the Authority as defined in Article I, Section 1.7 thereof for presentation to and adoption by the SDA Board of Directors; and

**WHEREAS**, Section G.2 of the SDA Audit Committee Charter requires that the SDA Audit Committee and Board review the annual Staffing Plan as submitted by the SDA Chief Executive Officer; and

**WHEREAS**, on November 17, 2020, the SDA Audit Committee conducted a detailed review of the 2021 Staffing Plan prepared and submitted by the Chief Executive Officer and recommends approval of the same by the SDA Board of Directors.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby approve the 2021 Staffing Plan prepared and submitted by the SDA Chief Executive Officer for comprehensive review by the Authority’s Audit Committee on November 17, 2020 and for Board consideration and approval on this date, and authorize its implementation.

**BE IT FURTHER RESOLVED**, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Approval of SDA 2021 Staffing Plan, dated December 2, 2020

Dated: December 2, 2020

**PROPOSED 2021 OPERATING BUDGET**



32 E. FRONT STREET  
P.O. BOX 991  
TRENTON, NJ 08625-0991  
609-943-5955

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## MEMORANDUM

TO: The Members of the Authority

FROM: Manuel Da Silva, Chief Executive Officer  
Donald Guarriello, Chief Financial Officer

RE: Proposed 2021 Operating Budget

DATE: December 2, 2020

### Justification for Budget Request

Pursuant to Article V, Section 5.1.B of the Authority's By-Laws, the Chief Executive Officer is required to prepare and submit a proposed annual budget for the Authority for adoption by the Members. Accordingly, in support of the Authority's current and projected project activities and other initiatives, we are submitting to the Board of Directors for their consideration a calendar year 2021 Operating Budget of \$16.3M, a decrease of \$1.1M as compared to the 2020 Operating Budget. The 2021 Operating Budget includes a proposed headcount of 175 full-time equivalents (FTE) which is a reduction of 30 positions from the current year budget of 205. In the past two budget years, the SDA has reduced overall headcount by a combined 82 positions.

The management and administration of a \$300 million to \$350 million a year School Construction Program requires significant human resources. These resources and the functional areas they support have diverse responsibilities and accountabilities, but frequently their work is interrelated and all are critical to the successful management and administration of the Program. Several functional areas directly or indirectly impact school facilities projects such as capital planning, project controls and budgeting, real estate, design, construction management, contract management, project insurance and safety. Several other functional areas directly or indirectly touch projects, although their involvement may not be as apparent. These include procurement, accounts payable and legal. The Authority also administers a grants program providing state funding to regular operating districts for school facilities projects. In fact, more than 70% of SDA's employees either directly or indirectly touch school facilities projects.

The management and oversight of numerous school construction capital projects, emergent projects and a grants program is not possible without back office support and necessary control functions. These functional areas include human resources, payroll, information systems, records management, internal auditing, communications, corporate governance and financial

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and risk management, including accounting, operational budgeting, treasury operations and risk (i.e., insurance).

### **Budget Approach**

To appropriately assign accountability, operating expenses are budgeted on a departmental basis. Departmental budget information supplied to the budget team is aggregated to arrive at divisional and Authority totals. Once approved, the budget is apportioned for 2021 monthly reporting.

Consistent with prior years, a portion of the Authority's employee salaries and benefits costs will be appropriately charged to school facilities projects based upon employee weekly time sheet data. For budget year 2021, the Authority has estimated the amount of such costs to be charged to school facilities projects at \$13.1M, which amount has been backed out of operating expense as presented in the attached materials.

### **Significant Operating Budget Variances**

- Employee salaries charged to operating expense are projected to decrease by \$1.2M as compared to the current year budget to approximately \$7.0M. This is due to the aforementioned headcount reduction of 30 FTEs, as well as employee retirements taking place in 2020. The 2021 Operating Budget includes a proposed headcount of 175. Lastly, the amount of salaries estimated to be charged to school facilities projects is expected to decrease \$386K, for the same reasons as above.
- Employee benefit costs charged to operating expense are projected to decrease by \$115K as compared to the current year budget to approximately \$3.3M. This is primarily due to decreased costs for Health Insurance of \$399K including both current staff and retirees, Social Security contributions of \$130K, Unemployment Insurance of \$85K, Prescription Drug Insurance of \$89K, Workers' Compensation Insurance of \$26K and Dental Insurance of \$23K. These decreases are partially offset by an increase in Pension and Life Insurance costs of \$457K, as well as a decrease in employee benefit costs charged to projects of \$131K – which serves to increase the remaining Operating Expense portion of benefit costs – and a reduction in the amount of Capitalized Fringe Benefits for the PMWeb Construction Program Management Software Solution of \$68K.

Overall, employee benefit costs are estimated to comprise approximately 43.51% of gross payroll in 2021, this represents an increase of 2.4% over the 2020 Budgeted figure of 41.14%.

- Other personnel-related costs including temporary staffing, travel and expense reimbursements and training and professional development are projected to increase by a net of \$95K in the 2021 budget.

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- Information Systems expenses are \$202K higher than the current year budget due primarily to increased costs for Technology Projects of \$105K, Maintenance & Support of \$105K, System Hardware of \$16K, offset slightly by a decrease of \$25K for Internet Service Provider costs.
- General Office & Facilities costs are expected to increase by \$108K due mainly to increases for Cellular Phone expense and Office Leases & Parking. The Authority is currently considering an assignment of the Newark Office Lease to another State agency, which, if executed, the savings would more than offset the aforementioned increase.
- Professional and Other Contracted Services are expected to decrease by \$371K for the 2021 Budget due to decreases in Outside Legal Services of \$280K, Human Resources Consulting Services of \$175K and DAG Legal Services of \$20K. Those decreases are offset by the \$60K estimated cost for an annual assessment recently implemented by the Office of Administrative Law, as well as an increase in Internal Audit costs of \$46K. The Outside Legal Services, though a decrease from last year's budget, is primarily a repercussion of the 2018-2019 Authority restructuring. The engagement of a Human Resources consultant is expected to be completed in 2020.
- Property & Casualty Insurance costs are anticipated to increase by \$41K for the 2021 Budget due to premium increases in Public Officials Liability (POL) and POL Excess, as well as Umbrella Liability.
- The 2021 Operating Budget includes costs for the replacement of two SDA-owned vehicles nearing the end of their useful lives, resulting in a budget increase of \$50K. The SDA currently has five vehicles that are used daily by field staff that exceed 125,000 miles, and three pool vehicles, also with over 125,000 miles, used by office staff working in the field.

**Proposed 2021 Capital Budget and Carryforward Items (Non-School Facilities Capital Projects)**

- The 2021 budget does not anticipate any new SDA capital projects. However, work will continue in 2021 on replacement of the current Contract Management system with PMWeb's Construction Program Management Software Solution. For 2021, we are reallocating \$200K in Development costs originally anticipated to be undertaken by an engaged consultant on the project. These tasks will now be performed by SDA Staff. This work began in 2018 and is estimated to have a cost of approximately \$1.3M for software and implementation services, plus an additional \$800K in capitalized staffing costs. The SDA Board approved this capital project in December 2017.

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### **Accompanying Materials**

The accompanying 2021 Operating Budget materials include the following: (1) Operating Budget Summary, (2) Operating Budget Details, (3) Employee Salaries and Fringe Benefit Expense Details, (4) Employee Headcount, (5) 5-Year Operating Budget Summary Comparison, (6) Capital Budget and Carryforward Items and, as Supplemental Information to the Budget, (7) Historical Data – Revenue & Expenditures for the Years 2000-2020.

### **Historical Perspective on the Authority's Operational Expenses**

For the spending comparisons discussed in this section, operational expense dollar amounts are inclusive of Authority-wide employee salaries and benefits costs (i.e., both operating and project related). This is necessary in order to make a fair, apples to apples comparison of costs, since the Authority didn't begin charging a portion of its salaries and benefits costs to school facilities projects until the year 2013. Salaries and benefits costs appropriately charged to school facilities projects are based on employee time sheet data and standard costing.

During the period of several years through the end of 2009, the Authority experienced significant growth both in terms of staffing and operational expenses. As a result, by December 31, 2009, the Authority had 332 full time employees and its operational expenses for the same year were over \$43 million. By comparison, the Authority is projecting operational expenses for the proposed 2021 budget of approximately \$29.4 million, and a maximum headcount of 175.

Additionally, from 2010 through 2020 (projected), the Authority has saved more than \$100 million in total operational expenses when compared to 2009, the year Authority operational expenses reached their highpoint. Furthermore, during the same period the Authority reduced its headcount from 332 to 175 (current HC plus 1 vacant position), a 47.3% reduction in staffing.

Since inception of the School Construction program, 95.7% of all SDA disbursements relate to school facilities projects and 4.3% relate to operational expenses.

### **Recommendation**

The Members of the Authority are recommended to approve the proposed 2021 Operating Budget and 2021 Capital Budget and Carryforward Items as presented in the accompanying materials. The proposed 2021 Operating Budget is for the amount of \$16.3 million, and includes a headcount of 175. As discussed above, the 2021 budget does not anticipate any new SDA capital projects, although work will continue in 2021 on development of the PMWeb Construction Program Management Software Solution.

Prepared by: Robert Carney and James Wiegartner

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	Proposed 2021 Budget	2020 Budget	2020 Reforecast	Over/(Under)	
				2021 Budget vs 2020 Budget	2021 Budget vs 2020 Reforecast
<b>Personnel Expenses:</b>					
Employee Salaries	\$ 16,287,680	\$ 17,827,447	\$ 15,841,763	\$ (1,539,767)	\$ 445,917
Employee Benefits	7,087,010	7,333,500	6,704,847	(246,490)	382,163
Direct Hire Temporary Employee Costs	48,443	48,443	2,561	-	45,882
Total Employee Salaries & Benefits Costs	23,423,133	25,209,390	22,549,171	(1,786,257)	873,962
<u>Less:</u> Employee Salaries Costs Charged to Projects	(9,291,136)	(9,676,717)	(9,043,584)	385,581	(247,552)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(3,828,243)	(3,959,253)	(3,685,251)	131,010	(142,992)
Salaries & Benefits Costs Charged to Operating Expense	10,303,754	11,573,420	9,820,336	(1,269,666)	483,418
Temporary Staffing Services	150,000	75,000	-	75,000	150,000
Travel & Expense Reimbursements	24,660	28,250	20,000	(3,590)	4,660
Training & Professional Development	94,140	70,000	33,000	24,140	61,140
Total Personnel Expenses	10,572,554	11,746,670	9,873,336	(1,174,116)	699,218
<b>Non-Personnel Expenses:</b>					
Facilities & General Office Expenses	2,690,240	2,581,911	2,185,000	108,329	505,240
Information Systems	1,458,500	1,256,640	1,075,740	201,860	382,760
Professional & Other Contracted Services	961,700	1,332,600	1,192,000	(370,900)	(230,300)
Property & Casualty Insurance	406,300	365,200	365,200	41,100	41,100
SDA-Owned Automobiles	150,000	100,000	100,000	50,000	50,000
Communications & Outreach	3,000	3,000	3,000	-	-
Reserve for Unforeseen Events & New Initiatives	50,000	50,000	50,000	-	-
<b>Total Operating Expenses</b>	<b>\$ 16,292,294</b>	<b>\$ 17,436,021</b>	<b>\$ 14,844,275</b>	<b>\$ (1,143,727)</b>	<b>\$ 1,448,018</b>
<b>Total Full-Time Employees (FTEs)</b>	<b>175</b>	<b>205</b>	<b>174</b>	<b>(30)</b>	<b>1</b>

