NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, AUGUST 5, 2026 AT 9:00 A.M.
32 E. FRONT STREET, TRENTON, NJ
JOSEPH A. MCNAMARA BOARD ROOM

1. **NOTICE OF PUBLIC MEETING/PLEDGE OF ALLEGIANCE**

2. **ROLL CALL**

3. **APPROVAL OF MEETING MINUTES**
    a. Board Open Session Meeting Minutes of July 1, 2026

4. **AUTHORITY MATTERS**
    a. CEO Report

    b. Chairman's Report

5. **REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)**
    a. Proposed Revisions to the SDA's Policy Governing Operating Authority and Bylaws

6. **REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)**
    a. Approval of Awards - Design Consultant Services for Limited-Scope Projects - GP-0304-R01

    b. Rule Readoption without Amendments: Title 19, Chapter 38C Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consulting Services

    c. Rule Readoption without Amendments: Title 19, Chapter 38D Procurement of Goods and Services

7. **MONTHLY REPORTS**
    a. *For Informational Purposes*
        i. Active Projects Report
        ii. Project Status Reports
        iii. Contracts Executed Report/Amendments & Change Orders Executed Report
        iv. Diversity and Workforce Participation Report
        v. Regular Operating District Grant Activity Report
        vi. Communications Report
        vii. Monthly Financial Report

8. **NO EXECUTIVE SESSION**

9. **REQUEST MOTION TO ADJOURN PUBLIC MEETING**

APPROVAL OF MEETING MINUTES

July 1, 2026 Open Session Minutes

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, JULY 1, 2026

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, July 1, 2026 at 9:00A.M. in the Joseph A. McNamara Board Room at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Robert Nixon, Public Member, Chairman
Stephen Martorana (EDA)
Kevin Luckie (DCA)
David Moore (Treasury)
Steven Colella (DOE)
John Capo, Public Member
Michael Maloney, Public Member
Michael McLaughlin, Public Member
Mario Vargas, Public Member
Nicole Vecchione, Public Member

being a quorum of the Members of the Board. Mr. Nixon, Mr. Capo, Mr. Colella, Mr. Martorana, Mr. Maloney, Mr. McLaughlin, Mr. Moore and Ms. Vecchione participated by teleconference.

At the Chairman's request; Manuel Da Silva, chief executive officer; Laurette Pitts, vice president and chief financial officer; Janice Venables, vice president and assistant secretary; Ramy Kamel, vice president; and Albert Barnes, chief counsel (teleconference) of the SDA participated in the meeting. Michael Eleneski of the Governor's Authorities Unit also participated in the meeting by teleconference.

Pledge of Allegiance

Led by Mr. Nixon, the assembled Members stood and recited the Pledge of Allegiance.

The meeting was called to order by Mr. Nixon, who requested that Ms. Venables read the requisite notice of public meeting. Ms. Venables announced that in accordance with the Open Public Meetings Act, a link to the notice of this meeting was posted on the SDA website home page, at least 48 hours prior to the meeting. She said that a link to the SDA website home page is also posted on the Secretary of State website in the "Statewide Legal Notices" listings.

Ms. Venables then conducted a roll call and indicated that a quorum of the Members of the Board was present.

Approval of Meeting Minutes

The Chairman presented for consideration and approval the minutes of the Board's June 3, 2026 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 Mr. Vargas seconded by Mr. McLaughlin, the Open Session minutes of the June 3, 2026 SDA Board meeting were approved with the Members' vote in favor of the resolution attached hereto as ***Resolution 3a.***

Next, the Chairman presented for consideration and approval the minutes of the Board's June 3, 2026 Executive 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 Mr. Vargas seconded by Mr. McLaughlin, the Executive Session minutes of the June 3, 2026 SDA Board meeting were approved with the Members' vote in favor of the resolution attached hereto as ***Resolution 3b.***

Authority Matters

CEO's Report

Mr. Nixon asked Mr. Da Silva for the report of the CEO. Mr. Da Silva reported that the Fiscal Year (FY) 2027 Budget (Budget) was approved yesterday, the Governor signed the FY 2027 Appropriations Act, which includes $50 million of Capital Maintenance and Emergent Grant funding for SDA.

Turning to projects in the procurement stage, Mr. Da Silva reported that the Camden Eastside High School project is undergoing Office of State Comptroller review and is scheduled for advertisement this month. He said that the Bridgeton High School Additions and Renovations project was advertised on June 1 and bids are due next month. For the Newark New University High School project, he advised that the Notice of Intent to award the early site demolition and preparation package was issued last month and the notice-to-proceed is projected later this month. He added that the design-build project is projected for advertisement this month.

Next, Mr. Da Silva provided an update on active design-build projects. He reported that for the Elizabeth New Elementary School project, slab on grade is ongoing and being coordinated with steel erection work. He noted that the design for the remainder of the building is under SDA review for submission to Department of Community Affairs (DCA). For the Paterson STEAM High School project, he informed that Members that the contractor mobilized to site for the site separation and retaining wall construction, and has initiated site clearing activities in preparation for retaining wall work. He added that the design continues for footings, foundation, underground mechanical, electrical and plumbing (MEP), radon, stair towers and elevator shafts. With respect the Trenton New Elementary School project, he reported that foundations, structural steel and underground utilities design is complete and into DCA for Plan review. He added that design on the rest of the building is ongoing, as well as site work and storm activities.

In continuing, Mr. Da Silva said that for the Garfield New Elementary School project, exterior wall masonry work construction continues. He noted that storm water system installation continues in preparation for the roof placement and building being weather tight late fall. He added that building finish design is ongoing. For the West New York Middle School project, he reported that footings, foundations, structural steel, fire tank and underground MEP work is underway. With respect to the Passaic High School project, he reported that the bid protest final agency decision has been issued and the award of the early site package demolition and site preparation package is a subject on today's Board meeting agenda. He added that the design-build contract is projected for advertisement in the 1st quarter of 2027. For the Pleasantville New Elementary School project, he advised that the design-builder design phase is ongoing. He added that the physical site work is expected to start later this year.

Turning to Authority events, outreach and other activities, Mr. Da Silva informed the Members that on June 18, management was able to beat the rain and hold a groundbreaking ceremony for the new West New York Middle School alongside school district and city officials. He said that the SDA was also joined by several 5th grade students that hope to attend the new school when it opens in 2028.

Finally, Mr. Da Silva said that the SDA will hold a groundbreaking ceremony for the new elementary school in Trenton on July 7, at 10am. He noted that the Member should have received an invitation from Janice Venables a couple weeks ago. He said that he hopes that the Members' schedule will permit them join the SDA at the event.

Mr. McLaughlin asked if the $50 million in the Budget is for construction and maintenance. Mr. Da Silva that the $50 million is for capital maintenance and emergent projects.

Mr. Maloney asked if the Project Labor Agreement (PLA) is included the SDA's Budget. Mr. Da Silva said that is PLA is not included.

Next, Mr. Da Silva said that the July Board Meeting materials circulated to the Members includes SDA's 2025 Annual Report covering the reporting period of January 1, 2025 through December 31, 2025. He explained that this report is prepared consistent with the Authority's bylaws and in accordance with Executive Order No. 37 (2006). He noted that the report highlights the significant actions of the Authority for the year ending December 31, 2025, including the degree of success the SDA had in promoting the State's economic growth strategies and other policies during the year. He reported that the independent audit report, issued by PKF O'Connor Davies, LLP, will be included within the financial statements section of the 2025 Annual Report. He noted that among other things, it identifies internal controls that govern expenditures, procurement and other financial matters and transactions. He added that with the issuance of the audit report within the 2025 Annual Report, the Authority is in compliance with the requirements of Executive Order 122 (2004).

In continuing, Mr. Da Silva informed that Members that in 2025, SDA opened the new Esther Salas Academy in the Union City School District, delivering 900 new student seats. SDA also began construction on a new elementary school in Garfield Public School District and initiated demolition and early site preparation activities at several sites in order to ready them for new construction to begin in 2026. He advised that in-house or bridging design consultant activities continued on several projects in the capital plan, developing program concept and schematic designs to support future design-build procurement activity. He noted that significant procurement activity throughout the latter part of the year advanced several design-build projects, generating significant economic opportunities for construction companies in New Jersey to bid on school construction projects.

Next, Mr. Da Silva said that the SDA administered capital maintenance and emergent grants to SDA districts allowing them to continue the advancement of upgrades and repairs they deem most necessary at existing schools. He noted that the Fiscal Year 2026 budget included $50 million for projects that address water infiltration, roofs, exterior masonry, windows, as well as heating, ventilation, and cooling systems in SDA district schools. He said that the SDA Board of Directors approved an updated Statewide Strategic Plan in December to reflect the most current needs across SDA Districts. He added that this plan ensures transparency and a well-defined framework for how projects would be prioritized if additional funding were to be made available for school projects beyond those already approved.

Mr. Da Silva then explained that beyond the projects in SDA Districts, the work of the SDA touches all 21 counties and hundreds of school districts through the Regular Operating Districts (RODs) Grant Program. He added that these grants leverage local resources, allowing school districts to undertake facility projects that improve and extend the lifecycle of existing school buildings. He advised that at the end of 2025, the SDA was supporting more than 600 of these grant projects.

In continuing, Mr. Da Silva said the work of the SDA had a beneficial impact on both SDA and RODs across the State of New Jersey as represented in SDA's 2025 Annual Report. He explained that the report will be finalized once the 2025 Audited Financials are complete and included in the report. He added that he is happy to report that the actuarial data has been published and the Audit Financials will be finalized my month end. He noted that following approval and finalization of the report, a copy will be submitted to the Governor's Authorities Unit and posted on the Authority's website. He said that he is requesting the Board approve the issuance of the 2025 Annual Report of the SDA as required by Executive Order 37 and respectfully request a vote on Resolution 4ai.

A resolution pertaining to the 2025 SDA Annual Report was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Mr. Luckie, the Board approved the 2025 Annual Report as presented with its unanimous vote in favor of ***Resolution 4ai.***

School Review Committee

Next, Mr. Luckie reported that the School Review Committee met on June 15, 2026 at which one item was discussed. He said that the Committee is recommending approval of a Demolition and Early Site Preparation award for the Passiac High School No. 12 project (School or Project) in the Passaic School District. By way of background, he reported that the School is planned to be a new facility for students in grades 9 through 12. He advised that the Project scope calls for the abatement, demolition, removal and disposal of the existing School and all existing and associated site elements within the project boundary limits in preparation for the delivery by the SDA of the new School. He explained that in preparation for the design and construction of the School, the SDA seeks to engage a contractor to perform demolition of the existing School building site. He said that the package for the required services was advertised beginning on March 3, 2026 and, upon completion of a competitive procurement process, the responsive low bidder was APS Contracting, Inc (APS). Mr. Luckie noted that following a review, APS confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. He added that management now requests and recommends that the Members authorize and approve the award of a contract to APS in the amount of $17,468,000, inclusive of SDA-established Allowances totaling $850,000, to perform demolition of all existing structures and associated site conditions in preparation for the delivery of the Project by the SDA. He said that the SDA Construction Operations Program Director and Financial Operations Director recommend award of the contract to APS. He informed the Members that the Project background and the details of the procurement process followed for the proposed contract award are comprehensively set forth in the memorandum presented to the Board on this date and incorporated herein. He advised that prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

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. McLaughlin, the Board approved a Demolition and Early Site Preparation award for the Passiac High School No. 12 project with its unanimous vote in favor of ***Resolution 5a.***

Public Comments

At this time Mr. Nixon announced that the public comments portion of the Meeting will commence consistent with the New Jersey Open Public Meetings Act. There were no speakers present.

Adjournment

There being no further business to come before the Board, upon motion by Chairman Nixon 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 July 1, 2026 meeting.

/s/ Janice Venables
Assistant Secretary

Resolution—3a.

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 July 1, 2026 Board meeting of the New Jersey Schools Development Authority, for the Open Session were duly forwarded to the Office of the Governor following the meeting.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's July 1, 2026 Open Session meeting is 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 her approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Dated: August 5, 2026

AUTHORITY MATTERS

CEO REPORT

CHAIRMAN'S REPORT

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

Proposed Revisions to the SDA's Policy Governing Operating Authority and Bylaws

TO: Members of the Authority

FROM: Janice Venables, Vice President of Corporate Governance

DATE: August 5, 2026

RE: Proposed Revisions to the SDA's Policy Governing Operating Authority and Bylaws

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The Members of the Authority are requested to approve, adopt and issue revisions to the SDA's Policy Governing Operating Authority (the "Operating Authority Policy") and to make, promulgate and adopt several minimal modifications to its By-Laws.

OPERATING AUTHORITY POLICY REVISIONS

Section 5.4 of the SDA's By-Laws provides that the Members of the Authority "shall designate by resolution those individual members, officers, employees (or any combination thereof) who shall be authorized (either generally or in specific transactions) to approve contracts and to execute documents legally binding on the Authority, or to sign checks and disbursements on behalf of the Authority." The SDA's written Operating Authority Policy effectuates the Board's delegation to designated well-suited SDA employees of the authority to participate in and to exercise specified decision-making functions and approvals and to execute documents on behalf of the SDA.