# New Jersey Schools Development Authority

## Proposed 2021 Operating Budget

### Presentation to the Board of Directors

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	Proposed 2021 Budget	2020 Budget
<b>PERSONNEL EXPENSES:</b>		
<b>Employee Salaries &amp; Benefits</b>		
Employee Salaries	\$ 16,287,680	\$ 17,827,447
Employee Benefits	7,087,010	7,333,500
Direct Hire Temporary Employee Costs	48,443	48,443
<b>Total Employee Salaries &amp; Benefits Costs</b>	<b>23,423,133</b>	<b>25,209,390</b>
<u>Less:</u> Employee Salaries Costs Charged to Projects	(9,291,136)	(9,676,717)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(3,828,243)	(3,959,253)
<b>Total Salaries &amp; Benefits Costs Charged to Operating Expense</b>	<b>10,303,754</b>	<b>11,573,420</b>
<b>Temporary Staffing Services</b>	<b>150,000</b>	<b>75,000</b>
<b>Travel &amp; Expense Reimbursements</b>		
Mileage Reimbursements	7,060	12,000
Tolls & Parking	17,600	16,250
<b>Total Travel &amp; Expense Reimbursements</b>	<b>24,660</b>	<b>28,250</b>
<b>Training &amp; Professional Development</b>		
Conferences & Seminars	35,640	20,000
HR Training - Authority Wide	15,000	15,000
Career Development	10,000	10,000
Publications & Subscriptions	16,910	15,000
Professional Memberships & Licenses	16,590	10,000
<b>Total Training &amp; Professional Development</b>	<b>94,140</b>	<b>70,000</b>
<b>TOTAL PERSONNEL EXPENSES</b>	<b>10,572,554</b>	<b>11,746,670</b>
<b>NON-PERSONNEL EXPENSES:</b>		
<b>FACILITIES &amp; GENERAL OFFICE EXPENSES</b>		
<b>Office Leases &amp; Parking</b>		
Trenton	1,463,108	1,405,119
Newark	156,522	156,522
<b>Total Office Leases &amp; Parking</b>	<b>1,619,630</b>	<b>1,561,641</b>
<b>Telephone</b>		
Private-VoIP	15,000	19,800
Cellular	174,000	115,900
Cellular - GPS/Engine & Maint Status	5,000	5,000
Miscellaneous Charges	3,000	8,000
<b>Total Telephone</b>	<b>197,000</b>	<b>148,700</b>

# New Jersey Schools Development Authority

## Proposed 2021 Operating Budget

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	Proposed 2021 Budget	2020 Budget
<b>Utilities</b>		
Trenton Front St	215,000	215,000
Newark	25,000	25,000
<b>Total Utilities</b>	<b>240,000</b>	<b>240,000</b>
<b>Postage &amp; Delivery</b>		
Meter Usage	6,000	6,000
Post Office Box Rental	1,310	1,270
State of NJ	400	400
Package Delivery	5,000	5,000
<b>Total Postage &amp; Delivery</b>	<b>12,710</b>	<b>12,670</b>
<b>Furniture &amp; Equipment</b>		
Furniture Purchases	1,500	1,500
Equipment Purchases	1,500	1,500
Equipment Leases/Maintenance	65,000	65,000
<b>Total Furniture &amp; Equipment</b>	<b>68,000</b>	<b>68,000</b>
<b>Office Supplies</b>		
Stationary & Supplies	22,000	22,000
Printer & Copier Paper	20,000	20,000
Toner	50,000	50,000
Business Cards	500	1,000
<b>Total Office Supplies</b>	<b>92,500</b>	<b>93,000</b>
<b>Building Security</b>		
Building Security	5,000	5,000
<b>Total Building Security</b>	<b>5,000</b>	<b>5,000</b>
<b>Janitorial</b>		
Carpet Maintenance	10,000	10,000
<b>Total Janitorial</b>	<b>10,000</b>	<b>10,000</b>
<b>Mechanical Maintenance</b>		
Repairs & Maintenance	25,000	25,000
Common Area Maintenance Fees (Trenton)	372,000	372,000
Common Area Maintenance Fees (Newark)	10,000	6,000
<b>Total Mechanical Maintenance</b>	<b>407,000</b>	<b>403,000</b>

# New Jersey Schools Development Authority

## Proposed 2021 Operating Budget

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	Proposed 2021 Budget	2020 Budget
<b>Other</b>		
Refreshments & Supplies	21,000	21,000
Employee Services	4,400	5,900
Recruitment Expense	13,000	13,000
<b>Total Other</b>	<b>38,400</b>	<b>39,900</b>
<b>TOTAL FACILITIES &amp; GENERAL OFFICE EXPENSES</b>	<b>2,690,240</b>	<b>2,581,911</b>
<b>INFORMATION SYSTEMS</b>		
<b>Maintenance and Support</b>	<b>930,000</b>	<b>825,500</b>
<b>Media Storage</b>	<b>32,500</b>	<b>32,800</b>
<b>System Supplies</b>	<b>30,000</b>	<b>30,000</b>
<b>System Software</b>		
General	20,000	20,000
<b>Total System Software</b>	<b>20,000</b>	<b>20,000</b>
<b>System Hardware</b>		
General	48,500	33,000
<b>Total System Hardware</b>	<b>48,500</b>	<b>33,000</b>
<b>Technology Projects</b>		
RES DB Integration Changes and Revisions to Templates	-	20,000
Document Management	20,000	20,000
Authority Infrastructure Projects	110,000	-
PM Webb Expense	15,000	-
<b>Total MIS Projects</b>	<b>145,000</b>	<b>40,000</b>
<b>External Services</b>		
Internet Service Provider	165,000	189,840
On-Line Board Books	15,000	13,000
Other On-Line Subscription Services	44,500	44,500
<b>Total External Services</b>	<b>224,500</b>	<b>247,340</b>
<b>Information Systems Staff Technical Training</b>	<b>28,000</b>	<b>28,000</b>
<b>TOTAL INFORMATION SYSTEMS</b>	<b>1,458,500</b>	<b>1,256,640</b>

# New Jersey Schools Development Authority

## Proposed 2021 Operating Budget

### Presentation to the Board of Directors

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	Proposed 2021 Budget	2020 Budget
<b>PROFESSIONAL &amp; OTHER CONTRACTED SERVICES</b>		
<b>Auditing</b>		
Independent Auditor Services	116,000	114,000
Internal Audit	157,500	112,000
<b>Total Auditing</b>	<b>273,500</b>	<b>226,000</b>
<b>Outside Legal &amp; Related Services</b>		
Outside Legal Services-Litigation	450,000	730,000
DAG Legal Services	55,000	75,000
OAL Annual Assessment	60,000	-
<b>Outside Legal &amp; Related Services Total</b>	<b>565,000</b>	<b>805,000</b>
<b>Other Professional Services</b>		
ADP Payroll Services	41,200	41,200
Actuary Services	7,000	10,000
Human Resources	-	175,000
<b>Total Other Professional Services</b>	<b>48,200</b>	<b>226,200</b>
<b>Other</b>		
Document Storage (Off Site)	65,000	65,000
Computer Checks	500	400
Shredding Services	5,000	5,000
Bank Service Charges	4,500	5,000
<b>Total Other</b>	<b>75,000</b>	<b>75,400</b>
<b>TOTAL PROFESSIONAL &amp; OTHER CONTRACTED SERVICES</b>	<b>961,700</b>	<b>1,332,600</b>
<b>PROPERTY &amp; CASUALTY INSURANCE</b>		
Package-Owned	38,200	37,200
Automobile	40,000	40,500
Umbrella Liability	37,900	31,600
Umbrella Liability-Excess	6,200	5,400
Public Officials Liability	207,100	181,200
Public Officials Liability-Excess	72,400	62,500
Workplace Violence	4,500	6,800
<b>TOTAL PROPERTY &amp; CASUALTY INSURANCE</b>	<b>406,300</b>	<b>365,200</b>

## New Jersey Schools Development Authority

### Proposed 2021 Operating Budget

### Presentation to the Board of Directors

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	Proposed 2021 Budget	2020 Budget
<b>SDA-OWNED AUTOMOBILES</b>		
Automobile Purchase Cost	50,000	-
State of NJ Central Motor Pool Charges	100,000	100,000
<b>TOTAL SDA-OWNED AUTOMOBILES</b>	<b>150,000</b>	<b>100,000</b>
<b>COMMUNICATIONS &amp; OUTREACH</b>		
<b>External Communications</b>		
General	3,000	3,000
<b>External Communications Total</b>	<b>3,000</b>	<b>3,000</b>
<b>TOTAL COMMUNICATIONS &amp; OUTREACH</b>	<b>3,000</b>	<b>3,000</b>
<b>RESERVE FOR UNFORSEEN EVENTS &amp; NEW INITIATIVES</b>	<b>50,000</b>	<b>50,000</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 16,292,294</b>	<b>\$ 17,436,021</b>
<b>Full-Time Employees (FTEs)</b>		
Current Actives	174	181
Vacant Positions	1	24
<b>Total Full-Time Employees</b>	<b>175</b>	<b>205</b>

**New Jersey Schools Development Authority**  
**Proposed 2021 Operating Budget**  
**Presentation to the Board of Directors**

	<b>Proposed 2021 Budget</b>	2020 Budget	2021 Budget vs 2020 Budget
<b>Employee Salaries:</b>			
Employee Salaries	\$ 16,349,511	\$ 18,056,995	\$ (1,707,484)
Capitalized Employee Salaries - PMWeb	(61,831)	(229,548)	167,717
Direct Hire Temporary Employee Costs	48,443	48,443	-
Total Employee Salaries	16,336,123	17,875,890	(1,539,767)
<b>Less:</b> Employee Salaries Costs Charged to Projects	(9,291,136)	(9,676,717)	385,581
Total Employee Salaries Charged to Operating Expense	7,044,987	8,199,173	(1,154,186)
<b>Employee Benefits:</b>			
Social Security	1,228,057	1,358,378	(130,321)
Unemployment Insurance	50,000	135,001	(85,001)
Workers Compensation Insurance	84,000	110,500	(26,500)
Long-Term Disability	98,920	113,343	(14,423)
Pension and Life Insurance	2,852,617	2,395,260	457,357
Health Insurance	1,877,523	2,186,762	(309,239)
Prescription Drug Insurance	491,791	581,241	(89,450)
Dental Care	154,829	177,717	(22,888)
Vision Care	26,250	30,750	(4,500)
Post Retirement Benefits	250,000	340,000	(90,000)
Capitalized Fringe Benefits - PMWeb	(26,977)	(95,452)	68,475
Total Employee Benefits	7,087,010	7,333,500	(246,490)
<b>Less:</b> Employee Benefits Costs Charged to Projects	(3,828,243)	(3,959,253)	131,010
Total Employee Benefits Charged to Operating Expense	3,258,767	3,374,247	(115,480)
<b>Total Salaries &amp; Benefits Charged to Operating Expense</b>	<b>\$ 10,303,754</b>	<b>\$ 11,573,420</b>	<b>\$ (1,269,666)</b>
<b>Fringe Benefit Rate</b>	<b><u>43.51%</u></b>	<b><u>41.14%</u></b>	

**New Jersey Schools Development Authority**  
**Proposed 2021 Operating Budget**  
**Presentation to the Board of Directors**

SDA Division/Unit	Proposed 2021 Budget	Employee Headcount		Proposed Headcount vs.	
		2020 Budget	11/16/2020 Actual	2020 Budget	11/16/2020 Actual
Office of Chief Executive Officer (CEO)	4	4	4	-	-
Human Resources	4	6	3	(2)	1
Communications	2	3	2	(1)	-
Information Systems	14	15	14	(1)	-
Central Records Management	3	3	3	-	-
Legislative Affairs	1	1	1	-	-
Office of Corporate Governance & Legal Affairs	5	5	5	-	-
Chief Counsel	9	11	9	(2)	-
Safety	6	6	6	-	-
Internal Audits	3	4	3	(1)	-
Office of Construction Operations	-	2	-	(2)	-
Project Teams	28	39	28	(11)	-
Office of Program Operations & Strategic Planning	2	2	2	-	-
Capital Planning & Program Operations	7	4	7	3	-
Design Studio	18	20	18	(2)	-
Grants Administration	10	13	10	(3)	-
Real Estate Services & Predevelopment	8	10	8	(2)	-
Vendor Development	5	5	5	-	-
Office of Chief Financial Officer	2	2	2	-	-
Financial Operations	7	11	7	(4)	-
Financial Accounting & Disbursements	11	13	11	(2)	-
Procurement	10	9	10	1	-
Risk Management	8	9	8	(1)	-
Property Management	4	4	4	-	-
Facilities	4	4	4	-	-
<b>Total Full-Time Employees (FTEs)</b>	<b>175</b>	<b>205</b>	<b>174</b>	<b>(30)</b>	<b>1</b>

**New Jersey Schools Development Authority**  
**Proposed 2021 Operating Budget**  
**Calendar Years 2021 - 2017**

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	2021 Budget	2020 Budget	2019 Budget	2018 Budget	2017 Budget
<b>Personnel Expenses:</b>					
Employee Salaries	\$ 16,287,680	\$ 17,827,447	\$ 20,620,593	\$ 19,906,047	\$ 19,880,983
Employee Benefits	7,087,010	7,333,500	8,459,920	8,209,129	8,132,016
Direct Hire Temporary Employee Costs	48,443	48,443	161,476	290,655	290,655
Total Employee Salaries & Benefits Costs	23,423,133	25,209,390	29,241,989	28,405,831	28,303,654
<u>Less:</u> Employee Salaries Costs Charged to Projects	(9,291,136)	(9,676,717)	(10,974,530)	(11,347,683)	(10,895,427)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(3,828,243)	(3,959,253)	(4,648,810)	(4,576,086)	(4,438,647)
Salaries & Benefits Costs Charged to Operating Expense	10,303,754	11,573,420	13,618,649	12,482,062	12,969,580
Temporary Staffing Services	150,000	75,000	150,000	150,000	150,000
Travel & Expense Reimbursements	24,660	28,250	45,200	38,075	35,475
Training & Professional Development	94,140	70,000	155,400	146,800	135,359
Total Personnel Expenses	10,572,554	11,746,670	13,969,249	12,816,937	13,290,414
<b>Non-Personnel Expenses:</b>					
Facilities & General Office Expenses	2,690,240	2,581,911	2,696,673	2,661,834	2,639,330
Information Systems	1,458,500	1,256,640	1,425,500	1,281,400	1,625,900
Professional & Other Contracted Services	961,700	1,332,600	440,800	442,100	394,750
Property & Casualty Insurance	406,300	365,200	347,000	343,000	408,800
SDA-Owned Automobiles	150,000	100,000	195,000	115,000	115,000
Communications & Outreach	3,000	3,000	100,000	1,000	500
Reserve for Unforeseen Events & New Initiatives	50,000	50,000	50,000	50,000	50,000
<b>Total Operating Expenses</b>	<b>\$ 16,292,294</b>	<b>\$ 17,436,021</b>	<b>\$ 19,224,222</b>	<b>\$ 17,711,271</b>	<b>\$ 18,524,694</b>
<b>Total Full-Time Employees (FTEs)</b>	<b>175</b>	<b>205</b>	<b>257</b>	<b>257</b>	<b>257</b>

# New Jersey Schools Development Authority

## Proposed 2021 Operating Budget

### Presentation to the Board of Directors

5

Description of Capital Item:	Budget Year	Budget Amount	Capital Expenditures - Actuals			Project Funds No Longer Required	2021 Budget and Carry-forward items
			2020 *	Pre-2020	Total		
PMWeb Software System:							
Software & Development - Consulting	2018	\$ 2,500,000	\$ 283,589	\$ 579,268	\$ 862,857	\$ 1,200,000	\$ 437,143
Development - SDA Staff Time	2019/2020	600,000	300,000	211,192	511,192	-	88,808
Development - SDA Staff Time Reallocated from Consulting	2021	-	-	-	-	(200,000)	200,000
2021 Capital Projects **	2021	-	-	-	-	-	-
<b>Totals</b>		<b>\$ 3,100,000</b>	<b>\$ 583,589</b>	<b>\$ 790,460</b>	<b>\$ 1,374,049</b>	<b>\$ 1,000,000</b>	<b>\$ 725,951</b>

\* Amounts for 2020 are estimated, as actuals for the full year are currently not available.

\*\* No new SDA capital projects are anticipated in 2021.

**New Jersey Schools Development Authority**  
**Cash Revenue & Expenditures - ACTUALS**  
**For the Years Ended December 31, 2000 through 2020**

Year	Revenue	Expenditures			FTEs	Entity
		Projects	Operating	Total		
2000	\$1,515,988	\$0	\$640,556	\$640,556	N/A	EDA
2001	\$574,588,684	\$18,967,828	\$8,440,904	\$27,408,732	N/A	EDA
2002	\$596,112,907	\$460,970,915	\$12,759,157	\$473,730,072	N/A	EDA
2003	\$613,722,969	\$1,096,480,983	\$27,593,209	\$1,124,074,192	204	EDA
2004	\$1,708,454,297	\$1,289,801,167	\$29,726,836	\$1,319,528,003	250	EDA/SCC
2005	\$2,093,111,283	\$1,332,923,106	\$27,655,249	\$1,360,578,355	240	SCC
2006	\$640,148,585	\$1,069,330,378	\$30,832,220	\$1,100,162,598	241	SCC
2007	\$828,845,412	\$890,787,821	\$35,628,052	\$926,415,873	272	SCC/SDA
2008	\$464,421,866	\$880,936,507	\$40,701,100	\$921,637,607	298	SDA
2009	\$777,458,577	\$613,756,613	\$43,502,014	\$657,258,627	332	SDA
2010	\$496,621,171	\$282,888,651	\$41,695,616	\$324,584,267	304	SDA
2011	\$862,800	\$173,991,754	\$34,535,745	\$208,527,499	255	SDA
2012	\$375,435,837	\$189,648,010	\$32,495,152	\$222,143,162	241	SDA
2013	\$427,282	\$211,970,054	\$17,559,429	\$229,529,483	243	SDA
2014	\$585,287,172	\$288,876,308	\$15,355,679	\$304,231,987	227	SDA
2015	\$501,514,026	\$427,094,323	\$15,055,127	\$442,149,450	230	SDA
2016	\$345,113,521	\$391,156,388	\$16,119,496	\$407,275,884	229	SDA
2017	\$353,843,695	\$355,980,655	\$15,187,085	\$371,167,740	211	SDA
2018	\$357,212,504	\$341,112,915	\$16,363,155	\$357,476,070	222	SDA
2019	\$359,379,328	\$309,552,506	\$17,819,677	\$327,372,183	183	SDA
2020 (1)	\$3,584,900	\$290,969,200	\$14,919,900	\$305,889,100	174	SDA
<b>Totals</b>	<b>\$11,677,662,804</b>	<b>\$10,917,196,082</b>	<b>\$494,585,358</b>	<b>\$11,411,781,440</b>		

Expenditure Percentages **95.7%**      **4.3%**      **100.0%**

Maximum Employee Salaries (2010) **\$23,961,013**

Current Employee Salaries (Nov. 1, 2020 Annualized) **\$15,239,680**

(1) Amounts for 2020 are based on nine (9) months of actuals plus three (3) months estimated.

**Note:** Beginning in 2013, the Authority began charging a portion of its salaries and benefits costs to school facilities projects. Salaries and benefits costs appropriately charged to school facilities projects are based on employee time sheet data and standard costing.

***Resolution—5b.*****Approval of the Fiscal Year 2021 SDA Annual Operating Budget****Resolution**

**WHEREAS**, the New Jersey Schools Development Authority (SDA or the Authority) was established by law pursuant to P.L.2007, C.137 (NJSA 52:18A-235 et. seq.) as an entity “in but not of” the New Jersey State Department of the Treasury; and

**WHEREAS**, pursuant to law, the Authority is authorized to “adopt bylaws for the regulation of its affairs and the conduct of its business” and bylaws were adopted by the Authority on August 15, 2007; and

**WHEREAS**, pursuant to Article IX of the Authority’s bylaws, there is established an Audit Committee, the duties and responsibilities of which are set forth in the Audit Committee Charter; and

**WHEREAS**, pursuant to Article VII, Section 7.1 of the Authority’s bylaws, “the fiscal year of the Authority shall commence on the first day of January of each calendar year and conclude on the last day of December of the same calendar year; and

**WHEREAS**, pursuant to Article V. Section 5.1B of the Authority’s bylaws, the Authority’s “Chief Executive Officer shall prepare and submit a proposed annual budget for the Authority for each ensuing year for adoption by the members of the Authority”; and

**WHEREAS**, pursuant to Article V. Section 5.1B of the bylaws of the Authority, the Chief Executive Officer has submitted to the Audit Committee for consideration a proposed operating budget for the Authority’s Fiscal Year 2021; and

**WHEREAS**, at its October 19, 2020 and November 17, 2020 meetings, the Audit Committee reviewed and discussed the Fiscal Year 2021 budget proposal; and

**WHEREAS**, pursuant to Article VII A.1 of the Audit Committee Charter and following deliberations, the Audit Committee recommends for approval by the Members of the Authority the budget proposal recommended by SDA management for Fiscal Year 2021 and it is so presented in the attachment hereto.