The SDA's current iteration of the Operating Authority Policy was promulgated by the SDA Board and became effective on January 24, 2025. Since that time, required revisions to the Operating Authority Policy have been identified that will address, among other things, changes in staffing and organizational structure, business continuity planning, and adoption of provisions that will clarify and streamline implementation of the policy.

Annexed to this Memorandum as Attachment A is a proposed redlined revised Operating Authority Policy. In summary, the revisions:

- Clarify Who May Execute Documents. The revisions adopt the general rule that once proposed actions have received required approvals in accordance with the Operating Authority, unless otherwise specified in the Operating Authority, any SDA employee who participated in the approval process at any level is authorized to execute documents necessary to implement the approved action.

- Detail How Delegations of Authority are to be Effectuated. These new provisions address how delegations are to be effectuated (1) in the normal course of SDA operations for planned absences of the CEO and Vice Presidents; and (2) in emergency situations and for unplanned absences.

The new provisions relating to emergency situations and unplanned absences are specifically designed to effectuate the goals of the NJSDA's Business Continuity Plan. The NJSDA's Business Continuity Plan provides a strategic, actionable framework that enables the NJSDA to survive, maintain essential functions, and rapidly recover during and after unexpected disruptions like cyberattacks, natural disasters, and other force majeure events.

The new provisions establish automatic succession protocols when key personnel are unexpectedly unavailable. If the CEO is absent due to emergency or incapacity, authority automatically transfers to the three remaining Executive Team members (Vice Presidents of Program Operations, Finance, and Corporate Governance) acting collectively, with two of three required to approve actions. For other Executive Team absences, two or more Level 4+ direct reports may co-approve time-sensitive matters with CEO notification within 24 hours.

During office closures, natural disasters, or communications disruptions, the CEO may approve urgent matters that would normally require Board action, and Executive Team members may approve one level above their normal authority with co-approval. All such emergency actions must be documented and reported to the Board at its next meeting, with the Board retaining discretion to ratify, modify, or reverse decisions.

Emergency authority automatically terminates when the absent officer returns, a replacement is appointed, or after 30 days unless extended by the Board. The Vice President of Corporate Governance maintains an Emergency Succession Matrix, logs all delegations, and provides quarterly reports to the Audit Committee for oversight.

- Update Schedule 1 – Levels of Authority. The specified levels of authority under the Operating Authority Policy are adjusted to reflect current job titles, grades and organizational structure.

- Adjust Schedule 2 – Operating Authority Matrix. The matrix is adjusted to reflect revisions in the Operating Authority Policy establishing the general rule that, unless otherwise specified, any employee who provided a required approval or co-approval for an action may execute documents to implement that action once all required approvals are obtained.

- Add Schedule 3 – Delegation of Authority Form. The new form is included to provide clear and expeditious documentation relating to delegations by the NJSDA's CEO and Vice Presidents during planned absences.

BYLAWS REVISIONS

Pursuant to Section 13.1 of the By-Laws of the SDA, the By-Laws may be amended "at any meeting of the Authority by the affirmative vote of at least ten members, after written notice of such an intention is provided by the Secretary to each member."

The Members are requested to approve and promulgate amended By-Laws as reflected in the redlined document annexed to this Memorandum as Attachment B. The proposed minor amendments correct the current physical address of the SDA's business offices and provide and clarify that written designations by ex officio members of the SDA Board as to an officer or employee of the member's department or authority who may represent the member at meetings, together with revocations or modifications to such written designations, are to be delivered to the Assistant Secretary for the Authority.

[NOTE: On Attachments A and B, deleted content is shown using bracketed strike-through text in red; added content is shown in blue text].

RECOMMENDATION

Recommendation and request is made that the Board approve, adopt and issue revisions to the Operating Authority Policy and By-Laws of the SDA as set forth in this Memorandum. The revised Operating Authority Policy addresses staffing and organizational changes and incorporates appropriate additions to and modifications of the existing policy, thereby facilitating an efficient delegation of specified authority to SDA staff. Likewise, the revisions to the By-Laws reflect appropriate corrections and implement established practice. For these reasons and as detailed in this Memorandum, the approval, adoption and issuance of the revised Operating Authority Policy and the approval and promulgation of the revised By-Laws of the SDA are in the best interests of the NJSDA and the State of New Jersey.

/s/ Janice Venables

Janice Venables, Vice President of Corporate Governance

Reviewed and Recommended By:

Manuel M. Da Silva, Chief Executive Officer
Laurette Pitts, Vice President and Chief Financial Officer
Ramy Kamel, Vice President, Construction and Program Operations

ATTACHMENT A

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Policy Governing Operating Authority

Issued by: Office of Corporate Governance

Approved by: Members of the New Jersey Schools Development Authority

Policy No.: 0300

Effective Date: [~~January 24, 2025~~] August 20, 2026

NEED FOR A POLICY GOVERNING OPERATING AUTHORITY

The New Jersey Schools Development Authority (the "SDA") was established pursuant to N.J.S.A. 52:18A-237, as amended, and has been granted those enumerated powers set forth in N.J.S.A. 52:18A-238, as amended. The SDA, through its Board Members, has adopted By-Laws intended to govern the affairs and the conduct of the business of the SDA including the performance of its functions, powers and duties under the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, principally codified at N.J.S.A.18A:7G-1 et seq., as amended (the "EFCFA").

Pursuant to its By-Laws, the SDA employs a Chief Executive Officer ("CEO") who serves as an officer of the SDA and who, among other things, is granted general supervisory and management responsibility over all activities of the SDA.

The Members of the Board of the SDA recognize that while they hold the ultimate power to direct the affairs and the conduct of the business of the SDA, the orderly operation of the SDA requires that the Members delegate to specified well-suited employees of the SDA the power to participate in and exercise certain decision-making functions and approvals and to execute documents on behalf of the SDA.

STATEMENT OF POLICY

This Policy Governing Operating Authority ("Policy") establishes the Levels of Authority within the Offices and Divisions of the SDA for specified decision-making functions, approvals and document executions ("Levels of Authority"). The Levels of Authority are set forth in the annexed Schedule 1.

The Policy also establishes the approvals required for the advancement of various [~~activities~~] actions of the SDA relating to both its administrative operations and its implementation of the SDA's Statewide Strategic Plan, as amended, and Capital Plans and other program operations of the Authority (the "Operating Authority"). The Operating Authority is set forth in the annexed Schedule 2.

Further, the Policy establishes that unless otherwise expressly provided in the Policy, once all required approvals and/or co-approvals have been obtained for an action under the Operating Authority, any of the SDA employees whose approval or co-approval was required for that action is authorized to execute documents necessary to implement the approved action. This execution authority applies regardless of whether the employee provided the initial, intermediate, or final approval in the approval chain. Additionally, the CEO may authorize other appropriate SDA employees to execute documents for approved actions, consistent with the delegation provisions of this Policy.

Finally, the Policy describes how delegations of authority granted under the policy may be effectuated (1) in the normal course of SDA operations for planned absences; and (2) in emergency situations and for unplanned absences.

Violation by SDA employees of the Operating Authority established under this Policy may result in disciplinary action up to and including termination.

OPERATING BUDGET, STRATEGIC AND CAPITAL PLANS, PROJECT CHARTERS AND RESERVES

Annual Operating Budget

The Board retains authority to review and approve the SDA's operational expenses through the adoption of an Annual Operating Budget. The Office of Chief Financial Officer ("CFO") will prepare an Annual Operating Budget that establishes the SDA's approved limit of expenditures for non-project general and administrative ("G&A") expenses.

Consistent with Article V, Section 5.1.B of the Authority's By-Laws, the CEO will submit a proposed Annual Operating Budget for adoption by the SDA Board. The Audit Committee of the Board will undertake a review of the proposed Annual Operating Budget in advance of its submission for consideration and adoption by the full SDA Board.

SDA Board Approval of the Annual Operating Budget is a prerequisite to commitments to expend and expenditures of funds for SDA operations. While budget approval by the Members of the Board establishes an overall annual spending limit, such approval does not proscribe budget reallocations within the overall annual spending limit. The CFO is responsible to monitor the SDA's compliance with the Annual Operating Budget.

Statewide Strategic Plans

The Board retains authority to review and approve the SDA's Statewide Strategic Plan to be used in the sequencing of SDA district school facilities projects based upon the educational priority rankings and issues which impact the SDA's ability to complete projects, including, but not limited to, the construction schedule and other appropriate factors. The SDA's Office of Program and Construction Operations shall prepare the Statewide Strategic Plan. The Statewide Strategic Plan shall be submitted to the SDA Board for adoption as set forth in this Policy. Board approval of the Statewide Strategic Plan is a prerequisite to any subsequent school facilities project advancement.

Capital Plans

The Board retains authority to review and approve all Capital Plans (inclusive of Project Portfolios if applicable) of the SDA. Such Capital Plans, as amended, shall reflect those projects identified for advancement from available funding. The SDA's Office of Program and Construction Operations shall prepare the Capital Plans. The Capital Plans shall be submitted to the SDA Board for adoption as set forth in this Policy. Board approval of a Capital Plan is a prerequisite to any subsequent school facilities project advancement.

Project Charters

The Board retains authority to review and approve all Project Charters for projects advanced from the Capital Plans as set forth in this Policy. A "project" is a school facilities project, inclusive of all predevelopment, design, construction, goods, and/or services costs necessary to complete the project. Project Charters are drafted by the SDA's Office of Program and Construction Operations and are presented to the SDA Board for approval at three stages. A *Planning* Project Charter allocates funding for the planning phase of a project that has been included in a Capital Plan approved by the SDA Board and may include funding for such items as feasibility studies, title work, environmental site investigations, and other pre-development tasks. The *Preliminary* Charter provides an estimate of a project's anticipated overall cost and cost by phase, together with a draft project schedule. A *Final* Project Charter includes a budget based on the construction contract award amount.

Reserves

The SDA maintains various program reserves for projects in the SDA Districts. These include (1) a Planning Reserve (to address potential cost increases as project scopes undergo development), (2) an Emergent Conditions Reserve (to address capital maintenance projects deemed Emergent by the New Jersey Department of Education and as such require advancement on an expedited basis to ameliorate conditions with the potential to implicate health and safety issues), and (3) an Unforeseen Events Reserve (to address unforeseen project needs).

Similarly, the SDA maintains a Program Reserve to address the funding requirements for grants to the Regular Operating Districts.

These reserve balances help to ensure that the SDA has adequate funds in reserve to pay for and complete all approved projects it undertakes in both the SDA Districts and Regular Operating Districts. The use and replenishment of these reserve balances is monitored by the SDA Board through monthly reports from SDA staff.

EXECUTION AUTHORITY FOLLOWING APPROVALS

General Rule

As a general rule, once an action has received all required approvals and/or co-approvals as set forth in Schedule 2 (Operating Authority), any SDA employee who participated in the required approval process at any level is authorized to execute documents necessary to implement that approved action.

Example Application: If an action requires co-approval from a Level 3 employee and a Level 5 employee, either the Level 3 or Level 5 employee (or any higher-level employee who provided approval) may execute the implementing documents.

Exceptions to General Rule

This general execution authority rule is subject to the following limitations:

1. *Explicit Specifications:* Where Schedule 2 explicitly specifies who may execute documents for a particular category of action, those specific provisions govern and supersede the general rule.

2. *Board-Level Approvals:* Where Board approval is required, execution authority following Board approval defaults to the CEO unless Schedule 2 provides otherwise. The CEO may delegate this execution authority consistent with the delegation provisions of this Policy.

3. *Review Requirements:* The general execution authority is contingent upon completion of any prerequisite reviews specified in Schedule 2 (such as review by the Division of Chief Counsel, Contract Management Division, or Design Studio).

4. *Competency and Responsibility:* Execution authority should be exercised by employees with appropriate expertise and responsibility for the subject matter. Division heads are responsible for ensuring their staff exercise execution authority appropriately.

Documentation

When exercising execution authority under this general rule, the executing employee should maintain documentation evidencing that all required approvals were obtained prior to execution.

Policy Governing Operating Authority Issued by: Office of Corporate Governance
Approved by: Members of the New Jersey Schools Development Authority
Effective Date: [~~January 24, 2025~~] August 20, 2026

DELEGATION OF AUTHORITY

~~[The effective implementation of this Policy may occasionally require a further delegation of, but not the responsibility for, the decision-making or signing authority conferred under the Levels of Authority and Operating Authority of the Policy.~~

~~Such delegations shall be made in accordance with the following:~~

~~The CEO may delegate approval or signing authority to a Vice President or CFO.~~

~~Any Vice President may delegate approval or signing authority to another Vice President, CEO, CFO or to the Chief Counsel.~~

~~The Controller, Managing Directors, Directors, Deputy Directors and Managers, or any other title assigned authority hereunder may delegate approval or signing authority laterally or upward through their respective chains of command.~~

~~Delegations of authority to staff members holding lower levels of authority shall be made only with the express written approval of the CEO.~~

~~Delegations shall be made by written memorandum to the staff member receiving the delegation of authority and to the CFO and shall set forth the specific authority being delegated, the reason for the delegation, the name and title of the staff member to whom the delegation is being made, the duration of the delegation and any other matters pertinent to the delegation. The CFO shall establish and maintain a record of all instances of delegation.]~~

A. Planned Absences (Vacations and Short-Term Absences)

1. Chief Executive Officer Absence

During planned absences of the CEO, including vacations, business travel, or other scheduled absences, the CEO may prepare a written Delegation of Authority Memorandum that (1) designates in writing a Vice President to serve as Acting CEO with authority to exercise the CEO's powers under this Policy; and (2) specifies the duration of the delegation and scope of the delegation.

2. Executive Team Member Absence

During planned absences of any Vice President, such officer may prepare a written Delegation of Authority Memorandum that (1) designates in writing a Vice President or member of senior management (minimum Level 4 Authority) to exercise their approval and signing authority under this Policy; and (2) that specifies the duration and scope of the delegation.

3. General Requirements for Planned Absence Delegations

All planned-absence delegations by the CEO or a Vice President must be documented using the

SDA's Delegation of Authority Form, a copy of which is attached as **Schedule 3**, and all delegations must be filed with the Vice President of Corporate Governance, who shall create and maintain a log of all such delegations. Delegations automatically terminate upon the return of the absent officer or at the end of the specified period, whichever occurs first; and the absent officer remains accountable for all actions taken under delegated authority during their absence.

B. Emergency Situations and Unplanned Absences

1. Emergency Succession - Chief Executive Officer

In the event of an unplanned absence, incapacity, or unavailability of the CEO due to emergency, illness, or other unforeseen circumstances, until the CEO returns or the Board makes alternative arrangements, authority shall automatically be assigned collectively to the remaining members of the Executive Team consisting of (1) the Vice President - Program and Construction Operations; (2) the Vice President and Chief Financial Officer; (3) the Vice President - Corporate Governance.

In this circumstance, by assent of two of three of the remaining members of the Executive Team, the Executive Team acting collectively as CEO shall have full authority to exercise the CEO's powers under this Policy, except for the authority to hire, terminate, or set compensation for Executive Team members.

2. Emergency Succession - Other Executive Team Members

In the event of unplanned absence or unavailability of any Vice President or CFO, their direct reports holding Level 4 authority or higher may exercise approval authority up to the limits normally requiring that officer's approval, provided that: (1) at least two individuals at Level 4 or higher co-approve such actions; (2) the CEO is notified of the exercise of emergency authority within 24 hours; (3) actions are limited to time-sensitive matters that cannot reasonably be delayed; and (4) a written record of the subject of the delegated approval, and the persons exercising the delegated authority on behalf of the absent Executive Team member, is maintained and provided to the absent officer upon return.

3. Office Closures and Communications Disruptions

During declared office closures, communications disruptions, natural disasters, public health emergencies, or other events that impair normal operations (1) the CEO, or Executive Team acting collectively as CEO, under the succession provisions above, is authorized to approve all urgent matters necessary to protect SDA's interests, maintain project schedules, and ensure health and safety, even if such approvals would normally require Board action, provided that the SDA Board Chair is notified as soon as reasonably practicable; (2) all Executive Team members are authorized to approve urgent matters within their areas of responsibility up to one level higher than their normal authority under this Policy, provided such actions are co-approved by at least one other Executive Team member and reported to the CEO within 48 hours of the action; (3) less-formal electronic approvals (email, electronic signature systems, etc.) shall be considered equivalent to written approvals during such disruptions; (4) all actions taken under emergency authority must be documented and reported to the Board at its next meeting.

4. Board Notification and Ratification

The Vice President of Corporate Governance shall notify the Board Chair within 24 hours of any emergency succession of the CEO position.

All emergency actions taken that would normally require Board approval shall be reported to the Board at its next regular meeting. The Board may, at its discretion, ratify, modify, or reverse any emergency action, provided that such reversal does not impair contractual obligations entered into in good faith.

A written summary of all emergency delegations and actions shall be provided to the Board quarterly.

5. Duration and Termination of Emergency Authority

Emergency delegations remain effective until the earlier of: (i) return of the absent officer, (ii) appointment of a replacement by the Board, or (iii) 30 days from commencement, unless extended by the Board. For emergencies affecting office operations, emergency authority provisions terminate when normal operations resume, as determined by the CEO.

Upon termination of emergency authority, normal delegation provisions resume.

C. Documentation and Reporting Requirements

The Vice President of Corporate Governance shall:

- Maintain a current Emergency Succession and Delegation Matrix showing all positions with delegation authority and their designated successors;
- Update the Matrix at least annually and whenever there are changes in Executive Team membership;
- Distribute the current Matrix to all Board Members and Executive Team members;
- Maintain a log of all absences requiring delegation, including dates, designees, and scope of authority;
- Report to the Audit Committee quarterly on all delegations made under this section; and
- Ensure all staff members with signature authority are trained on emergency delegation procedures.

MINIMUM APPROVAL REQUIREMENTS

The approval levels established by this policy are intended to establish minimum requirements.

SDA's executive management and formal policies and procedures adopted by the SDA may establish additional approval requirements.

SUPERVISORY AND MANAGEMENT ACTIVITIES NOT ADDRESSED IN OPERATING AUTHORITY

The SDA's By-Laws confer upon the CEO the authority to undertake the general supervisory and management activities of the SDA and to exercise certain other express powers and duties. Unless otherwise directed by the SDA Board, and subject to the limitations, if any, of the rules and regulations of the SDA and of the Annual Operating Budget, Strategic and Capital Plans, Project Charters and Reserves established by the SDA Board, the CEO is hereby delegated the authority to approve activities and to execute documents required to undertake and exercise such authority and those powers and duties conferred upon the CEO under the SDA By-Laws that are not specifically addressed in the Operating Authority. Further, consistent with the SDA By-Laws, the CEO, in their sole discretion, is hereby authorized to delegate to appropriate staff members this authority to approve the activities and to execute such documents.

OPERATING AUTHORITY RESPONSIBILITIES

The Vice President of Corporate Governance, with input from the SDA's executive management, is responsible for overseeing compliance with this Policy and will issue guidelines and instructions, as necessary, to promote an understanding of and to ensure compliance with the Policy.
The Vice President of Corporate Governance shall review this Policy, at a minimum, on an annual basis and shall present recommended modifications based upon its review.

The Vice President of Corporate Governance has authority to modify title references contained in the Levels of Authority (Schedule 1 hereto) to reflect administrative changes within and the needs of the SDA, thereafter providing notification of any modifications to the Members of the Audit Committee and the Members of the Board.

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Policy Governing Operating Authority

Schedule 1

Levels of Authority

New Jersey Schools Development Authority
OPERATING AUTHORITY – LEVELS OF AUTHORITY

	Minimum Levels of Authority						
	Level 1 Either Grade 16 or Job Title Listed Below	**Level 2 Either Grade 17 or Job Title Listed Below**	**Level 3 Either Grade 18 or Job Title Listed Below**	**Level 4 Either Grade 19/20 or Job Title Listed Below**	**Level 5 Either Grade 21 or Job Title Listed Below**	**Level 6 CEO**	**Level 7 Members of the Board of Directors**
OFFICE OF CHIEF EXECUTIVE OFFICER						Chief Executive Officer	
Division of Human Resources	Human Resources Generalist			Director – Human Resources			
Division of Communications		Content and Communications [~~Coordinator~~] Specialist		Director - Communications			
Division of EEO/AA and Vendor Services				Director - EEO/AA and Contracting Accountability			
Division of Legislative Affairs				Director - Legislative Affairs			
OFFICE OF PROGRAM AND CONSTRUCTION OPERATIONS					Vice President – Program and Construction Operations		
Division of Planning and Program Operations	Grant Analyst Program Officer	Senior Grant Analyst Senior Program Officer	Grant Manager Deputy Program Director	Program Director Managing Director – Planning and Program Operations			
Division of Design Studio	Program Officer	Senior Program Officer	Deputy Program Director	Program Director			
Division of Environmental Services	Program Officer			Director – Environmental Services			
Division of Construction Operations	Program Officer	Senior Program Officer	Deputy Program Director	Program Director			
OFFICE OF FINANCIAL OPERATIONS					Vice President and Chief Financial Officer		
Division of the Controller	Senior Financial Analyst	Senior Staff [~~Analyst~~] Specialist Senior Financial Accountant	Deputy Director – Accounting Payment Processing Manager	Controller Director – Contract Accounting & Disbursements Director - Accounting			
Division of Procurement		Procurement Specialist Purchasing Specialist	Senior Procurement Specialist Deputy Director – Procurement Deputy Director - Purchasing	Managing Director-Procurement Director-Purchasing			
Division of Financial Operations	Cost Engineer		Financial Operations Manager Finance and Payroll Manager Deputy Director – Contract Management Division Senior Cost Engineer	Director – Financial Operations			
Division of [~~Insurance~~] Facilities and Risk Management		Associate Insurance [~~Claims~~] Risk Manager	[~~Insurance Risk Manager~~]	Director—Facilities & Risk Management			
Division of Facilities		Facilities Coordinator	~~Facilities Manager~~				
OFFICE OF CORPORATE GOVERNANCE					Vice President – Corporate Governance		
Division of Chief Counsel		Senior Cost Recovery and Construction Claims Manager	Assistant Counsel	Chief Counsel Deputy Chief Counsel Senior Counsel			
Division of Internal Audit			Senior Auditor	Director – Internal Audit			
Division of Safety		Field Safety Inspector QA/QC Officer		Director -- Safety			
Division of Information Systems		Document Management Specialist	Programming Manager IS Systems Operations Manager	Director – Information Systems			
Division of Corporate Governance [~~and Ethics~~]	Governance & Ethics Coordinator [~~&~~	Governance and Records Manager					

	~~Ethics Manager~~]						

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Policy Governing Operating Authority

Schedule 2

Operating Authority

IMPORTANT NOTE ON EXECUTION AUTHORITY:

Unless explicitly stated otherwise in a specific section below, the general execution authority principle set forth in this Policy applies: any employee who provided a required approval or co-approval for an action may execute documents to implement that action once all required approvals are obtained.

Specific execution authority provisions in individual sections below either (1) provide additional authorized executors beyond those who provided approvals, or (2) restrict execution authority to specified positions.

SDA Operating Authority Sections

Section 1	Approvals Required for Annual Budget, Strategic and Capital Plans, Project Charters, and Releases from Program Reserves
Section 2	Real Estate Activities
Section 3	Contracts for Professional Services Consultants, Construction Management Services, and for Goods and Services
Section 4	Contracts for Construction and Construction-Related Services
Section 5	Furniture, Fixtures, Technology and Equipment (FFT&E) Purchase Orders
Section 6	Miscellaneous Actions
Section 7	Recommendation and Approval of Invoices Related to Projects and Program Activities Relating to Projects
Section 8	Annual Operating Budget Processes: Purchases and Payments for Operations
Section 9	Change Orders/Construction Change Orders
Section 10	Amendments to Real Estate Services Contracts
Section 11	Amendments to Professional Services and Construction Management Services Contracts
Section 12	Amendments to Goods and Services Contracts (including Memoranda of Agreement and Memoranda of Understanding)
Section 13	Amendments to All Executed Grants
Section 14	Contract Change Directives
Section 15	Real Estate Acquisition Settlements
Section 16	Settlement Authority

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 1 -- APROVALS REQUIRED FOR ANNUAL BUDGET, STRATEGIC AND CAPITAL PLANS, PROJECT CHARTERS AND RELEASES FROM PROGRAM RESERVES

Operating Scope Relating to Annual Budget, Planning and Project Charters	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
NJSDA ANNUAL OPERATING BUDGET AND MODIFICATIONS TO THE ANNUAL OPERATING BUDGET Division heads are responsible to ensure that all purchases and commitments to purchase are within Divisional annual operating budgets.							
NJSDA STRATEGIC PLAN AND MODIFICATIONS TO THE STRATEGIC PLAN					Recommendation by Vice President – Program and Construction Operations	Approval and Recommendation to the Board by Chief Executive Officer	Board approval required
NJSDA CAPITAL PLAN AND MODIFICATIONS TO THE CAPITAL PLAN					Recommendation by Vice President – Program and Construction Operations	Approval and Recommendation to the Board by Chief Executive Officer	Board approval required
PLANNING PROJECT CHARTER (including project overview, draft scope, need for land, funding allocation from approved capital plan(s))				Recommendation by the Managing Director – Planning and Program Operations	Recommendation by Vice President – Program and Construction Operations	Approval and Recommendation to the Board by Chief Executive Officer	Board approval required
PRELIMINARY PROJECT CHARTER (including project overview, scope, project cost estimate with project contingency)				Recommendation by the Managing Director – Planning and Program Operations	Recommendation by Vice President – Program and Construction Operations	Approval and Recommendation to the Board by Chief Executive Officer	Board approval required
FINAL PROJECT CHARTER (including project overview, scope, project costs based upon construction award)				Recommendation by the Managing Director – Planning and Program Operations	Recommendation by Vice President – Program and Construction Operations	Approval and Recommendation to the Board by Chief Executive Officer	Board approval required

Operating Scope Relating to Annual Budget, Planning and Project Charters	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
REVISIONS TO PROJECT CHARTER (At Any Phase)				Recommendation by the Managing Director – Planning and Program Operations	Recommendation by Vice President – Program and Construction Operations	Chief Executive Officer Approval of (1) revisions to project budgets which singularly or in the aggregate do not exceed 10% of the most recent Board-approved Project Charter estimate or (2) schedule changes of any length impacting school occupancy date. -or- Recommendation by Chief Executive Officer (1) for revisions arising from a DOE modeling change, substantial increase to student population or a scope of work change that impacts project type; or (2) for revisions to project budgets which singularly or in the aggregate exceed 10% of the most recent Board-approved Project Charter estimate.	Board approval required (1) for revisions arising from a DOE modeling change, substantial increase student population or a scope of work change that impacts project type; or (2) for revisions to project budgets which singularly or in the aggregate exceed 10% of the most recent Board-approved Project Charter estimate.
PLANNING RESERVE RELEASE TO FUND PLANNING CONTINGENCY FOR A SPECIFIC PROJECT (Predevelopment and Design Activities)				Recommendations by the Managing Director – Planning and Program Operations and Program Director – Construction Operations	Recommendation by Vice President – Program and Construction Operations	Singular approval by the CEO for transfer of funds that do not exceed 10% of most recent Board-approved Project Charter estimate	Board approval required for fund transfer that singularly or in the aggregate exceed 10% of the most recent Board-approved Project Charter Estimate.