**NOW THEREFORE BE IT RESOLVED**, that the Board hereby approves the attached Fiscal Year 2021 Annual Operating Budget for staffing, general and administrative expenses and capital expenditures in support of SDA operations totaling \$16.3 million and authorizes the Chief Executive Officer to expend funds on behalf of the Authority pursuant to this budget as required.

**BE IT FURTHER RESOLVED**, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Proposed Fiscal Year 2021 Annual Operating Budget, dated  
December 2, 2020

Dated: December 2, 2020

**MONTHLY REPORTS**  
**(For Informational Purposes)**

**ACTIVE PROJECTS STATUS REPORT**



STATE OF NEW JERSEY  
**SCHOOLS DEVELOPMENT AUTHORITY**

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**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director

DATE: December 2, 2020

SUBJECT: Active Project Status Report  
(For Informational Purposes Only)

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The 1<sup>st</sup> section of the report includes an Activities Summary of projects identified for advancement in the Authority's Capital Plans.

The 2<sup>nd</sup> part of the report displays project completion milestones for all other active major capital projects and emergent projects for which a contract for construction has been awarded.



**2011 & 2012 Portfolio Projects Activities Summary**  
as of 11/16/20

**2011 Portfolio Projects - sorted by District**

**1**

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Bridgeton	Buckshutem ES	K-8	581	645	\$23.3	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Bock)	5/31/13
Bridgeton	Quarter Mile Lane ES	PK-8	731	795	\$39.0	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Bock)	5/31/13
Elizabeth	Frank J. Cicarell Academy (Academic HS)	9-12	1,091	1,284	\$64.1	Existing Design	School occupied Sep. 2016. (Patock)	12/8/11 7/11/12
Jersey City	Patricia M. Noonan ES (ES 3)	PK-5	778	848	\$54.0	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Dobco, Inc.)	6/25/12 2/25/13
Jersey City	Dr. Maya Angelou PS #20	K-5	628	698	\$49.3	Existing Design	School occupied Sep. 2016. (Dobco, Inc.)	4/17/12 3/6/13
Long Branch	Catrambone ES	PK-5	794	867	\$40.0	Existing Design	School occupied Sep. 2014. (Terminal Construction)	12/20/11
New Brunswick	Redshaw ES	PK-5	906	990	\$51.2	Kit of Parts/ Design-Build	School occupied Jan. 2015. (Hall Construction)	5/29/12
Newark	Oliver St. ES	PK-8	848	932	\$73.6	Kit of Parts/ Design-Build	School occupied May 2016. (Epic Management)	6/27/12 11/29/12
Paterson	Dr. Hani Awadallah ES (Marshall St. ES)	K-8	650	722	\$55.2	Existing Design	School occupied Sep. 2016. (Dobco, Inc.)	6/13/12 2/12/13
Paterson	PS 16	PK-8	641	705	\$62.4	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Hall Construction)	3/27/12 8/28/13
West New York	Harry L. Bain PS 6	PK-6	736	814	\$16.8	Design-Bid-Build	School occupied Sep. 2017. (Paul Otto)	2/27/12 12/29/15

**\*PLEASE NOTE** - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.  
**NOTE # 1** - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions.  
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

**6**



2011 & 2012 Portfolio Projects Activities Summary

as of 11/16/20

2012 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Gloucester City	Elementary/Middle School	4-8	687	763	\$65.3	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Terminal)	3/4/14
Keansburg	Caruso ES	K-4	758	842	\$50.9	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Hall Construction)	10/20/11 6/27/13
Keansburg	Port Monmouth Road School	PK	318	318	\$28.4	Design-Bid-Build	Award for D-B approved Nov. 2019 Board. (Niram)	6/24/19
New Brunswick	Robeson ES	PK-5	823	893	\$48.5	Kit of Parts/ Design-Build	School occupied Sep. 2018. (Hall Construction)	4/22/15
Newark	Elliot Street ES	PK-8	848	932	\$46.7	Kit of Parts/ Design-Build	School occupied Jan. 2016. (Hall Construction)	12/27/12
Newark	South Street ES	PK-8	597	657	\$69.9	Kit of Parts/ Design-Build	School occupied Sep. 2018. (Bock)	6/28/13 6/29/15
Passaic	Dayton Ave. Campus	PK-8	2,760	3,020	\$240.9	Kit of Parts/ Design-Build	Award for D-B approved Nov. 2017 Board. (Terminal)	6/13/17
Phillipsburg	High School	9-12	1,846	2,172	\$127.5	Existing Design	School occupied Sep. 2016. (Epic Management)	9/27/12
West New York	Memorial HS	9-12	1,859	2,194	\$16.0	Alternative Delivery (acquisition) & Renovation	Acquisition of Existing St. Joseph's HS complete. Renovation work delegated to District via Grant.	n/a

\*PLEASE NOTE - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.  
 NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions.  
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

6



2011 & 2012 Portfolio Projects Activities Summary

as of 11/16/20

2012 Portfolio Projects (Educational Priority that require further conversations with District & 2013 Amended Projects) - sorted by District

1								
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
East Orange	Sheila Y. Oliver Academy (GW Carver ES)	PK-5	470	512	\$41.2	Kit of Parts/ Design-Build	School delivered Sep. 2020 (Dobco)	4/26/16 1/20/17
Elizabeth	New ES @ Halloran PS #22 ES Site	2-8	860	956	\$55.3	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Torcon)	6/9/14
Garfield	James Madison ES	K-5	275	305	\$29.7	Existing Design	School occupied Sep. 2018. (Brockwell & Carrington)	2/19/14 6/30/15
Harrison	New ES	PK - 1	392	432	\$36.1	Kit of Parts/ Design-Build	School delivered Nov. 2020 (Dobco)	11/10/15 7/13/16
Irvington	Madison Avenue ES	PK-5	463	504	\$38.6	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Bock)	11/19/15 8/16/16
Millville	Senior HS Addition/Renovation	HS	2,026	2,384	\$137.5	Design-Build	Award for D-B approved Apr. 2017 Board. (Hall Construction)	9/30/16
Passaic	Sonia Sotomayor ES (New ES @ Leonard Place)	K-5	628	698	\$55.9	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Dobco, Inc.)	8/13/15
Paterson	New MS @ Union Ave.	6-8	996	1107	\$113.9	Design-Build	Award for D-B approved Sep. 2018 Board. (Epic Management)	3/2/17 4/26/18
Pemberton	Denbo-Crichton ES	PK-5	846	930	\$58.7	Design-Build	School delivered Sep. 2020. (Bock)	3/1/17 9/13/17
Perth Amboy	High School	HS	2,800	3,295	\$283.8	Design-Build	Award for D-B approved Nov. 2019 Board. (Terminal)	3/26/19
Perth Amboy	Rose M. Lopez ES (Seaman Avenue ES)	K-5	724	804	\$56.4	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Epic Management).	2/3/16
Plainfield	New Woodland ES	K-5	756	840	\$59.4	Kit of Parts/ Design-Build	Award for D-B approved Feb. 2020 Board. (Epic Management)	5/23/18 8/29/19
Union City	New Grade 7 to 9 School	7-9	756	840	\$75.5	Kit of Parts/ Design-Build	Revised Preliminary Charter approved Dec. 2019 Board.	TBD
Vineland	Lincoln Ave. MS (New MS)	6-8	562	624	\$49.8	Kit of Parts/ Design-Build	School occupied Sep. 2018. (Bock).	9/24/15

\*PLEASE NOTE - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.  
 NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions.  
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



**2011 & 2012 Portfolio Projects Activities Summary**

as of 11/16/20

**2012 Portfolio Projects (Facilities Deficiencies) - sorted by District**

1								
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Camden	High School	9-12	1,244	1,468	\$132.6	Design-Build	Award for D-B approved Aug. 2018 Board. (Bock)	6/9/17 3/23/18
Hoboken	Demarest ES	ES	TBD	TBD	TBD	Design-Bid-Build	Pre-Design Services ongoing.	TBD
Orange	Cleveland St. ES	PK-6	316	348	\$33.2	Design-Bid-Build	Award for GC approved Mar. 2019 Board. (Brockwell & Carrington)	9/10/18 11/14/18
Orange	High School	9-12	1,440	1,694	\$51.9	Design-Bid-Build	Award for GC approved Mar. 2019 Board. (Terminal)	10/12/18
Trenton	Central HS	10-12	1,850	2,176	\$155.4	Design-Build	School occupied Sep. 2019. (Terminal)	12/19/14 9/29/15

**\*PLEASE NOTE** - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.  
**NOTE # 1** - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions.  
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



## Active Project Status Report Status as of 11/1/2020

### Major Capital Projects - With Contract for Building Construction Awarded

#	District	Project Name	Project Scope	Project Status	Substantial Completion	Status Substantial Completion	School Opening	Status of School Opening	Total Estimated Project Cost
1	Camden	New Camden High School	New Construction	Construction	3Q 2021	On-target	Sep-21	On-target	\$ 132,569,255
2	City of Orange	Cleveland Street ES	Addition/Renovation	Construction	3Q 2021	On-target	Sep-21	On-target	\$ 33,243,608
3	City of Orange	Orange High School	Addition/Renovation	Construction	2Q 2022	On-target	Phased	On-target	\$ 51,931,218
4	East Orange	New GW Carver ES	New Construction	Substantial Completion	3Q 2020	Achieved	Sep-20	Achieved	\$ 41,179,670
5	Harrison	New Elementary School	New Construction	Construction	4Q 2020	On-target	4Q 2020	On-target	\$ 36,115,640
6	Keansburg	Port Monmouth Road School	Addition/Renovation	Construction	2Q 2022	On-target	Sep-22	On-target	\$ 28,440,130
7	Millville	Millville Senior High School	Addition/Renovation	Construction	3Q 2022	On-target	Phased	On-target	\$ 137,503,832
8	Passaic City	New Dayton Avenue Educational Campus	New Construction	Construction	2Q 2022	On-target	Sep-22	On-target	\$ 240,923,270
9	Paterson	New Union Ave MS	New Construction	Construction	2Q 2021	On-target	Sep-21	On-target	\$ 113,902,274
10	Pemberton	New Denbo ES	New Construction	Construction	1Q 2021	On-target	Sep-20	Achieved	\$ 58,703,414
11	Perth Amboy	New High School	New Construction	Design-Build Design Phase	2Q 2024	On-target	Sep-24	On-target	\$ 283,830,000
12	Plainfield	New Woodland ES	New Construction	Design-Build Design Phase	3Q 2022	On-target	Sep-22	On-target	\$ 59,440,000



**Active Project Status Report  
Status as of 11/1/2020**

**Emergent Projects - With Contract for Construction Awarded**

#	District	Project Name	Project Scope	Project Phase	Substantial Completion	Status Substantial Completion	Final Completion	Status of Final Completion	Total Estimated Project Cost
1	Bridgeton	Bridgeton Senior HS	Roof Replacement & Masonry Repairs	Construction	3Q 2021	On Target	4Q 2021	On-Target	\$ 9,842,000
2	Newark	Lafayette Street School	Exterior Doors & Roofing	Substantial Completion	2Q 2020	Achieved	4Q 2020	On-Target	\$ 658,129

**PROJECT CLOSEOUT STATUS REPORT**



STATE OF NEW JERSEY

# SCHOOLS DEVELOPMENT AUTHORITY

32 EAST FRONT STREET  
P.O. BOX 991  
TRENTON, NJ 08625-0991  
609-858-5395

To: Members of the Authority  
From: /s/ Ayisha Cooper, Vendor Services Analyst  
Date: December 2, 2020  
Subject: Project Close-Out Status Report

6

The attached report provides a status of the following:

- All SDA managed Capital Plan projects which have achieved school occupancy but have not yet been contractually and administratively closed
- All SDA managed Emergent projects which are either (1) currently active, or (2) complete yet have not been contractually and administratively closed
- Projects which have achieved project transfer to the district yet have outstanding open contracts
- A running total of all school facilities projects, health and safety contracts, and suspended design contracts which have been closed

Projects closed since the last report will appear highlighted.