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 1 -- APROVALS REQUIRED FOR ANNUAL BUDGET, STRATEGIC AND CAPITAL PLANS, PROJECT CHARTERS AND RELEASES FROM PROGRAM RESERVES

Operating Scope Relating to Annual Budget, Planning and Project Charters	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
UNFORESEEN EVENTS RESERVE RELEASES TO FUND SPECIFIC PROJECTS				Recommendations by the Managing Director – Planning and Program Operations and Program Director – Construction Operations	Recommendation by Vice President – Program and Construction Operations	Chief Executive Officer may singularly approve when the reserve release does not exceed 10% (by itself or as aggregated with other releases) of the most recent Board-approved Project Charter -or- Recommendation of the Chief Executive Officer when the reserve release exceeds 10% (by itself or as aggregated with other releases) of the most recent Board-approved Project Charter	Audit Committee and Board notification required for reserve releases approved by the Chief Executive Officer -and- Board approval required when the reserve release exceeds 10% (by itself or as aggregated with other releases) of the most recent Board-approved Project Charter
EMERGENT CONDITIONS RESERVE RELEASE TO FUND EMERGENT PROJECTS OR TO ADDRESS EMERGENT SITUATIONS				Recommendations by the Managing Director – Planning and Program Operations and Program Director – Construction Operations	Recommendation by Vice President – Program and Construction Operations	Singular approval by the CEO for the release of monies for an emergent project in any amount subject to the level of approval required for any related construction contract awards	Audit Committee notification required Board notification required
MONTHLY AND QUARTERLY REPORTING TO THE BOARD	Monthly Reports will be provided to the Board of Directors regarding: • All revisions to Project Charters; • Projects projected to exceed their Board-approved Project Charter contingency amount; • Projects that are more than 90 days behind schedule; • Projects projected to potentially not achieve the planned occupancy date and any schedule recovery plan, as appropriate; and • All Amendments and Change Orders approved during the preceding month. Quarterly Reports will be provided to the Board of Directors regarding all active projects.						

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 2 -- REAL ESTATE ACTIVITIES – PROJECT-RELATED LAND ACQUISITION

Operating Scope Real Estate Activities Project-Related Land Acquisitions	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
Land Acquisition for Projects (including Site Identification, Acquisition and Relocation Budgets)				Recommendation by the Managing Director – Planning and Program Operations required	Recommendation by Vice President – Program and Construction Operations required	Approval and Recommendation to the Board by Chief Executive Officer	Board approval required.
Board approval of a Planning, Preliminary and/or Final Project Charter and review and approval by the Division of Chief Counsel are pre-requisites to the following activities:							
Execution of Contract for the Purchase of Real Estate (including Term Sheets and Contracts for Purchase)				Managing Director – Planning and Program Operations or any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	
Execution of Documents Ancillary to Land Acquisition (including but not limited to Access Agreements, Utility Agreements, Use & Occupancy Agreements, Short-Term Leases, Relocation Agreements and Self-Move Agreements)				Managing Director – Planning and Program Operations or any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	
Execution of Environmental Documents Relating to Land Acquisition (including but not limited to deed notices, remedial action permit applications, restrictive covenants and conservation easements)				Managing Director – Planning and Program Operations or any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	
Execution of Documents Incidental to Closing of Title Relating to Land Acquisition (including but not limited to closing statements, affidavits of title, affidavits of consideration, escrow agreements, and post-closing use & occupancy agreements)					Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	
Execution of Project-Related Easements, Licenses and Use and Occupancy Agreements (including but not limited to Project-related construction, lay-down space and access easements, licenses or use & occupancy agreements)				Any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	

New Jersey Schools Development Authority
OPERATING AUTHORITY LEVELS
SECTION 2 -- REAL ESTATE ACTIVITIES – REAL PROPERTY TRANSFERS TO SDA DISTRICTS

Operating Scope Real Estate Activities Real Property Transfers to SDA Districts	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
Board approval of a Final Project Charter and review and approval by the Division of Chief Counsel are pre-requisites to the following activities:							
Execution of Deed of Real Property to District (includes deeds and other documents that may convey interests in real property)					Any Vice President or the CFO may singularly execute.	Chief Executive Officer may singularly execute.	
Execution of Environmental Documents in Connection with Real Property Transfer to District (including but not limited to deed notices, remedial action permit applications, restrictive covenants and conservation easements)				Any Program Director in Construction Operations or Director – Environmental Services may singularly execute.	Any Vice President or the CFO may singularly execute.	Chief Executive Officer may singularly execute.	
Execution of Documents Ancillary to Real Property Transfer to District (including but not limited to Access Agreements, Utility Agreements, Use and Occupancy Agreements, Short-Term Leases, and Memoranda of Understanding)				Any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	Chief Executive Officer may singularly execute.	
Execution of Documents Incidental to Closing of Title Relating to Real Property Transfer to District (including but not limited to closing statements, affidavits of title and affidavits of consideration)					Any Vice President or the CFO may singularly execute.	Chief Executive Officer may singularly execute.	

Operating Scope Real Estate Activities Project-Related Leases to the SDA	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
Board approval of a Preliminary Project Charter and review and approval by the Division of Chief Counsel are pre-requisites to the following activities:							
Approval of Project-Related Leases – SDA as Lessee **Total Base Rent: Not exceeding $500,000 and** **Term: Not exceeding 1 year** (including but not limited to ground, building and swing space leases, licenses, construction access agreements, and use & occupancy agreements)				Co-approval by Managing Director -- Planning and Program Operations or any Program Director in Construction Operations with any Level 5 or above.	Co-approval.	Co-approval.	
Approval of Project-Related Leases – SDA as Lessee **Total Base Rent: Not exceeding $1,500,000** **Term: Not exceeding 3 years** (including but not limited to ground, building and swing space leases, licenses, construction access agreements and use & occupancy agreements)					Co-approval with Chief Executive Officer.	Co-approval.	
Approval of Project-Related Leases – SDA as Lessee **Total Base Rent: Exceeding $1,500,000** **Term: Exceeding 3 years** (including but not limited to ground, building and swing space leases, licenses, construction access agreements and use & occupancy agreements)				Recommendation by the Managing Director -- Planning and Program Operations or any Program Director in Construction Operations required	Recommendation by Vice President – Program and Construction Operations required	Recommendation to the Board by Chief Executive Officer required	Board approval required.
Exercise of Lease Options – SDA as Lessee				Recommendation by the Managing Director -- Planning and Program Operations or any Program Director in Construction Operations required	Recommendation by Vice President – Program and Construction Operations required	Recommendation to the Board by Chief Executive Officer required	Board approval required.
Execution of Project-Related Leases – SDA as Lessee (including but not limited to ground, building and swing space leases, licenses, construction access agreements and use & occupancy agreements)				Managing Director -- Planning and Program Operations or any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	Chief Executive Officer may singularly execute.	

New Jersey Schools Development Authority
OPERATING AUTHORITY LEVELS
SECTION 2 -- REAL ESTATE ACTIVITIES – PROJECT-RELATED LEASES OF SDA-OWNED OR LEASED REAL PROPERTY

Operating Scope Real Estate Activities Project-Related Leases of SDA-Owned or Leased Real Property	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
Board approval of a Preliminary Project Charter and review and approval by the Division of Chief Counsel are pre-requisites to the following activities:							
Approval of Leases to SDA Districts (including but not limited to ground, building and swing space leases, licenses, and use & occupancy agreements)				Co-approval by Managing Director -- Planning and Program Operations or any Program Director in Construction Operations with any Level 5 or above.	Co-approval.	Co-approval.	
Approval of Leases to Entities Other than SDA Districts (including but not limited to ground, building and swing space leases, licenses, construction access agreements and use & occupancy agreements)				Co-approval by Managing Director -- Planning and Program Operations or any Program Director in Construction Operations with any Level 5 or above.	Co-approval.	Co-approval.	Notifications to the Real Estate Committee, the School Review Committee and the Board.
Execution of Project-Related Leases of SDA-Owned or Leased Real Property (including but not limited to ground, building and swing space leases, licenses, construction access agreements and use & occupancy agreements)				Managing Director -- Planning and Program Operations or any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	Chief Executive Officer may singularly execute.	

Operating Scope Real Estate Activities Leases of Real Property for SDA Operations	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
Approval by the Division of Chief Counsel is a prerequisite to the following activities:							
Approval of Leases for SDA Operations (including but not limited to leases, subleases, use and occupancy agreements and licenses)					Recommendation by Vice President - Chief Financial Officer required	Recommendation by the Chief Executive Officer required	Board approval required
Approval of Subletting of Space Leased for SDA Operations (including but not limited to leases, subleases, use and occupancy agreements and licenses)					Recommendation by Vice President - Chief Financial Officer required	Recommendation by the Chief Executive Officer required	Board approval required
Execution of Leases for SDA Operations and Subleases of Space Leased for SDA Operations (including but not limited to leases, subleases use and occupancy agreements and licenses)					Vice President - Chief Financial Officer may singularly execute	Chief Executive Officer may singularly execute	

SECTION 2 -- REAL ESTATE ACTIVITIES – TEMPORARY USE AND/OR OCCUPANCY OF SDA-OWNED REAL PROPERTY

Operating Scope Real Estate Activities Temporary Use and/or Occupancy of SDA-Owned Real Property	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
Approval by the Division of Chief Counsel is a prerequisite to the following activities:							
Approval of Temporary Use and/or Occupancy Agreement of SDA-Owned Real Property for Term of 3 years or Less (including but not limited to leases, use and occupancy agreements and licenses)					Recommendation by Vice President and Chief Financial Officer required	Approval by the Chief Executive Officer	
Approval of Temporary Use and/or Occupancy Agreement of SDA-Owned Real Property for Term or Extension of Initial Term Exceeding 3 Years (including but not limited to leases, use and occupancy agreements and licenses)					Recommendation by Vice President and Chief Financial Officer required	Recommendation to the Board by the Chief Executive Officer required	Board approval required
Execution of Temporary Use and/or Occupancy Agreement (including but not limited to leases, use and occupancy agreements and licenses)					Vice President and Chief Financial Officer may singularly execute	Chief Executive Officer may singularly execute	

Operating Scope Real Estate Activities Disposition of Surplus Property	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
Declaration of Real Property as Surplus Property and Approval of Disposition of Surplus Real Property				Recommendation by the Managing Director -- Planning and Program Operations required	Recommendation by Vice President – Program and Construction Operations required	Recommendation to the Board by Chief Executive Officer required	Board approval required.
Approval by the Division of Chief Counsel is a prerequisite to the following activities:							
Execution of Contract for the Sale of Surplus Real Property (including Term Sheets and Contracts for Purchase)				Managing Director – Planning and Program Operations or any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	
Execution of Documents Ancillary to Sale of Surplus Real Property (including but not limited to Access Agreements, Utility Agreements, Use & Occupancy Agreements, Short-Term Leases, Relocation Agreements and Self-Move Agreements)				Managing Director – Planning and Program Operations or any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	
Execution of Environmental Documents Relating to Sale of Surplus Real Property (including but not limited to deed notices, remedial action permit applications, restrictive covenants and conservation easements)				Managing Director – Planning and Program Operations or any Program Director in Construction Operations may singularly execute.	Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	
Execution of Documents Incidental to Closing of Title Relating to Sale of Surplus Real Property (including but not limited to closing statements, affidavits of title, affidavits of consideration, escrow agreements, and post-closing use & occupancy agreements)					Any Vice President or the CFO may singularly execute.	The Chief Executive Officer may singularly execute.	

OPERATING AUTHORITY BY LEVELS

New Jersey Schools Development Authority

SECTION 3 -- CONTRACTS FOR PROFESSIONAL SERVICES CONSULTANTS, CONSTRUCTION MANAGEMENT SERVICES, AND FOR GOODS AND SERVICES

For procurement and award of contracts for professional services, including architectural, engineering, land surveying and other professionals and for Construction Management Services.