PROJECT STATUS REPORT - As of November 1, 2020					
Year of Occupancy	DOE #	School	Disposition	Project Transfer Date	Outstanding Issues Preventing Complete Close-out
<b>Bridgeton</b>					
2016	0540-050-13-0ACN	Buckshutem Road Elementary School			
2017	0540-100-13-0ACO	Quarter Mile Lane Elementary School			
<b>Burlington City</b>					
2007	0600-020-01-0957	New High School	Project Transferred	12/29/11	Open contract(s)
<b>Camden</b>					
2009	0680-350-01-0938	HB Wilson Elementary School	Project Transferred	04/14/10	Open contract(s)
<b>East Orange</b>					
2020	1210-060-02-0296	Sheila Y. Oliver Academy (aka GW Carver ES)			
<b>Egg Harbor City</b>					
2010	1300-X01-04-0ADY	New Middle School	Project Transferred	01/01/12	Open contract(s)
<b>Egg Harbor Township</b>					
2011	1310-005-04-0AEB	Egg Harbor Township High School			
<b>Elizabeth</b>					
2017	1320-N20-13-0AEG	Halloran Elementary School	Project Transferred	06/12/18	Open contract(s)
2016	1320-X07-01-0867	Frank J. Cicarell Academy (New Academic HS)	Project Transferred	07/18/19	Open contract(s)
2013	1320-240-03-0339	Victor Mravlag Elementary School # 21	Project Transferred	08/27/19	Open contract(s) - Legal matter pending
<b>Garfield</b>					
2018	1700-205-03-0315	James Madison Elementary School #10			
<b>Gloucester City</b>					
Legacy	1770-160-01-0245	Cold Springs Elementary School	Project Transferred	06/05/09	Open contract(s)
2017	1770-N01-03-0188	Gloucester City Middle School	Project Transferred	04/17/18	Open contract(s)
<b>Irvington</b>					
2019	2330-120-03-0755	Madison Avenue Elementary School			
<b>Jersey City</b>					
Legacy	2390-N01-99-0227	New Elementary School #3 (Frank R. Conwell ES #3)	Project Transferred	12/19/15	Open contract(s) - Legal matter pending
Legacy	2390-N02-99-0228	Jersey City Middle School # 4 (Frank R. Conwell MS #4)	Project Transferred	12/19/15	Open contract(s) - Legal matter pending
2016	2390-190-01-0581	New Public School #20	Project Transferred	08/11/17	Open contract(s)
2017	2390-X03-01-0587	Patricia M. Noonan ES (New PS #3)	Project Transferred	12/14/17	Open contract(s)
2007	2390-N03-99-0147	Heights Middle School #7			
<b>Keansburg</b>					
2016	2400-E01-02-0116	New Caruso Elementary School	Project Transferred	08/13/18	Open contract(s)

<b>PROJECT STATUS REPORT - As of November 1, 2020</b>					
<b>Year of Occupancy</b>	<b>DOE #</b>	<b>School</b>	<b>Disposition</b>	<b>Project Transfer Date</b>	<b>Outstanding Issues Preventing Complete Close-out</b>
<b>Newark</b>					
Legacy	3570-X01-01-0617	Science Park	Project Transferred	05/03/13	Open contract(s)
2010	3570-X07-01-0693	Speedway Elementary School	Project Transferred	10/21/15	Open contract(s)
2016	3570-590-02-0315	Oliver Street Elementary School	Project Transferred	05/18/17	Open contract(s)
2018	3570-640-02-0311	South Street ES			
<b>Passaic</b>					
2015	3970-X01-01-X760	New Henry Street Elementary School			
2019	3970-N11-07-0DAY	Leonard Place Elementary School			
<b>Paterson</b>					
2016	4010-N01-02-0169	Dr. Hami Awadallah School (New Marshall Street ES)	Project Transferred	03/15/18	Open Contract(s)
2008	4010 -S01-02-0101	International High School			
<b>Pemberton</b>					
2011	4050-E01-02-0082	Pemberton Early Childhood Education Center	Project Transferred	02/01/13	Open contract(s)
2020	4050-130-15-0AEL	Denbo-Critchton Elementary School			
<b>Perth Amboy</b>					
2019	4090-N01-98-0325	Seaman Avenue Elementary School			
<b>Phillipsburg</b>					
2016	4100-X01-99-0464	New High School	Project Transferred	06/07/18	Open contract(s)
<b>Trenton</b>					
2019	5210-050-13-0AEH	Trenton Central High School			
<b>Vineland</b>					
2018	5390-N02-02-0245	Lincoln Avenue Middle School			
<b>West New York</b>					
2009	5670-065-01-0559	Elementary School #2	Project Transferred	05/14/13	Open contract(s)
<b>Capital and Demonstration Projects Totals</b>					
<b>Total Capital and Demonstration Projects</b>			<b>157</b>		
<b>Closed Capital and Demonstration Projects</b>			<b>122</b>		
<b>Capital and Demonstration Projects Not Closed</b>			<b>35</b>		
<b>Capital and Demonstration Projects Not Closed, Project Transferred</b>			<b>19</b>		
<b>Legal Matter</b>			<b>3</b>		
<b>Miscellaneous</b>			<b>17</b>		

PROJECT STATUS REPORT - As of November 1, 2020					
Year of Occupancy	DOE #	School	Disposition	Project Transfer Date	Outstanding Issues Preventing Complete Close-out
<b>Emergent Projects</b>					
<b>Camden</b>					
	0680-170-12-0ACF	Cramer Elementary School			
<b>Newark</b>					
	3570-301-17-0AES	Marin - HVAC			
	3570-415-17-0AER	Dr. E. Alma Flagg E.S. - Doors and Roofing			
	3570-460-17-0AEZ	Hawkins ES - Chimney Repairs			
	3570-480-17-0AET	Lafayette - Doors and Roofing			
	3570-750-17-0BBC	Wilson School Annex - Chimney			
<b>Paterson</b>					
	4010-N02-12-0ABX	Roberto Clemente ES			
<b>Plainfield</b>					
	4160-050-17-0BBD	Plainfield High School			
<b>Vineland</b>					
	5390-050-12-0ACK	Vineland High School South			
<b>Emergent Project Totals</b>					
<b>Total Emergent Projects</b>			79		
<b>Emergent Projects Closed</b>			70		
<b>Emergent Projects Not Closed</b>			9		
<b>Emergent Projects Not Closed but Transferred</b>			0		
<b>Health and Safety Contract Totals</b>					
<b>Total Contracts</b>			399		
<b># of Contracts Closed</b>			394		
<b># of Open Contracts</b>			5		
<b>Open Design Contracts</b>					
<b>Total Contracts</b>			109		
<b># of Contracts Closed</b>			98		
<b># of Open Contracts</b>			11		

**PROJECT STATUS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director – Program Operations

DATE: December 2, 2020

SUBJECT: Executive Summary – Monthly Project Status Reports

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**MONTHLY PROJECT STATUS REPORT**

**Projects that have Expended 75% or More of Board Approved Contingency:**

No activity during the reporting period

**Projects Greater than 90 Days Behind Schedule:**

No activity during the reporting period

**Revisions to Project Charters:**

Orange Cleveland Street ES – Board Approved Revised Final Project Charter – Charter revision to replenish contingency utilized to address unforeseen additional renovation scope and related hazardous material abatement.



**Projects that have Expended 75% or More of Board Approved Contingency**  
 Reporting Period: January 2008 to October 2020

District	Project	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining <sup>1</sup>	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
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**In Construction**

NO DATA TO REPORT

**Substantially Complete & Building Occupied**

Please refer to the Project Close-Out Activity Report for status of close-out activities

Newark	Speedway Avenue E.S.	\$1,826,000	\$1,754,119	\$71,881	96.1%	99%	1. Removal of unforeseen impacted materials	Project complete and building occupied. Project close-out pending resolution of open contracts.
West New York	West New York P.S. #2	\$2,708,883	\$2,708,883	\$0	100.0%	99%	1. Unforeseen site foundation issues	Project complete and building occupied. Project close-out pending resolution of open contracts.

<sup>1</sup> Does not include expended contingency or contingency funds allocated for change orders, amendments



**Projects Greater than 90 Days Behind Schedule or with Occupancy Date in Jeopardy**

Reporting Period: October 2020

#	Event Date	District	Project	Board Approved Project Charter SubComp Date	Current Contract SubComp Date	Forecasted Contract SubComp Date	# of Days Behind Schedule	Cause(s)	Current Status
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No Activity During the Reporting Period



**Revisions to Project Charters**  
Reporting Period: October 2020

6

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
1	City of Orange Township	Cleveland Street ES	Budget Increase	\$ 1,734,724	5.22%	Board Approved	Charter revision to reflect increased construction costs resulting from unforeseen additional renovation work and related hazardous material abatement in the existing building. The revision incorporates additional contingency for construction change orders and design fee admendements to support the project through completion.

**CONTRACTS EXECUTED REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director, Program Operations

DATE: December 2, 2020

SUBJECT: Contracts Executed Report and Amendments & Change Orders Report  
(For Informational Purposes Only)

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**Contracts Executed Report**

This report contains the activity of Contracts executed during the period October 1 through October 31, 2020.

**Noteworthy Items during the reporting period:**

- Execution of 2 Design Consultant Task Order engagements for Design & Construction Phase Services for two Newark Emergent Projects:
  - Ivy Hill Basement Structural and Water Infiltration repairs – Design Resources Group – \$127,015
  - Malcolm X. Shabbaz HS Structural Repairs – Design Resources Group – \$565,943

**Amendments & Change Orders Report**

This report contains the activity of Amendments and Change Orders executed during the period October 1 through October 31, 2020.

**Noteworthy Items during the reporting period:**

- 2 Professional Services Amendments were executed during the reporting period totaling \$14 thousand, of the 2 executed amendments none required Board Approval.
- 12 Construction Services Change Order were executed during the reporting period totaling \$570 thousand, of the 12 executed change orders 1 required Board Approval totaling \$306 thousand.