For the procurement and award of contracts for goods and services.

Operating Scope **Professional and Construction Management Services and for Goods and Services**	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
	Approvals for Level 4 must be staff from the Office of Chief Financial Officer unless otherwise noted						
Approval of Contracts with Compensation Less Than or Equal to the Statutory Bid Threshold set by the State Treasurer pursuant to N.J.S.A. 52:25-23 ($250,000 as of 1/1/2024) ***Advertisement Not Required***				With a contract amount less than $100,000, co-approval with Level 5 (or higher).	With a contract amount less than $100,000, co-approval with Level 4 (or higher). With a contract amount of $100,000 to $250,000, co-approval with Level 5 (or higher).	With a contract amount of $250,000 or less, co-approval with Level 5.	
Approval of Contracts with Compensation Greater Than the Statutory Bid Threshold set by the State Treasurer pursuant to N.J.S.A. 52:25-23 ($250,000 as of 1/1/2024)							Board approval required for Contracts with a contract amount greater than $250,000
Waiver of Advertising Due to Public Exigency					With an award amount of any value, co-approval with Level 6	Co-approval with Level 5	Board ratification required at the next subsequent meeting
Waiver of Advertisement for Procurement Awards for Professional Services and/or Goods and Services Available through Competitively Procured New Jersey State, GSA, Governmental or Cooperative Contracts				With a contract amount less than $100,000 co- approval with Level 5 (or higher)	With a contract amount less than $100,000, co-approval with Level 4 (or higher) ------------- With a contract amount from of $100,000 to less than $250,000, co-approval with Level 5 (or higher) ---------------- With a contract amount of $250,000 to $500,000, co-approval with Level 6	With a contract amount of $500,000 or less, co-approval	Board approval required for contract amount greater than $500,000
Approval of Title Insurance and Appraisal Contracts			Co-approval with Level 4 (or higher) for expenses less than $25,000	Co-approval with Level 3 (or higher) for expenses less than $25,000 Co-approval with Level 5 (or higher) for expenses less than $50,000	Co-approval with Level 5 (or higher) for expenses $50,000 to $100,000 or less	Co-approval for expenses of $100,000 or less	Board approval required for expenses greater than $100,000

OPERATING AUTHORITY BY LEVELS
New Jersey Schools Development Authority
SECTION 3 -- CONTRACTS FOR PROFESSIONAL SERVICES CONSULTANTS, CONSTRUCTION MANAGEMENT SERVICES, AND FOR GOODS AND SERVICES
For procurement and award of contracts for professional services, including architectural, engineering, land surveying and other professionals and for Construction Management Services.
For the procurement and award of contracts for goods and services.

Operating Scope Professional and Construction Management Services and for Goods and Services	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
	Approvals for Level 4 must be staff from the Office of Chief Financial Officer unless otherwise noted						
Approval of Goods and Services Contracts with No Assigned Dollar Value							Board approval required.
Approval of Construction Management Contracts				With a contract amount less than $100,000, co-approval with Level 5 (or higher)	With a contract amount less than $100,000, co-approval with Level 4 (or higher) with a contract amount of $100,000 to $250,000, co-approval with Level 6	With a contract amount of $250,000 or less, co-approval	Board approval required for Contracts with a contract amount greater than $250,000
Approval of Sole Source Procurement - In accordance with Executive Order 37 (Corzine)							Board Approval Required
Execution of Professional Services, Goods and Services and/or Construction Management Consultant Contracts (after receipt of requisite approvals, including review by the Division of Chief Counsel)			May singularly execute	May singularly execute	May singularly execute	May singularly execute	
Termination of Professional Services, Goods and Services and/or Construction Management Consultant Contracts for Cause or Convenience					After review and approval by the Division of Chief Counsel, the Vice President of Program and Construction Operations may co-approve the termination of Contracts/Agreements	After review and approval by the Division of Chief Counsel, Chief Executive Officer may co-approve the termination of Contracts/Agreements	Board notification required at the next subsequent Board Meeting for the termination of any Contract/Agreement (monthly report)
Approval of Final Agency Decision of Procurement Appeals and Bid Protests					Vice President – Chief Financial Officer may singularly sign the Final Agency Decision after consultation with Division of Chief Counsel		

- **The Members of the Board may request approval of any contract award at the Project Charter approval stage.**
- **A monthly report to the Board of Directors listing all executed contracts for Professional Services is required.**
- **A monthly report to the Board of Directors listing all terminated Professional Services contracts and/or agreements is required.**
- **A monthly report to the Board of Directors listing all executed contracts with State, GSA, Governmental agencies, and Cooperatives is required.**

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 4 -- CONTRACTS FOR CONSTRUCTION AND CONSTRUCTION-RELATED SERVICES
For the procurement and award of construction and construction-related contracts.

Operating Scope Contracts for Construction and Construction-Related Services	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
	Approvals for Level 4 must be staff from the Office of Chief Financial Officer unless otherwise noted						
Contracts for Construction and Construction-Related Services (Including Design-Build Contracts and contracts to address Emergent Projects)				With a contract amount less than $1,000,000, co-approval with Level 5 or higher	With a contract amount less than $2,000,000, co-approval with Level 6	With a contract amount less than $2,000,000, co-approval	Board approval required for contracts with an award amount greater than or equal to $2,000,000
Sole Source Procurement (In accordance with Executive Order 37 (Corzine))							Board approval required
Execution of Construction and Construction-related Services Contracts (After receipt of requisite approvals, including review by the Office of Chief Counsel)			May singularly execute	May singularly execute	May singularly execute	May singularly execute	
Termination of Construction and Construction-related Services Contracts for Cause or Convenience					After review and approval by the Division of Chief Counsel, the Vice President of Program Operations may co-approve the termination of Contracts/Agreements	After review and approval by the Division of Chief Counsel, the Chief Executive Officer may co-approve the termination of Contracts/Agreements	Board notification required at the next subsequent Board Meeting for the termination of any Contract/Agreement (monthly report)
Delegation of Approval of Final Agency Decision of Procurement Appeals and Bid Protests					Vice President and Chief Financial Officer may singularly sign the Final Agency Decision after consultation with Division of Chief Counsel		
The Members of the Board may request approval of any contract award at the Project Charter approval stage. A monthly report to the Board of Directors listing all executed contracts for Construction and construction-related Services is required. A monthly report to the Board of Directors listing all terminated Construction contracts is required.							

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 5 -- FURNITURE, FIXTURES, TECHNOLOGY AND EQUIPMENT (FFT&E) PURCHASE ORDERS PLACED ON CONTRACTS
For purchase orders placed on State, GSA, Governmental Agencies, Cooperative Contracts and on Goods and Services Contracts previously awarded by the Authority.
All values listed are in the aggregate for a single vendor for purchases for a specific School Facilities Project.

Operating Scope FFT&E Purchase Orders	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
FFT&E Purchase Orders valued at $250,000 or less that do not exceed the FFT&E estimate within the most recent approved Project Charter		Co-approval with Level 3 (or higher)	Co-approval	Co-approval	Co-approval	Co-approval	
FFT&E Purchase Orders valued at $500,000 or less that do not exceed the FFT&E estimate within the most recent approved Project Charter		Co-approval with Level 4 (or higher)	Co-approval with Level 4 (or higher)	Co-approval	Co-approval	Co-approval	
FFT&E Purchase Orders valued at greater than $500,000 or that exceed the FFT&E estimate within the most recent approved Project Charter		Co-approval with Level 4 (or higher) for purchase orders that do not exceed the FFT&E estimate within the most recently approved Project Charter	Co-approval with Level 4 (or higher) for purchase orders that do not exceed the FFT&E estimate within the most recently approved Project Charter	Co-approval required for purchase orders that do not exceed the FFT&E estimate within the most recently approved Project Charter	Co-approval required for purchase orders that exceed the FFT&E estimate within the most recently approved Project Charter.	Co-approval required for purchase orders that exceed the FFT&E estimate within the most recently approved Project Charter.	
Execution of FFT&E Purchase Orders		May singularly execute	May singularly execute	May singularly execute	May singularly execute	May singularly execute	

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 6 -- MISCELLANEOUS ACTIONS

For grants and/or Agreements offered by the Authority; Undertaking Memoranda of Agreement and/or Understanding and/or Interagency Agreement; Settlement approvals of insurance deductibles

Operating Scope Miscellaneous Actions	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Task Order Contracts for Consultants and/or Contractors				Recommendation required	Recommendation required		Board approval required
Creation of Bidder Pools for Consultants and/or Contractors				Recommendation required	Recommendation required		Board approval required
Contingent Approval of any Contract that does not Exceed 10% of the Estimated Contract Price							Board approval of delegation to the Chief Executive Officer required
Execution of Memorandum of Agreement, Memorandum of Understanding and/or Interagency Agreement					May singularly execute	May singularly execute	Board approval required prior to execution
Offer of Grants to SDA Districts for Emergent and Capital Maintenance Projects Pursuant to N.J.A.C. 19:34 and 19:34A			May singularly offer	May singularly offer	May singularly offer		
Offer of Funding Agreements			May singularly offer	May singularly offer	May singularly offer		
Offer of Delegated Grants for Construction or Demolition Pursuant to N.J.A.C. 19:34B							Board approval required
Offer of Grants to Regular Operating Districts (DOE Approved)			May singularly offer	May singularly offer	May singularly offer	May singularly offer	
Execution of Grants and Funding Agreements			May singularly execute	May singularly execute	May singularly execute	May singularly execute	
District Agreements (including 13C Implementation and 13D Maintenance Agreements)					May singularly execute	May singularly execute	
District Agreements (13B Local Share Agreement)				Managing Director – Planning and Program Operations may singularly execute	May singularly execute	May singularly execute	
Termination of any Grant/Agreement for Cause and/or Convenience (any dollar value)					Recommendation by a Vice President or CFO required, following review and approval by the Division of Chief Counsel	Review and approval required	Board notification required through a monthly report

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 6 -- MISCELLANEOUS ACTIONS

Operating Scope Miscellaneous Actions	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Builders Risk Claim Settlements			Co-approval with Level 4 (or higher)	Co-approval with Level 3 (or higher) Notification to Division of Chief Counsel and Office of Chief Financial Officer required	Co-approval Notification to Division of Chief Counsel and Office of Chief Financial Officer required	Co-approval	
OCIP Claim Settlements			Co-approval with Level 4 (or higher)	Co-approval with Levels 3 (or higher) Notification to Division of Chief Counsel and Office of Chief Financial Officer required	Co-approval Notification to Division of Chief Counsel and Office of Chief Financial Officer required	Co-approval Notification to Division of Chief Counsel and Office of Chief Financial Officer required	Board notification required for OCIP Claim Settlements exceeding $250,000
Miscellaneous Insurance Claim Settlements (including Property Damage and Bodily Injury on SDA Operations, Owned Real Estate, Leaseholds and Temporary Classroom Units)			Co-approval with Level 4 (or higher)	Co-approval with Level 3 (or higher) Notification to Division of Chief Counsel and Office of Chief Financial Officer required	Co-approval Notification to Division of Chief Counsel and Office of Chief Financial Officer required	Co-approval Notification to Division of Chief Counsel and Office of Chief Financial Officer required	Board notification required for Claim Settlements exceeding $250,000
Public Official Liability Insurance Claim Settlements				Recommendation required	Co-approval with Level 6 for Claim Settlements within the deductible Recommendation required for Claim Settlements greater than the deductible	Co-approval with Level 5 for Claim Settlements within the deductible Recommendation required for Claim Settlements greater than the deductible	Board notification of Claim Settlements within the deductible Board approval required for Claim Settlements greater than the deductible

Operating Scope Miscellaneous Actions	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Employment Practices Liability Insurance Claim Settlements				Recommendation required	Co-approval with Level 6 for Claim Settlements within the deductible Recommendation required for Claim Settlements greater than the deductible	Co-approval with Level 5 for Claim Settlements within the deductible Recommendation required for Claim Settlements greater than the deductible	Board notification of Claim Settlements within the deductible Board approval required for Claim Settlements greater than the deductible
SBE Mandated Subcontractor or Subconsultant Substitution by Request of Prime Vendor			Co-approval after review and approval of the Division of Chief Counsel	Co-approval after review and approval of the Division of Chief Counsel	Co-approval after review and approval of the Division of Chief Counsel		Board notification required
Substitution of Advertisement -- Required Subcontractors or Subconsultants			Co-approval after review and approval of the Division of Chief Counsel	Co-approval after review and approval of the Division of Chief Counsel	Co-approval after review and approval of the Division of Chief Counsel		
Substitution of Statutorily Named Subcontractors by Request of Contractor			Co-approval with Level 4 (or higher) after review and approval of the Division of Chief Counsel	Co-approval with Level 3 (or higher) after review and approval of the Division of Chief Counsel	Co-approval after review and approval of the Division of Chief Counsel	Co-approval after review and approval of the Division of Chief Counsel	Board notification required
A quarterly report to the Chief Executive Officer listing all Insurance Claim Settlements over $25,000 or the deductible is required. A monthly report to the Board of Directors listing all Grant offers is required.							