**Report of change orders less than \$10,000 yet requiring Board Approval**

In accordance with the Operating Authority adopted by the Members on December 1, 2010 as amended on March 7, 2012, the Members are to be provided a report of any change order which received delegated approval by the CEO due to the fact that they are valued at less than \$10,000 yet require Board approval due the total change orders exceeding 10% of the contract value.

- No Activity to Report



**Contracts Executed Report**

Reporting Period: 10/1/2020 through: 10/31/2020

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE
<b>Part 1. Professional Services</b>										
<b>Design Services</b>										
Newark	Ivy Hill	Reno	Design	EP-0111-A01	Design Resources Group, Architects, AIA		\$127,015	10/20/2020		
Newark	Malcolm X. Shabazz H.S.	Reno	Design	EP-0114-A01	Design Resources Group, Architects, AIA		\$565,943	10/19/2020		
<b>Design Services</b>										
<b>Part 1. Professional Services</b>							<b>\$</b>	<b>692,958</b>		



### Contracts Executed Report

Reporting Period: 10/1/2020 through: 10/31/2020

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE
<b>Part 3. Land Aquisition Services</b>										
<b>Relocation</b>										
Union City (Hudson Co.)	New Grade 7 to 9 School	New	Relocation	HU-0029-L11	Litto A Bezama		\$33,684	10/22/2020	-	
<b>Relocation</b>										
<b>Part 3. Land Aquisition Services</b>							<b>\$33,684</b>			



### Contracts Executed Report

Reporting Period: 10/1/2020 through: 10/31/2020

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE	
<b>Part 4. Other Contracts &amp; Services</b>											
<b>Others</b>											
East Orange	New George Washington Carver E.S.	New	FFE	ES-0021-K15	Washington Computer Services		\$27,600	10/8/2020	-		
<b>Others</b>											
<b>Part 4. Other Contracts &amp; Services</b>											
							<b>\$27,600</b>				
							<b>Total Contract Award</b>				<b>Total Contracts Awarded</b>
<b>Grand Totals - Professional and Construction Services Combined</b>							<b>\$754,242</b>			<b>4</b>	

\*\* Contracts less than \$10,000 are not displayed

- Project Types Legend**
- HS Health & Safety
  - New New Constuction
  - Add Addition
  - RenoAdd Addition & Renovation
  - Reno Renovation

- Contract Types Legend**
- Aquisition Property Acquisition Related Costs
  - Appraisal Appraisal, Appraisal Review, NRE
  - Construction Construction
  - Design Design or Site Investigation
  - DB Design-Build
  - E-Rate E-Rate
  - FFE Furniture, Fixtures, and Equipment
  - General General Program Cost
  - Legal Legal
  - Material Material Supply
  - ProjectMgmt Project Management Firm
  - PreDevelopment Predevelopment or Demolition
  - Relocation Relocation Services
  - SiteInvstgtn Site Investigation
  - Testing Testing
  - Title Title Services
  - Utilities Utilities Services

- MWSBE CERTIFICATIONS**
- M = Minority Business Enterprise
  - W = Women Business Enterprise
  - S = Small Business Enterprise



### Amendments & Change Orders Report

Reporting Period: 10/1/2020 through: 10/31/2020

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %
<b>Professional Services</b>													
<b>Design Consultant</b>													
Burlington City	Burlington City H.S.	WT-0013-A01	12/16/2002	19	Massa Multimedia Architecture, PC	10/15/2020	\$2,079,768	\$2,475,101	(\$1,968)			\$4,552,901	118.91%
<b>Design Consultant</b>													
<b>Construction Management Services</b>													
Harrison	Harrison Kennedy E.S.	HU-0027-M01	6/12/2017	3	Joseph Jingoli & Son, Inc.	10/20/2020	\$1,445,000	(\$85,086)	\$16,372			\$1,376,286	-4.75%
<b>Construction Management Services</b>													
<b>Professional Services</b>													
										<b>\$14,404</b>			
<b>Construction Services</b>													
<b>Contractor</b>													
Camden City	Camden H.S.	CA-0022-B01	9/26/2018	7	Ernest Bock & Sons, Inc.	10/27/2020	\$99,585,000	\$310,249	\$38,726			\$99,933,975	0.35%
Camden City	Camden H.S.	CA-0022-B01	9/26/2018	8	Ernest Bock & Sons, Inc.	10/27/2020	\$99,585,000	\$348,975	\$27,236			\$99,961,211	0.37%
Millville	High School	ST-0046-B01	5/24/2017	11	Hall Construction Co., Inc.	10/19/2020	\$114,453,000	\$3,518,939	\$306,383	Y	5/3/2020	\$118,278,322	3.34%
Millville	High School	ST-0046-B01	5/24/2017	35	Hall Construction Co., Inc.	10/19/2020	\$114,453,000	\$3,825,322	\$45,246			\$118,323,567	3.38%
Passaic City	Dayton Ave. Educational Campus	NT-0052-B01	1/2/2018	18	Terminal Construction Corp.	10/21/2020	\$163,560,000	\$208,911	(\$227,976)			\$163,540,935	-0.01%
Passaic City	Dayton Ave. Educational Campus	NT-0052-B01	1/2/2018	19	Terminal Construction Corp.	10/21/2020	\$163,560,000	(\$19,065)	\$41,055			\$163,581,990	0.01%
Paterson	New Union Avenue Middle School	PA-0011-B01	10/18/2018	5	Epic Management, Inc.	10/8/2020	\$57,932,000	\$68,661	\$95,265			\$58,095,926	0.28%
Paterson	New Union Avenue Middle School	PA-0011-B01	10/18/2018	3	Epic Management, Inc.	10/19/2020	\$57,932,000	\$163,926	\$24,228			\$58,120,154	0.32%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	5	Terminal Construction Corp.	10/7/2020	\$37,000,000	\$1,428,566	\$290,000			\$38,718,566	4.64%
Keansburg Borough	Port Monmouth Road School	ET-0098-C01	12/19/2019	2	Niram Inc.	10/19/2020	\$18,645,000	\$238,803	(\$4,610)			\$18,879,193	1.25%
Paterson	Dr. Hani Awadallah Elementary School	PA-0006-C05	9/9/2019	2	Grafas Painting Contrs Inc. T/A GPC, Inc.	10/16/2020	\$173,000	\$5,775	(\$50,000)			\$128,775	-25.56%
Paterson	Dr. Hani Awadallah Elementary School	PA-0006-C05	9/9/2019	3	Grafas Painting Contrs Inc. T/A GPC, Inc.	10/16/2020	\$173,000	(\$44,225)	(\$15,779)			\$112,996	-34.68%
<b>Contractor</b>													
										<b>\$569,774</b>			
<b>Construction Services</b>													
										<b>\$584,178</b>			
<b>Grand Totals</b>										<b>Total Change Order Summary</b>		<b>Total Change Orders</b>	
										<b>\$584,178</b>		<b>14</b>	

<b>Column Description Legend</b>	
CO Execution Date	Date the Change Order was entered into the SIMS system
Revised Contract Amount	Current value of the contract (excluding additional assignments) including current change order

**CONTRACT TERMINATIONS REPORT** *(no activity)*

**SETTLEMENT CLAIMS** *(no activity)*

**DIVERSITY AND WORKFORCE PARTICIPATION REPORT**



### MEMORANDUM

TO: Members of the Authority

FROM: Karon L. Simmonds, Director, Risk Management

DATE: December 2, 2020

SUBJECT: Diversity and Workforce Participation Monthly Update for September 2020

The Risk Management staff continues to participate at mandatory pre-bid and pre-construction meetings to instruct and inform bidders regarding SDA's Small Business Enterprise (SBE) and Workforce goals, policies and procedures, including:

- SBE subcontracting goal of 25% of all contracts
- County workforce goals for minorities and females
- Local county workforce goals for minorities and females
- Detailed process procedures to monitor and track the progress made toward these goals throughout the life cycle of each project

At these meetings, vendors are strongly encouraged to identify and hire minority-owned and women-owned firms, as well as locally-based enterprises, for diverse business participation on all school building projects. Additional outreach strategies are discussed and utilized.

#### **SMALL BUSINESS ENTERPRISE ATTAINMENT**

The SDA regularly exceeds the State-mandated 25% SBE goal. The total SDA contract dollars awarded through September 30, 2020 was \$29,367,128.00.

#### **Diversity Breakdown**

The total contract dollars awarded to all SBE contractors was \$6,156,851 (including minorities, women and veterans). This represents 21% of all SDA contracts.

<b>Type of Business Enterprise</b>	<b>Contract Amount</b>	<b>% of Total SDA Contracts</b>
Small Business Enterprises	\$ 5,596,193	19.06%
Small/ Minority Business Enterprises	\$ -0-	0.00%
Small/Women Business Enterprises	\$ 560,658	1.91%
Small/Veteran Owned Business Enterprises	\$ -0-	0.00%
Small/Minority/Women Business Enterprises	\$ -0-	0.00%
<b>TOTAL DIVERSITY CONTRACTS</b>	<b>\$ 6,156,851</b>	<b>21.00%</b>

#### **WORKFORCE PARTICIPATION**

Members of the Authority  
 Diversity and Workforce Participation Monthly Update for September 2020  
 December 2, 2020  
 Page 2 of 3

For the month of September 2020, there was a contractor workforce of 935 on SDA projects. This represents a total of 84,811 contractor workforce hours as follows:

<b>Contractor Workforce Breakdown (All Trades/Districts/Counties)</b>			
<b>Ethnicity</b>	<b>Total Workforce</b>	<b>Total Workforce Hours</b>	<b>Workforce Hours Percentage</b>
Black	81	8,433	9.94%
Hispanic	158	15,418	18.18%
American Indian	7	484	0.57%
Asian	1	24	0.03%
<b>Total Minority Participation</b>	<b>247</b>	<b>24,359</b>	<b>28.72%</b>
Total Non-Minority Participation	688	60,452	71.28%
Total Contractor Workforce	935	84,811	100.00%

There was a contractor workforce of 718,736 total workforce hours and 12,948 total female workforce hours on SDA projects for the period of January 1, 2020 through September 30, 2020. The following table highlights the *Local County Contractor Workforce* participation for this period:

<b>Local County Contractor Workforce Participation</b>	<b>Workforce Hours</b>	<b>Percentage</b>
*Total Workforce Hours	718,736	100.00%
<b>*Total Local County Workforce Hours</b>	<b>57,950</b>	<b>8.06%</b>
<b>Total Local County Non-Minority Workforce Hours</b>	<b>22,622</b>	<b>3.15%</b>
<b>Total Local County Female Workforce Hours</b>	<b>0</b>	<b>0.00%</b>
<b>Total Local County Minority Workforce Hours</b>	<b>35,328</b>	<b>4.92%</b>
<b>**Local County Workforce Hours by Ethnicity:</b>		
Black	22,773	3.17%
Hispanic	12,555	1.75%
American Indian	0	0.00%
Asian	0	0.00%

\*Total workforce and total local county workforce represent all laborers including females.

\*\*Minority breakdown represents Black, Hispanic, American Indian, and Asian laborers. Minority female laborers are captured as female laborers only and are not included in the minority breakdown.

Members of the Authority  
 Diversity and Workforce Participation Monthly Update for September 2020  
 December 2, 2020  
 Page 3 of 3

The following table represents contractor minority and female workforce for all SDA active Capital Projects and all active and completed Emergent Projects for the period of January 1, 2020 through September 30, 2020.

<b>SDA Managed Project</b>	<b>Total Workforce Hours</b>	<b>Minority Workforce Hours &amp; Percentage</b>		<b>Local County Workforce Hours &amp; Percentage</b>	
Camden HS	184,827	52,322	28.31%	16,612	8.99%
GW Carver ES	3,578	553	15.46%	146	4.08%
Harrison ES	49,555	13,049	26.33%	0	0.00%
Millville HS	123,921	36,675	29.60%	18,280	14.75%
Dayton Ave Campus	207,892	68,503	32.95%	9,310	4.48%
Union Ave MS	48,057	10,189	21.20%	4,934	10.27%
Denbo-Crichton ES	39,158	5,742	14.66%	1,415	3.61%
Cleveland ES	7,137	2,130	29.84%	0	0.00%
Orange HS	51,443	19,469	37.85%	5,755	11.19%
Emergent Projects	552	190	34.42%	0	0.00%

Prepared by: Charlotte Brooks  
 Zaida Olszak

**REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director, Program Operations

DATE: December 2, 2020

SUBJECT: Regular Operating District Grant Activity Report  
(For Informational Purposes Only)

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This report summarizes the Regular Operating District Grant activity from inception to date and for the month of October 2020. Also included is a detailed list of grants executed and grants offered during the reporting period.

**Monthly Update:**

- No grants were offered during the reporting period.
- No grants were executed during the reporting period.
- 22 grants impacting 8 district were closed out during the reporting period representing \$18.4M in total project costs and state share of \$5.6M.
- Since inception, over \$2.9B has been disbursed to 524 regular operating districts through the grant program.
- Since inception over \$3.3B in funding has been approved by the Department of Education and offered to regular operating districts through the grant program.



STATE OF NEW JERSEY  
**SCHOOLS DEVELOPMENT AUTHORITY**

Monthly Regular Operating District Grant Report - Summary

October 2020

6

ROD Grant Summary Since Program Inception				
	Offered <sup>1</sup>	Executed	Closed-Out	Active
Districts Impacted	-	524	517	76
Number of Grant Projects	-	5,405	5,123	282
Total Project Cost Estimate	\$ -	\$ 8,944,949,141	\$ 8,652,055,925	\$ 292,893,217
Grant Amount	\$ -	\$ 3,004,239,352	\$ 2,865,271,055	\$ 138,968,296
Amount Disbursed	N/A	\$ 2,934,821,875	\$ 2,865,271,055	\$ 69,550,819

Total Funding Offered to School Districts via Grant Program	\$ 3,342,209,450
Total ROD Grant Funding remaining for new Grant Projects	\$ 82,799,257

1. Includes grants that have been offered to District's but have not yet been executed.

Monthly Activity ROD Grant Summary		
	Executed	Closed-Out
Districts Impacted	-	8
Number of Grant Projects	-	22
Total Project Cost Estimate	\$ -	\$ 18,405,173
Grant Amount	\$ -	\$ 5,580,988
Amount Disbursed	NA	\$ 5,580,988

\* Report is inclusive of all Regular Operating Districts grants (including vocational school districts).

\*\* Total Project Cost Estimate and Grant Amount may be adjusted as the projects advance. Grant Amount is capped at the value approved in the DOE Final Eligible Cost Approval.

**NOTIFICATION OF AMENDMENTS TO GOODS AND SERVICES CONTRACTS NOT EXCEEDING \$100,000 OR 10% OF THE CONTRACT VALUE *(no activity)***

**COMMUNICATIONS MONTHLY REPORT** *(no report)*

**MONTHLY FINANCIAL REPORT**

**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Sherman E. Cole, MBA, CPA /s/  
Controller

**DATE:** December 2, 2020

**SUBJECT:** Monthly Financial Report – October 2020

The Office of the Chief Financial Officer is providing the attached monthly financial report to the Members of the Authority for their information. Included on pages 1 and 2 of this report is a “Financial Summary” of the Authority’s activities for the year. On pages 3 and 4 of the report is a summary of the Authority’s operating expenditures. Page 5 contains a breakdown of the Authority’s headcount information by department. The basic financial statements follow on pages 6 and 7.

**Fund Reporting Operating Expenses (Year-to-Date Actual vs. Budget)**

For October 2020 year to date, Authority operating expenses, **\$11.8M**, are **\$3.1M** lower than budget for the corresponding period. The variance is primarily related to lower year to date personnel costs, **\$1.5M**, resulting from the Authority having an average of 28 fewer FTEs than budgeted, and lower expenses related to professional & other contracted services, **\$769K**, facilities and general office, **\$429K**, and information systems, **\$241K**.

**Fund Reporting Operating Expenses (Year-to-Date Actual vs. Prior Year Actual)**

For October 2020 year to date, Authority operating expenses, **\$11.8M**, are **\$2.2M** lower when compared to the corresponding prior year. The variance is mainly attributable to lower personnel costs, **\$2.0M**, resulting from the Authority having an average of 30 fewer FTEs as compared to the previous year.

**School Facilities Project Expenditures (Year-to-Date Actual vs. Forecast)**

For October 2020 year to date, project expenditures, **\$244.5M**, are **\$21.9M** lower than the capital spending forecast for the corresponding period. This variance is primarily the result of lower than forecasted expenditures for grants **\$17.9M**, construction activity **\$5.5M**, and property acquisitions **\$1.3M** offset by an increase in school furniture & fixtures purchase **\$4.9M**.

**School Facilities Project Expenditures (Year-to-Date Actual vs. Prior Year Actual)**

For October 2020 year to date, project expenditures, **\$244.5M**, are lower by **\$17.6M** when compared to the corresponding prior year. The variance is attributable mainly to decreases in grant activity **\$18.2M**, school furniture & fixtures **\$6.3M**, and payroll expense allocation to project expenditures **\$1.0M**, offset by increases in design services **\$4.5M**, property acquisition **\$1.7M**, and construction activity **\$1.6M**.

*Members of the Authority*  
*December 2, 2020*  
*Page 2*

**Other**

Since program inception, 88.3% of the funds authorized for the SDA Districts have been disbursed. Additionally, since program inception, 96% of all SDA disbursements relate to school facility projects and 4% relate to operating expense.

The estimated value of active school facilities, capital, emergent and ROD grant projects is approximately \$2B.

Attachment

**New Jersey Schools Development Authority**  
**Monthly Financial Report**  
**October 2020**  
**(Unaudited)**

# New Jersey Schools Development Authority

## Overview of Financial Position

### October 31, 2020

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**To:** The Audit Committee

**From:** Sherman E. Cole, Controller

The information contained in this monthly financial report is for the period as of, and for the year-to-date ending, October 31, 2020.

► Overall **Cash and Cash Equivalents** have decreased by \$251.1 million to \$319.8 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ -
■ Investment earnings	2,669,890
■ Miscellaneous revenue	37,324
■ Project costs	(244,460,122)
■ SDA operating expenses	(11,909,759)
■ SDA capital expenditures	(234,318)
■ Deposits (primarily district local shares)	2,766,378
Net Change in Cash	\$ (251,130,607)

► **Prepaid Expenses** total \$257,342 as follows:

- Prepaid insurance of \$77,800.
- Prepaid rents of \$104,470 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$44,550.
- Other prepaids of \$30,522.

► **Capital Assets** total \$1,172,295 (net of accumulated depreciation of \$6,846,323), consisting of leasehold improvements (SDA offices), and capitalized software, equipment, furniture and fixtures in support of SDA operations. Depreciation on capital assets is generally calculated using the straight-line method over the life of each asset. For the year to date, **Capital Expenditures** are \$224,545 and **Depreciation Expense** is \$135,134.

► **Accrued Liabilities** total \$96.5 million, as follows:

- Accrued project costs of \$27.5 million consisting of unpaid invoices (\$6.2million) and retainage (\$21.3 million).
- Accrued net pension liability of \$44.0 million.
- Other post-employment benefits obligation of \$21.8 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$1.4 million (PRO liability \$2.9 million, offset by expected cost recoveries of \$1.5 million).
- Estimated liability for loss contingencies totaling \$0.1 million.
- Payroll related liabilities of \$1.5 million.
- Other accrued liabilities of \$0.2 million.

► **Deposits** total \$5.5 million, as follows:

- \$5.5 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is \$199.0 million.

## New Jersey Schools Development Authority

### School Facilities Project Expenditures & Funding Allocation

#### October 31, 2020

6

#### ► School Facilities Construction Bond / Note Proceeds & Project Expenditures

- During the current year to date, the SDA has received \$0 million bond and note proceeds. The total amount of proceeds received since program inception is \$11.498 billion.
- Project expenditures for the month and year-to-date periods total \$26.2 million and \$244.5 million, respectively, as follows:

<u>Category</u>	<u>Current Month</u>	<u>Current Year-To-Date</u>	<u>Since Program Inception</u>
Construction	\$ 19,171,801	\$ 180,969,381	\$ 5,251,535,824
Design Services	353,409	1,690,160	412,746,652
PMF/CM Services	403,920	4,874,646	467,455,646
SDA Project Management	849,384	10,317,835	108,764,563
Property Acquisition, Relocation & Enviro	638,745	3,284,703	583,456,157
School Furniture, Fixtures & Equipment	1,349,953	12,373,422	198,803,675
Project Insurance	(215,656)	3,511,243	112,656,906
NJ State Inter-Agency Transfers	-	77,470	50,361,676
SDA District Grant & Funding Agreements	4,195	997,782	877,503,513
Regular Operating District Grant Agreements	3,428,379	24,880,340	2,943,754,425
Real-Time Project Audits	-	-	628,000
Property Management, Maintenance & Utils	37,094	283,593	18,525,987
Outside Legal & Claims Resolution Services	31,508	533,406	11,280,922
Temporary Staffing	-	164,353	10,624,694
Other Project Costs	180,564	760,454	62,090,389
Project Credits	-	-	(54,902,944)
<b>Total Project Expenditures</b>	<b>26,233,296</b>	<b>244,718,788</b>	<b>11,055,286,085</b>
Less: Local Share Contributions	-	(258,666)	(184,599,081)
<b>Project Expenditures (State Share)</b>	<b>\$ 26,233,296</b>	<b>\$ 244,460,122</b>	<b>\$ 10,870,687,004</b>
 2020 Capital Spending Forecast	 \$ 26,636,211	 \$ 266,320,950	

#### Allocations Since Program Inception

#### ► Program Funding & Expenditures

	<u>Bonding Caps</u> <sup>1</sup>	<u>Total Funding</u> <sup>2</sup>	<u>Paid to Date</u> <sup>3</sup>
■ SDA Districts	\$ 8,900,000,000	\$ 9,026,861,194	\$ 7,973,857,026
■ Regular Operating Districts	3,450,000,000	3,500,214,555	3,266,470,856
■ Vocational Schools	150,000,000	152,006,721	122,168,657
<b>Total - State Share</b>	<b>\$ 12,500,000,000</b>	<b>\$ 12,679,082,470</b>	<b>\$ 11,362,496,539</b>

#### ► Percentage of Total Funding Paid to Date

■ SDA Districts	88.3%
■ Regular Operating Districts	93.3%
■ Vocational Schools	80.4%
<b>Total - State Share</b>	<b>89.6%</b>

1 Of the \$12.5 billion authorized for the school construction program, \$11,497,702,648 principal amount of bond and note proceeds have been received to date.