SECTION 7 -- RECOMMENDATION AND APPROVAL OF INVOICES RELATED TO PROJECTS AND PROGRAM ACTIVITIES RELATING TO PROJECTS

Operating Scope Project and Program Related Invoices	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
Approval of Project-Related Real Estate Acquisition Invoice/Check Request After Board Approval of Project Charter and Acquisition Budget and execution of Purchase Agreement within Acquisition Budget			Co-approval of check requests with Level 4 (or higher) for amounts of any value	Co-approval of check requests of any amount	Co-approval of check requests of any amount	Co-approval of check requests of any amount
Approval of Relocation Benefit or Property Management Invoice/Check Request, Including Self Move Agreements, Pass-Throughs, Utility and Ancillary Costs In accordance with Board-Approved Relocation Budget	Co-approval with level 2 (or higher) of requests not exceeding $10,000	Co-approval with level 3 (or higher) for amounts not exceeding $20,000	Co-approval with Level 4 (or higher) for amounts of any value	Co-approval of acquisition or relocation benefit check requests of any amount.	Co-approval of acquisition or relocation benefit check requests of any amount.	Co-approval of invoices of any amount
Approval of School Facilities Project Contract Invoices for Pre-Development, Design-Build, Construction, and Post-Construction Costs (Excluding Design and Pre-Construction Services, Construction Management Services, FFTE, MOU/ MOA, and Program costs)	Co-approval with Level 4 (or higher) of invoices not exceeding $1,000,000	Co-approval with Level 4 (or higher) of invoices not exceeding $1,000,000	Co-approval with Level 4 (or higher) of invoices not exceeding $2,000,000	Co-approval with Level 2 (or higher) of invoices not exceeding $2,000,000 Co-approval with Level 5 (or higher) of invoices exceeding $2,000,000	Co-approval of invoices of any amount	Co-approval of invoices of any amount
Approval of School Facilities Project Invoices for Contractual Design Professional and Construction Management Services	Co-approval with Level 4 of invoices not exceeding $200,000	Co-approval with Level 4 of invoices not exceeding $200,000	Co-approval with Level 4 of invoices not exceeding $500,000	Co-approval of invoices not exceeding $500,000 Co-approval with Level 5 (or higher) for invoices exceeding $500,000	Co-approval with Level 4 (or higher) of invoices exceeding $500,000	Co-approval with Level 4 or 5 of invoices exceeding $500,000
Approval of Invoices Related to Task Order Consultant Contracts	Co-approval with Level 4 of invoices not exceeding $150,000	Co-approval with Level 4 of invoices not exceeding $150,000	Co-approval with Level 4 of invoices not exceeding $500,000	Co-approval of invoices not exceeding $500,000 Co-approval with Level 5 (or higher) for invoices exceeding $500,000	Co-approval with Level 4 (or higher) of invoices exceeding $500,000	Co-approval with Level 4 or 5 of invoices exceeding $500,000

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 7 -- RECOMMENDATION AND APPROVAL OF INVOICES RELATED TO PROJECTS AND PROGRAM ACTIVITIES RELATING TO PROJECTS

Operating Scope Project and Program Related Invoices	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
Approval of FFTE School Facilities Project Invoices Goods and/or Services Received through Placement of Purchase Orders (SDA Staff processing purchase orders MAY NOT approve invoices relating to those purchase orders)		After confirmation against Purchase Order, co-approval with Level 3 (or higher) of invoices not exceeding $250,000	After confirmation against Purchase Order, co-approval with Level 2 (or higher) of invoices not exceeding $250,000 Co-approval with Level 4 of invoices not exceeding $500,000	Co-approval with Level 4 of invoices not exceeding $500,000 Co-approval with Level 5 (or higher) of invoices exceeding $500,000	Co-approval with Level 4 (or higher) of invoices exceeding $500,000	Co-approval with Level 4 or 5 of invoices exceeding $500,000
Approval of Grant Project Requisitions		Co-approval with Level 3 (or higher) of requisitions not exceeding $1,000,000	Co-approval with Level 2 (or higher) of requisitions not exceeding $1,000,000 Co-approval with Level 4 (or higher) of requisitions not exceeding $2,000,000	Co-approval with Level 5 (or higher) of requisitions of any amount	Co-approval required for requisitions greater than $2,000,000	Co-approval of requisitions of any amount
Approval of Invoices for Services Received Under a Program Wide Contract, an MOU/MOA or other Program-Related Contract	Recommendation required if managing an engagement	Recommendation required if managing an engagement	Recommendation required if managing an engagement Co-approval with Level 4 of invoices not exceeding $500,000	Recommendation required if managing an engagement Co-approval with Level 3 of invoices not exceeding $500,000 Co-approval with Level 5 of invoices exceeding $500,000	Co-approval of invoices of any amount	Co-approval of invoices of any amount
Approval of Invoices for School Facilities Project-Related Costs Incurred Without Formal Executed Contracts (Including, but not limited to, Bond Issuance costs, Utility Bills, Utility Connection and Utility Relocation costs, Printing and Advertisement expenses, Real Estate Taxes and Permit Fees)	Co-approval of invoices not exceeding $10,000 with Level 4	Co-approval of invoices not exceeding $20,000 with Level 4	Co-approval of invoices not exceeding $100,000 with Level 4	Co-approval of invoices not exceeding $100,000 Co-approval with Level 5 (or higher) of invoices exceeding $100,000	Co-approval with Level 4 of invoices exceeding $500,000	Co-approval with Level 4 or 5 of invoices exceeding $500,000

SECTION 7 -- RECOMMENDATION AND APPROVAL OF INVOICES RELATED TO PROJECTS AND PROGRAM ACTIVITIES RELATING TO PROJECTS

Operating Scope **Project and Program Related Invoices**	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**
Authorization for SIMS/EFT Payment Processing (Payments Completed by Disbursement Agent)			Co-approval of any amount with Level 4	Co-approval of any amount	Co-approval of any amount	

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 8 -- ANNUAL OPERATING BUDGET PROCESSES: PURCHASES AND PAYMENTS FOR OPERATIONS
(All checks issued by the SDA require two signatures by approved SDA staff. Check signing authority is by designation of the Chief Executive Officer)

Operating Scope Authority Operations	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
	For Operating Scopes relating to Procurement/Purchasing and Equipment Leasing, approval Levels 1 and 2 must be staff from the Office of Corporate Governance & Operations						
Procurement of Goods and Services for Operational Needs Under Existing Competitively Procured State, GSA, Governmental or Cooperative Contracts **(With Process Approval from Managing Director -- Procurement)**		Co-approval with Level 3 (or higher) for Purchase Orders/Contracts less than $50,000	Co-approval with Level 2 (or higher) for Purchase Orders/Contracts less than $50,000	Co-approval with Level 5 (or higher) for Purchase Orders/Contracts less than $100,000	Co-approval with Level 4 (or higher) for Purchase Orders/Contracts less than $100,000 Co-approval with Level 5 (or higher) for Purchase Orders/Contracts from $100,000 to $250,000 Co-approval with Level 6 for Purchase Orders/Contracts from $250,000 to $500,000	Co-approval with Level 4 (or higher) for Purchase Orders/Contracts less than $100,000 Co-approval with Level 5 for Purchase Orders/Contracts from $100,000 to $500,000	Board approval required for Purchase Orders/Contracts greater than $500,000
Execution of Purchase Orders and/or Procurement of Goods and Services for Operational Use **(With Process Approval from Managing Director -- Procurement)**		Co-approval with Level 3 (or higher) for Purchase Orders/Contracts less than $50,000	Co-approval with Level 2 (or higher) for Purchase Orders/Contracts less than $50,000 Co-approval for with Level 4 (or higher) for Purchase Orders/Contracts less than $250,000	Co-approval with Level 3 (or higher) for Purchase Orders/Contracts less than $250,000	Co-approval with Level 6 for Purchase Orders/Contracts less than $500,000	Co-approval for Purchase Orders/Contracts less than $500,000	Board approval required for Purchase Orders/Contracts greater than $500,000
Approval of SDA Leases of Equipment, Software, and other items **(NJSDA as Lessee)**		Co-approval with Level 3 (or higher) for Contracts less than $50,000	Co-approval with Level 2 (or higher) for Contracts less than $50,000 Co-approval for with Level 4 (or higher) for Contracts less than $250,000	Co-approval Level 3 (or higher) for Contracts less than $250,000	Co-approval with Level 6 for Contracts less than $500,000	Co-approval for Contracts less than $500,000	Board approval required for Contracts greater than $500,000

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 8 -- ANNUAL OPERATING BUDGET PROCESSES: PURCHASES AND PAYMENTS FOR OPERATIONS
(All checks issued by the SDA require two signatures by approved SDA staff. Check signing authority is by designation of the Chief Executive Officer)

Operating Scope Authority Operations	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
	For Operating Scopes relating to Procurement/Purchasing and Equipment Leasing, approval Levels 1 and 2 must be staff from the Office of Corporate Governance & Operations						
Approval of Goods and Services Invoices and SDA Check Requests Pursuant to an Executed Contract or Purchase Order	Co-approval up to $5,000	Co-approval up to $10,000	Co-approval up to $50,000 with Level 4 (or higher)	Co-approval up to $250,000 with Level 5 (or higher)	Co-approval of invoices of any amount	Co-approval of invoices of any amount	
Approval of Goods and Services Invoices and SDA Check Requests Without an Executed Contract or Purchase Order (e.g. Utility bills)			Co-approval with Level 4 (or higher) for amounts up to $10,000	Co-approval with Level 5 up to $25,000	Co-approval with Level 6 up to $50,000	Co-approval up to $50,000	
Approval of Invoices and SDA Check Requests for Goods and Services Related to Administrative Personnel Functions (e.g. help wanted ads, employee parking costs, long term disability payments, medical and dental premiums and claims, wage garnishments, pass through disbursements of charitable contributions)	Co-approval with Level 3 up to $25,000	Co-approval with Level 3 up to $25,000	Co-approval with Level 1 or 2 for amounts up to $25,000 Co-approval with Level 5 or 6 for non-discretionary invoice amounts up to $500,000	Co-approval with Level 1, 2 or 3 for amounts up to $25,000 Co-approval with Level 5 or Level 6 for non-discretionary invoice amounts up to $325,000 $500,000	Level 5 and Level 6 co-approval for discretionary invoice amounts greater than $25,000 Level 5 co-approval with level 3 for non-discretionary invoice amounts up to $500,000 Co-approval with Level 6 for non-discretionary invoices of any amount	Level 5 and 6 co-approval for discretionary invoice amounts greater than $25,000 Level 6 co-approval with level 3 for non-discretionary invoice amounts up to $500,000 Co-approval with Level 5 for non-discretionary invoices of any amount	
Approval of Employee Expense Report Reimbursements (Approvals may be obtained from succeeding higher Levels based upon supervisor availability)			After employee certification, singular approval of direct reports' expenses less than $100	After employee certification, singular approval of direct reports' expenses less than $250	After employee certification, singular approval of expenses. Singular approval of all other colleagues expenses in Level 5 Singular approval of Level 6 expenses up to $500	Singular approval of expenses	Chairman of the Board singular approval of Level 6 expenses greater than $500

(All checks issued by the SDA require two signatures by approved SDA staff. Check signing authority is by designation of the Chief Executive Officer)

Operating Scope Authority Operations	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
	For Operating Scopes relating to Procurement/Purchasing and Equipment Leasing, approval Levels 1 and 2 must be staff from the Office of Corporate Governance & Operations						
Approval of Check Requests for Employee Seminar/Event Attendance, Purchase of Subscriptions/Publications and/or Membership/Licensing Fees After Verification of Inclusion in the Annual Operating Budget and Necessary Department of Human Resources' approvals (Approvals may be obtained from succeeding higher Levels based upon supervisor availability)				Co-approval of direct reports' requests	Co-approval of direct reports' requests	Co-approval of requests	
Approval of Sale, Trade or Disposal of School Facilities Project and/or Operational Personal Property (Notification to the Chief Financial Officer (CFO) required)			Co-approval with Level 4 (or higher) of assets with an estimated fair market value of up to $25,000 CFO notification required	Co-approval with Level 5 of assets with an estimated fair market value of up to $100,000 CFO notification required	Co-approval with Level 5 or 6 of assets with an estimated fair market value of up to $250,000 CFO notification required	Co-approval of assets with an estimated fair market value of up to $500,000 CFO notification required	Board approval required for transactions with an estimated fair market value exceeding $500,000
Authorization for Check Signing and GP/EFT Payment Processing	**All checks and other transfers of funds require the signature from two approved SDA staff members. Designations of approved SDA staff members are made by the Chief Executive Officer. Currently, the Chief Executive Officer has designated that a Level 5 SDA staff member (or higher) be the first signatory on a check or authorizer of a funds transfer and that the a Level 4 SDA staff member (or higher) be the second signatory on a check or authorizer of a funds transfer.**						

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 9 -- CHANGE ORDERS/CONSTRUCTION CHANGE ORDERS

Notification to the Cost Recovery Unit of the Division of Chief Counsel is Required for Change Orders over $150,000
Contract Management Division approval is required for Change Order requests over $150,000 or impacting Project Schedule
Design Studio Review required for any Change Order that is related to Design or Impacts the Education Program of the School Facilities Project
Note: Program Operations *must* verify the availability of funds prior to the construction change recommendation

Operating Scope Change Orders	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Change Orders on SDA-Managed Emergent Projects	Co-approval with Level 3 (or higher) for Change Orders that do not exceed $10,000	Co-approval with Level 3 (or higher) for Change Orders that do not exceed $25,000	Co-approval with Level 1 or 2 for Change Orders that do not exceed $25,000 Co-approval with Level 4 (or higher) for Change Orders that do not exceed $250,000	Co-approval on Change Orders that do not exceed $250,000 Co-approval with Level 5 (or higher) for Change Orders that do not exceed $500,000	Co-approval on Change Orders that do not exceed $500,000 Co-approval with Level 6 for Change Orders that exceed $500,000	Co-approval on Change Orders that do not exceed $500,000 Co-Approval with Level 5 for Change Orders that exceed $500,000	Board Notification required through monthly report of Change Order activity
Credit Change Order (All Projects) ***Level 5 Approval Required for All Credit Change Orders Resulting from Project De-Scoping***	Co-approval with Level 4 (or higher) for Credit Change Orders that do not exceed $10,000	Co-approval with Level 4 (or higher) for Credit Change Orders that do not exceed $25,000	Co-approval with Level 4 (or higher) for Credit Change Orders that do not exceed $250,000	Co-approval of Credit Change Orders that do not exceed $250,000 Co-approval with Level 5 (or higher) for Credit Change Orders that do not exceed $500,000	Co-approval on Credit Change Orders that do not exceed $500,000 Co-approval with Level 6 for Credit Change Orders that exceed $500,000	Co-approval on Credit Change Orders that do not exceed $500,000 Co-Approval with Level 5 for Credit Change Orders that exceed $500,000	
De-Obligation of Funds due to Unspent or Underspent Allowances	Co-approval with Level 4	Co-approval with Level 4	Co-approval with Level 4	Co-approval required			
Change Order which Singularly does not Exceed $75,000	Co-approval with Level 4	Co-approval with Level 3 or 4	Co-approval with Level 2 or 4	Co-approval with Level 2, 3 or 4.			
Change Order which Singularly does not Exceed $250,000 ***CMD review and approval required for requests exceeding $150,000***			Co-approval with Level 4	Co-approval required			

Operating Scope Change Orders	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Change Order which Singularly does not Exceed $500,000 ***CMD review and approval required for requests exceeding $150,000***			Co-approval with Level 5 (or higher)	Co-approval with Level 5 (or higher)	Co-approval with Level 3 or 4		
Change Order which Singularly does not exceed $1,000,000 ***CMD review and approval required for requests exceeding $150,000***				Recommendation required	Co-approval with Level 6 required	Co-approval required	
Change Order which Singularly Exceeds $1,000,000 ***CMD review and approval required for requests exceeding $150,000***			After review and approval by the Contract Management Division, recommendation required	After review and approval by the Contract Management Division, recommendation required	After review and approval by the Contract Management Division, recommendation required		Board approval required
Any Change Order Impacting Schedule **Inter-divisional approval required from both the Contract Management Division and the Office of Program and Construction Operations**				After review and approval by the Contract Management Division, co-approval by Program Director – Construction Operations required	After review and approval by the Contract Management Division, co-approval required	Chief Executive Officer notification required	
Any Change Order on a Non-Emergent Project which Singularly or in the Aggregate Exceeds 60% of the Construction Contingency in the most Recently Approved Project Charter				Project Review and recommendation required	VP of Program Operations co- approval with Level 6 required	Co-approval required	
A Change Order on an Emergent Project which Singularly or in the Aggregate Exceeds 60% of the Construction Contingency in the most Recently Approved Project Charter				Project Review required Co-approval with Level 5 required	Co-approval required	Co-approval	

Operating Scope Change Orders	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
Change Order which Singularly or in the Aggregate Exceeds: • **Board-approved Project Charter contingency** • **CEO-approved additional contingency**	After review and approval by the Contract Management Department, recommendation required	After review and approval by the Contract Management Department, recommendation required	After review and approval by the Contract Management Department, recommendation required	After review and approval by the Contract Management Department, recommendation required	After review and approval by the Contract Management Department, recommendation required		**Board approval required**

Operating Levels - any given lowest required level is expected to seek co-approval from the supervisory level of that position. Lower levels shall have approved actions prior to seeking required level approvals.
Monthly Reports will be provided to the Board of Directors including:
Projects that are projected to exceed their Board-approved Project Charter contingency amount;
Projects indicating the possible compromise of an occupancy date, inclusive of recovery plan, as appropriate; and
All approved Change Orders during the previous month.

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 10 -- AMENDMENTS TO REAL ESTATE SERVICES CONTRACTS

Operating Scope Amendments to Real Estate Services Contracts	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Change Order/Amendment Which Singularly does not Exceed $25,000		Recommendation required	Co-approval with Level 4 (or higher) required	Co-approval	Co-approval	Co-approval	Monthly report on activity required
Change Order/Amendment which Singularly does not Exceed $150,000		Recommendation required	Co-approval with Level 5 (or higher) required	Co-approval with Level 5 (or higher) required	Co-approval	Co-approval	Monthly report on activity required
Change Order/Amendment which Singularly does not Exceed the Lesser of $250,000 or 10% of the Contract Value			Recommendation required	Recommendation required	Co-approval required	Co-approval required	Monthly report on activity required
Change Order/Amendment which Exceeds $250,000 or 10% of the Contract Value			Recommendation required	Recommendation required	Recommendation required		Board approval required
Changes to the Real Estate Relocation Budget			Recommendation required	Recommendation required	Recommendation required		Board approval required

Operating Levels - any given lowest required level is expected to seek co-approval from the supervisory level of that position. Lower levels shall have approved actions prior to seeking required level approvals.

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 11 -- AMENDMENTS TO PROFESSIONAL SERVICES AND CONSTRUCTION MANAGEMENT SERVICES CONTRACTS
Division of Design Studio shall approve all Design Consultant Amendments
Contract Management Division shall approve *all other* Amendments

Operating Scope Amendments to Professional Services and Construction Management Services Contracts	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Credit Amendment	Co-approval with Level 4	Co-approval with Level 4	Co-approval with Level 4	Co-approval with Level 1, 2 or 3 required for Credit Amendments up to $100,000 Co-approval with Level 5 (or higher) for Credit Amendments not exceeding $250,000	Co-approval of Credit Amendments not exceeding $250,000 Co-approval with Level 6 for Credit Amendments in excess of $250,000	Co-approval required for Credit Amendments exceeding $250,000	
De-Obligation of Funds due to Unspent or Underspent Allowance or Unspent or Underspent Task Order Contract Authorization	Co-approval with Level 4	Co-approval with Level 4	Co-approval with Level 4	Co-approval required			
Amendment which Singularly does not Exceed $75,000	Co-approval with Level 4	Co-approval with Level 4	Co-approval with Level 4	Co-approval required			
Amendment which Singularly does not Exceed $250,000				Co-approval with Level 5 (or higher)	Co-approval with Level 4	Co-approval with Level 4 or 5	
Amendment which Exceeds $250,000				Recommendation required	With advice from Division of Chief Counsel, co-approval with Level 6	Co-approval required	
Operating Levels - any given lowest required level is expected to seek co-approval from the supervisory level of that position. Lower levels shall have approved actions prior to seeking required level approvals.							

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 12 -- AMENDMENTS TO GOODS AND SERVICES CONTRACTS (INCLUDING MEMORANDA OF AGREEMENT AND MEMORANDA OF UNDERSTANDING)

Operating Scope Amendments to Goods and Services Contracts	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Amendment which Singularly does not Exceed $100,000				Co-approval with Level 5 (or higher) and with notification to the Audit Committee and Board of Directors	Co-approval with any Level	Co-approval with any Level	
Amendment which Singularly does not Exceed $200,000					Co-approval with Level 6 required	Co-approval required	
Amendment which Exceeds $200,000				Recommendation required	Recommendation required		Board approval required with recommendation from the Board's Audit Committee
Monthly report to the Board of Directors on Goods & Services Amendment activity required.							
*** The Office of the Chief Financial Officer must be notified of every Change Order/Amendment prior to approval.**							

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 13 -- AMENDMENTS TO ALL EXECUTED GRANTS
Contract Management Division shall approve *all* amendments

Operating Scope Amendments to Grant Agreements	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
	Approvals for Levels 2, 3 and 4 must be staff from the Office of Program and Construction Operations						
Grant Project Amendment or a Credit Amendment which does not Exceed $250,000 or Singularly or in the Aggregate does not Exceed 5% of the Revised Base Grant Amount (Pursuant to N.J.A.C. 19:34B)			Co-approval with Level 5	Co-approval with Level 5	Co-approval	Co-approval	
Grant Project Amendment or a Credit Amendment which Exceeds $250,000 or Singularly or in the Aggregate Exceeds 5% of the Revised Base Grant Amount (Pursuant to N.J.A.C. 19:34B)							Board Approval Required
Emergent Project Grant: **Any Change Order impacting a delegated Emergent Project**				Co-approval	Co-approval	Co-approval required for grant amendments which exceed 10% of the grant value	
Change Orders to Capital Maintenance Grants (13A)		Co- approval with Level 4	Co-approval with Level 4	Co-approval	Co-approval		
Operating Levels - any given lowest required level is expected to seek co-approval from the supervisory level of that position. Lower levels shall have approved actions prior to seeking required level approvals.							

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 14 -- CONTRACT CHANGE DIRECTIVES
Contract Management Division must establish SDA's valuation of and review and approve all CCDs
Notification to the Division of Chief Counsel is required prior to issuance of any CCD

Operating Scope Change Directives	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**	**Level 6**	**Level 7**
	Approvals for Levels 3 and 4 must be staff from the Office of Program Operations and holding titles of Deputy Director, Program Director						
Issuance of a Zero Value Contract Change Directive (Contract Management Division shall establish the SDA's valuation of and review and approve the issuance of CCDs)		Recommendation required	Recommendation required	Co-approval with Level 5 (SDA Valuation not to exceed $250,000)	Co-approval required with Level 4 (SDA valuation not to exceed $250,000) Co-approval required with Level 6 (SDA valuation greater than $250,000)	Co-approval (SDA valuation not to exceed $250,000) Co-approval required with Level 5 (SDA valuation greater than $250,000)	Monthly report, including CCD estimated values, required.
Issuance of a zero dollar value Contract Change Directive requires the concurrence of the Contract Management Division that the issuance is necessary **All CCDs are issued with a zero dollar value** **The Levels of Approval required prior to issuance is determined based upon the anticipated value of the "resolving" Change Order for each CCD** **Prior to issuance of the CCD, notification to the Division of Chief Counsel is required** **The Contract Management Division is responsible for determining an anticipated value of the "resolving" Change Order for each CCD.**							

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 15 -- REAL ESTATE ACQUISITION SETTLEMENTS
Actions relating to real property acquisition, condemnation, and relocation

Operating Scope Real Estate Services	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Approval of Land Acquisition Projects (including Site Identification, Initial Acquisition & Relocation Budgets)							**Board approval required**
Settlement Authority for Board Approved Purchase Prices, Price Re-Certification, Updated Condemnation Values, or Relocation Benefits after Board-approved Acquisition and Relocation Budget Development				After notification to Division of Chief Counsel, may co-approve with Level 5 (or higher) costs up to 115% of the Board Approved Budget Amount	After notification to Division of Chief Counsel, may co-approve with Level 6 costs up to 120% of the Board Approved Budget Amount	After notification to Division of Chief Counsel, may co-approve costs up to 120% of the Board Approved Budget Amount	Board approval required where costs would exceed 120% of the Board Approved Budget Amount
For properties with multiple rental units, the scopes described are intended to apply separately to each Protective Lease.							
Protective Lease* Value: not exceeding $50,000 Term: not exceeding 1 year			Co-approval with Level 4 (or higher)	Co-approval	Co-approval	Co-approval	
Protective Lease* Value: not exceeding $100,000 Term: not exceeding 1 year			commendation required	Co-approval	Co-approval with Level 5 required	Co-approval	
Protective Lease* Value: not exceeding $250,000 Term: not exceeding 1 year				Recommendation required	Co-approval with Level 5 (or higher) required	Co-approval required	
Protective Lease* Value: exceeding $250,000 Term: exceeding 1 year					Recommendation required	Notification required prior to Board activity	Board approval required
A monthly report to the Board of Directors listing all settlement activity relating to purchase and relocation actions is required.							
*** A "Protective Lease" means a lease entered into with the property owner whereby the property owner agrees not to lease the subject property to a third party prior to SDA acquisition.**							

New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS
SECTION 16 – SETTLEMENT AUTHORITY

Operating Scope	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Upon Approval from the Division of Chief Counsel, Settlement for an Amount not to exceed $50,000	Co-approval with Level 4 (or higher)	Co-approval with Level 4 (or higher)	Co-approval with Level 4 (or higher)	Co-approval with any level	Co-approval with any level	Co-approval with any level	Monthly report, including initial claim and settlement values, required.
Upon Approval from the Division of Chief Counsel, Settlement for an Amount not to exceed $100,000		Co-approval with Level 4 (or higher)	Co-approval with Level 4 (or higher)	Co-approval with Level 2 (or higher)	Co-approval Level 2 (or higher)	Co-approval with Level 2 (or higher)	Monthly report, including initial claim and settlement values, required.
Upon Approval from the Division of Chief Counsel, Settlement for an Amount not to exceed $250,000			Co-approval with Level 5 (or higher)	Co-approval with Level 5 (or higher)	Co-approval with Level 3 (or higher)	Co-approval with Level 3 (or higher)	Monthly report, including initial claim and settlement values, required.
Upon Approval from the Division of Chief Counsel, Settlement for and Amount not to exceed $500,000				Co-approval with Level 6	Co-Approval with Level 6	Co-approval required	Monthly report, including initial claim and settlement values, required.
Upon Approval from the Division of Chief Counsel, Settlement for an Amount Exceeding $500,000				Recommendation required	Recommendation required	Recommendation required	Board approval required
Upon Approval from the Division of Chief Counsel, Execution of Settlement Agreement				May Singularly Execute	May Singularly Execute	May Singularly Execute	

The Office of the Chief Financial Officer and the Office of Program and Construction Operations must be notified of every settlement.
The Board of Directors shall receive a monthly report of all Settlements, including initial claim and settlement amount.