2 Includes bonding cap amounts and other income and miscellaneous revenue earned to date (i.e., interest income on invested funds and State appropriations).

3 These amounts include the allocation of SDA operating expenses and capital expenditures totaling \$491,809,535.

**New Jersey Schools Development Authority**  
**Fund Reporting Operating Expenses vs Budget**  
**October 31, 2020**

6

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 13,140,582	\$ 14,748,978	\$ (1,608,396)
Employee Benefits	5,731,889	6,474,167	(742,278)
Direct Hire Temporary Employee Costs	2,561	40,370	(37,809)
Total Employee Salaries & Benefits Costs	18,875,032	21,263,515	(2,388,483)
<b>Less:</b> Employee Salaries & Benefits Costs			
Charged to Projects	10,317,835	11,275,923	(958,088)
Salaries & Benefits Charged to Operating Expense	8,557,197	9,987,592	(1,430,395)
Temporary Staffing Services	-	62,500	(62,500)
Travel & Expense Reimbursements	12,839	23,437	(10,598)
Training & Professional Development	13,552	58,330	(44,778)
Total Personnel Expenses	8,583,588	10,131,859	(1,548,271)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	1,722,609	2,151,600	(428,991)
Information Systems	674,358	915,537	(241,179)
Professional & Other Contracted Services	433,487	1,202,522	(769,035)
Property & Casualty Insurance	294,254	304,330	(10,076)
SDA-Owned Automobiles	55,992	83,330	(27,338)
Communications & Outreach	60	2,500	(2,440)
Reserve for Unforeseen Events & New Initiatives	-	41,670	(41,670)
<b>Total Authority Operating Expenses</b>	<b>\$ 11,764,348</b>	<b>\$ 14,833,348</b>	<b>\$ (3,069,000)</b>
<b>2020 Annual Operating Budget</b>		<b>\$ 17,436,021</b>	

**New Jersey Schools Development Authority  
Capital Expenditures  
October 31, 2020**

6

<b>Description of Capital Item:</b>	<b>Budget Year</b>	<b>Budget Amount</b>	<b>Capital Expenditures</b>		
			<b>2020</b>	<b>Pre-2020</b>	<b>Total</b>
Leasehold Improvements		\$ -	\$ -	\$ -	-
Office Furniture & Equipment		-	20,450	-	20,450
CM Computer Software System:					
Estimated SDA Staff Time	2020	150,000	-	-	-
Estimated SDA Staff Time	2019	450,000	-	211,192	211,192
Purchase & Development	2019	1,000,000	-	-	-
Purchase & Development	2018	1,500,000	204,095	579,268	783,363
<b>Total Capital Items</b>		<b>\$ 3,100,000</b>	<b>\$ 224,545</b>	<b>\$ 790,460</b>	<b>\$ 1,015,005</b>

## New Jersey Schools Development Authority

### Fund Reporting Operating Expenses vs Prior Year

### October 31, 2020

6

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>2019</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 13,140,582	\$ 15,302,189	\$ (2,161,607)
Employee Benefits	5,731,889	6,556,940	(825,051)
Direct Hire Temporary Employee Costs	2,561	33,554	(30,993)
Total Employee Salaries & Benefits Costs	18,875,032	21,892,683	(3,017,651)
<b>Less:</b> Employee Salaries & Benefits Costs Charged to Projects	10,317,835	11,364,779	(1,046,944)
Salaries & Benefits Charged to Operating Expense	8,557,197	10,527,904	(1,970,707)
Temporary Staffing Services	-	2,003	(2,003)
Travel & Expense Reimbursements	12,839	16,008	(3,169)
Training & Professional Development	13,552	22,836	(9,284)
Total Personnel Expenses	8,583,588	10,568,751	(1,985,163)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	1,722,609	2,007,471	(284,862)
Information Systems	674,358	754,961	(80,603)
Professional & Other Contracted Services	433,487	282,419	151,068
Property & Casualty Insurance	294,254	289,090	5,164
SDA-Owned Automobiles	55,992	71,280	(15,288)
Communications & Outreach	60	6,927	(6,867)
Reserve for Unforeseen Events & New Initiatives	-	-	-
<b>Total Authority Operating Expenses</b>	<b>\$ 11,764,348</b>	<b>\$ 13,980,899</b>	<b>\$ (2,216,551)</b>

## New Jersey Schools Development Authority Employee Headcount October 31, 2020

	<u>Current Month End</u>	<u>Budget</u>	<u>Over/ (Under)</u>	
<b>Office of Chief Executive Officer</b>	4	4	-	
Human Resources	3	6	(3)	
Communications	2	3	(1)	
Information Systems	14	15	(1)	
Central Records Management	3	3	-	
Legislative Affairs	1	1	-	
<b>Office of Program Operations &amp; Strategic Planning</b>	2	2	-	
Capital Planning & Program Operations	7	4	3	(1)
Design Studio	18	20	(2)	
Grants Administration	10	13	(3)	
Real Estate Services & Predevelopment	8	10	(2)	
Vendor Development	5	5	-	
<b>Office of Construction Operations</b>	0	2	(2)	
Project Teams	28	39	(11)	
<b>Office of Corporate Governance &amp; Legal Affairs</b>	5	5	-	
Chief Counsel	9	11	(2)	
Safety	6	6	-	
Internal Audit	3	4	(1)	
<b>Office of Chief Financial Officer</b>	2	2	-	
Financial Operations	7	11	(4)	
Financial Accounting & Disbursements	11	13	(2)	
Procurement	10	9	1	(2)
Risk Management	8	9	(1)	
Property Management	4	4	-	
Facilities	4	4	-	
<b>Total Full-Time Employees at Month End</b>	<b><u>174</u></b>	<b><u>205</u></b>	<b><u>(31)</u></b>	
<b>Total Full-Time Employees at Year End</b>		<b><u>205</u></b>		

(1) Overage is due to internal transfer of three employees from Project Teams. These transfers will be reflected in 2021 budget.

(2) Overage is due to internal transfer of one employee from Project Teams. This transfer will be reflected in 2021 budget.

**New Jersey Schools Development Authority**  
**Statement of Net Position**  
**October 31, 2020**

6

	<b><u>Current</u></b> <b><u>Month End</u></b>	<b><u>2019</u></b> <b><u>Year End</u></b>	<b><u>Over/</u></b> <b><u>(Under)</u></b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 319,816,939	\$ 570,947,546	\$ (251,130,607)
Receivables	13,452	26,957	(13,505)
Prepaid Expenses	257,342	659,130	(401,788)
Capital Assets (Net of Accumulated Depr.)	1,172,295	1,082,884	89,411
Total Assets	<u>321,260,028</u>	<u>572,716,517</u>	<u>(251,456,489)</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount for Pensions & OPEB	6,775,065	9,152,800	(2,377,735)
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>			
	<b><u>\$ 328,035,093</u></b>	<b><u>\$ 581,869,317</u></b>	<b><u>\$ (253,834,224)</u></b>
<b>LIABILITIES</b>			
Accrued Project Costs	\$ 29,054,690	\$ 47,731,816	\$ (18,677,126)
Net Pension Liability	44,045,377	44,045,377	-
Accrued Other Post-Employment Benefits	21,787,836	21,461,300	326,536
Other Accrued Liabilities	1,623,022	4,557,130	(2,934,108)
Deposits	5,528,360	2,761,982	2,766,378
Total Liabilities	<u>102,039,285</u>	<u>120,557,605</u>	<u>(18,518,320)</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amount for Pensions & OPEB	26,973,039	26,973,039	-
<b>NET POSITION</b>			
Invested in Capital Assets	1,172,295	1,082,884	89,411
Restricted for Schools Construction:			
Special Revenue Fund	197,850,474	433,255,789	(235,405,315)
Net Position	<u>199,022,769</u>	<u>434,338,673</u>	<u>(235,315,904)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>			
	<b><u>\$ 328,035,093</u></b>	<b><u>\$ 581,869,317</u></b>	<b><u>\$ (253,834,224)</u></b>

**New Jersey Schools Development Authority**  
**Statement of Activities**  
**October 31, 2020**

6

	<u>Current</u> <u>Year-To Date</u>	<u>2019</u> <u>Year-To Date</u>	<u>Over/</u> <u>(Under)</u>
<b>REVENUES</b>			
Program Revenues:			
Bond and Note Proceeds (Issued by EDA)	\$ -	\$ -	-
Bidding Fees-Plans & Specs	-	-	-
General Revenues:			
Investment Earnings	2,669,890	7,901,968	(5,232,078)
Rental Income	31,500	28,879	2,621
Other Revenue-OPRA	5,824	2,560	3,264
Total Revenues	<u>2,707,214</u>	<u>7,933,407</u>	<u>(5,226,193)</u>
<b>EXPENSES</b>			
Administrative & General Expenses	12,090,884	15,687,843	(3,596,959)
Capital Depreciation	135,134	150,284	(15,150)
School Facilities Project Costs	225,797,100	236,336,191	(10,539,091)
Total Expenses	<u>238,023,118</u>	<u>252,174,318</u>	<u>(14,151,200)</u>
<b>CHANGE IN NET POSITION</b>	<b>(235,315,904)</b>	<b>(244,240,911)</b>	<b>8,925,007</b>
Beginning of Period Net Position	<u>434,338,673</u>	<u>398,016,400</u>	<u>36,322,273</u>
<b>NET POSITION END OF PERIOD</b>	<b><u>\$ 199,022,769</u></b>	<b><u>\$ 153,775,489</u></b>	<b><u>\$ 45,247,280</u></b>

**DESIGN CONTRACT DE-OBLIGATIONS REPORT** *(no activity)*

**PUBLIC COMMENT STATEMENT**

**We will now begin the Public Comment Portion of the Meeting consistent with the New Jersey Open Public Meetings Act.**

**We would ask that any member of the public who wishes to address the Board limit their comments to 3 minutes. If there are multiple individuals from the same organization or district who wish to address the Board on the same matter, we would ask that you come up together to offer your remarks.**

**Please keep in mind that public comment is to afford citizens the opportunity to comment on matters pertinent to the Authority's business. Should you seek answers to questions on any topic, please contact the Authority at 609-943-4585 at your convenience.**