Policy Governing Operating Authority -- Schedule 3

NJSDA DELEGATION OF AUTHORITY MEMORANDUM

TO: Vice President of Corporate Governance

FROM: ____

DATED: _____________________________________

I have a planned absence from work from __________________ to ___________________. I hereby delegate to ____ whose title at the SDA is ____ my authority to approve actions and to execute documentation consistent with and as provided by the SDA Policy Governing Operating Authority. The scope of this delegation of authority includes the power to approve actions and execute documentation with the exception of following:

[For CEO Delegations – Check any applicable]

☐ Any matter requiring Board approval
☐ Contract amendments exceeding $250,000
☐ Settlements exceeding $250,000
☐ Sole source procurements (any amount)
☐ Declaration or disposition of surplus property
☐ Any contract termination for cause (any amount)
☐ Termination of contracts exceeding $500,000
☐ Any employment actions affecting Vice Presidents or CEO direct reports
☐ Settlement of employment discrimination, harassment, or retaliation claims
☐ Modifications to SDA policies
☐ Execution of agreements requiring Board approval (MOUs, MOAs, Interagency Agreements)
☐ Responses to subpoenas, legislative inquiries, or State Comptroller requests
☐ Other ____

[For Vice President Delegations – Check any applicable]

☐ Recommendations to Board or CEO
☐ Actions requiring CEO/other VP co-approval
☐ Contracts/amendments greater than $250,000
☐ Settlements greater than $100,000
☐ Contract terminations for cause (any amount)
☐ Actions affecting VP's direct reports
☐ Precedent-setting decisions
☐ Other ____

Delegator’s Signature: ____

Delegate’s Signature Acknowledgement: ____

Date of Acknowledgement: ________________________

ATTACHMENT B

BY-LAWS

OF THE

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Adopted:

August 15, 2007

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

BY-LAWS

ARTICLE I
GENERAL PROVISIONS

Section 1.1 Scope and Provisions of By-Laws. These by-laws are adopted pursuant to Section 4 of P.L. 2007, c. 137, approved August 6, 2007 (N.J.S.A. 52:18A-238). They are intended to govern the affairs and the conduct of the business of the Authority with respect to the performance of its functions, powers and duties under P.L. 2007, c. 137, and the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (principally codified at N.J.S.A.18A:7G-1 et seq.) (the "EFCFA").

Section 1.2 Name of the Authority. The name and title of this Authority shall be the "NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY" (hereinafter referred to as the "Authority").

Section 1.3 Principal Office. The principal office of the Authority shall be [One West State Street] 32 East Front Street, P. O. Box 991, Trenton, New Jersey, 08625. All communications to the Authority shall be addressed to its principal office except as may otherwise be specified by resolution, regulation or rule. The Authority may also have offices at such other places as it may from time to time designate by resolution.

Section 1.4 Public Inspection. Authority records shall be available for public inspection at the principal office of the Authority.

Section 1.5 Seal. The Seal of the Authority shall be in the form of a circle enclosing the seal of the State of New Jersey, and shall bear the name of the Authority and the year of its creation (2007).

Section 1.6 Rules and Regulations. The rules and regulations of the Authority shall include, but not be limited to the SDA "Operating Authority", "Policies, Programs and Benefits Manual", "Annual Operating Budget", "Staffing Plan", "State Uniform Ethics Code", "SDA Supplemental Ethics Code" and all other policies properly adopted and governing Authority operations.

Section 1.7 Staffing Plan. The Staffing Plan is a representation of 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.

ARTICLE II
MEMBERS AND DESIGNEES

Section 2.1 Members. The Authority shall consist of eighteen members: the Commissioner of Education, the Commissioner of the Department of Community Affairs, the Executive Director of the Economic Development Authority and the State Treasurer, who shall serve as ex officio members; twelve public members appointed by the Governor with the advice and consent of the Senate; and two additional public members, one appointed by the Governor upon the recommendation of the Senate President, and one appointed by the Governor upon the recommendation of the Speaker of the General Assembly. At least one of the twelve public members appointed by the Governor shall have knowledge or expertise in the area of law enforcement and the remaining public members shall have knowledge or expertise in real estate development, construction management, finance, architectural or building design, or any other related field. The public member appointed by the Governor upon the recommendation of the Senate President and the public member appointed by the Governor upon the recommendation of the Speaker of the General Assembly shall each have knowledge or expertise in real estate development, construction management, finance, architectural or building design, education, or any other related field. The members shall collectively function as the governing body of the Authority to the extent of the powers and authority allocated pursuant to P.L. 2007, c. 137, and the EFCFA, and shall be referred to as the Board of the Authority (or "Board").

Section 2.2 Terms of Public Members. Each public member shall serve for a term of five years and shall hold office for the term of the member's appointment and until the member's successor shall have been appointed and qualified. A member shall be eligible for reappointment. Any vacancy in the membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.

Section 2.3 Compensation of Members. The members shall serve without compensation, but the Authority may reimburse its members for actual expenses incurred in the discharge of their duties.

Section 2.4 Removals. Each of the twelve members appointed by the Governor may be removed from office by the Governor, for cause, after a public hearing, and may be suspended by the Governor pending the completion of such hearing. Each of the members appointed by the Governor upon the recommendation of either the Senate President or the Speaker of the General Assembly may be removed from office by the Governor upon the recommendation of the Senate President or Speaker as applicable, for cause, after a public hearing, and may be suspended by the Governor upon the recommendation of the Senate President or Speaker as applicable pending the completion of the hearing.

Section 2.5 Oath. Each member before entering upon his duties shall take and subscribe an oath to perform the duties of the office faithfully, impartially and justly to the best of his ability. A record of such oath shall be filed in the Office of the Secretary of State.

Section 2.6 Surety Bonds. Each member shall execute a bond to be conditioned upon the faithful performance of the duties of the member in such form and amount as may be prescribed by the Director of the Division of Budget and Accounting in the Department of the Treasury. Such bonds shall be filed in the Office of the Secretary of State. At all times thereafter, the members of the

Authority shall maintain such bonds in full force and effect. All costs of such bonds shall be borne by the Authority.

Section 2.7 Designees. Each ex officio member of the Authority may designate an officer or employee of the member's department or authority to represent the member at meetings of the Authority. Each such designee may lawfully vote and otherwise act on behalf of the member for whom the person constitutes the designee. Any such designation shall be in writing delivered to the Assistant Secretary of the Authority and shall continue in effect until revoked or amended by writing delivered to the Assistant Secretary of the Authority.

ARTICLE III
MEETINGS

Section 3.1 Place of Meetings. All meetings of the Authority shall be held at a location to be determined by the Chairperson of the Authority, provided that any and all members may participate in a meeting of the Authority by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting, including the public when required, to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 3.2 Annual Organizational Meeting. The Annual Meeting of the Authority shall be held at the principal office of the Authority on the last Wednesday of January of each year at 10:00 a.m., or such earlier or later date in January of each calendar year as the Chairperson may designate in accordance with the notice provisions hereinafter provided, for the purpose of electing the officers of the Authority and for the transaction of such other business as may properly come before the meeting. The Authority shall, at its Annual Meeting, establish a schedule of regular meetings for the following 12-month period, and no further notice of such regularly scheduled meetings need be given to any member of the Authority.

Section 3.3 Regular Meetings. Regular meetings of the Authority shall be held at such times and places as may be determined by resolution of the Authority in accordance with the provisions of the Open Public Meetings Act, P.L. 1975, c. 231, as amended, N.J.S.A. 10:4-1 *et seq*., or any successor statute (hereinafter referred to as the "Open Public Meetings Act").

Section 3.4 Special Meetings. Special meetings of the Authority may be called by the Chairperson or, in his absence, the Vice Chairperson, and shall be called at the written request of three or more members. Such meetings shall be held in conformity with the provisions of the Open Public Meetings Act. Written notice of each such special meeting shall be given at least 48 hours prior to the time named for the meeting to each member who does not waive such notice in writing, and shall specify the time, place and purpose(s) of the meeting. At such meetings, any and all matters may be considered and acted upon by members of the Authority.

Section 3.5 Public Notice of Meetings of the Authority. Except as provided by Section 3.6 hereof, all meetings of the Authority shall be open to the public, and at the commencement of every meeting the Chairperson, or such other person as shall be presiding, shall announce in public, and shall cause to be entered in the minutes of the meeting, an accurate statement of the matters required by Section 5 of the Open Public Meetings Act. The Secretary or Assistant Secretary of the Authority shall give public notice of meetings of the Authority pursuant to the requirements of the Open Public Meetings Act.

Section 3.6 Executive Sessions. At any regular or special meeting of the Authority, the members may, by resolution, close the session to the public to meet in Executive Session as authorized by the Open Public Meetings Act. Any resolution to meet in Executive Session shall state the general matters or subjects to be discussed in Executive Session and state as precisely as possible the time or circumstances under which the discussions conducted in Executive Session can be disclosed to the public. Minutes of Executive Sessions shall be taken and shall be disclosed to the public when deemed appropriate by the members of the Authority.

Section 3.7 Minutes. Minutes of all meetings, including Executive Sessions as provided in Section 3.6 hereof, shall be kept showing the time and place, the members present, the subjects considered, the actions taken, the vote of each member, and any other information required to be shown in the minutes by law, and shall be promptly made available to the public, to the extent that making such matters public shall not be inconsistent with Section 3.6 hereof in the case of Executive Sessions.

Section 3.8 Quorum. Ten members shall constitute a quorum for the transaction of business. No vacancy in the membership of the Authority shall impair the right of a quorum of the members to exercise all the powers and perform all the duties of the Authority.

Section 3.9 Voting. At every meeting of the Authority, each member shall be entitled to one vote. All elections shall be had, action may be taken and motions and resolutions adopted by the affirmative vote of at least ten members of the Authority. Except when the vote is unanimous, the voting on all questions, resolutions and motions shall be by roll call and the yeas and nays shall be entered into the minutes.

Section 3.10 Submission of the Minutes to the Governor. A true copy of the minutes of every meeting of the Authority shall be delivered by and under the certification of the Secretary thereof to the Governor. No action taken at any meeting of the Authority shall have force or effect until ten days, Saturdays, Sundays, and public holidays excepted, after the copy of the minutes shall have been so delivered, unless during such ten-day period the Governor shall approve the same in which case the action shall become effective upon such approval. If, in that ten-day period, the Governor returns a copy of the minutes with veto of any action taken by the Authority or any member thereof at the meeting, such action shall be null and of no effect. If the Governor shall not return the minutes within said ten-day period, any action therein recited shall have force and effect according to the wording thereof.

Section 3.11. Certification of Resolutions. Each member is authorized to certify, when required, the records, proceedings, documents, or resolutions of the Authority, and to affix the seal of the Authority to all contracts, documents and instruments to be executed by the Authority.

ARTICLE IV
OFFICERS

Section 4.1 Officers of the Authority. The officers of the Authority shall be the Chairperson, Vice Chairperson, Secretary, Treasurer and Chief Executive Officer. The Authority may, by resolution, appoint other officers at its discretion as is necessary to address the affairs of the Authority.

Section 4.2 Officer Selection and Terms of Office. The Chairperson shall be appointed by the Governor from the public members. Any such appointment shall be in writing and shall be delivered to the Authority and shall continue in effect until revoked or amended in writing by the Governor to the Authority. At each Annual Meeting of the Authority, the members shall elect from their remaining number a Vice Chairperson, a Secretary and a Treasurer thereof. The Vice Chairperson, Secretary and Treasurer shall be elected for a term of one year, and shall serve for said term until their successors shall have been duly elected, except as provided otherwise in Section 4.3 concerning filling vacancies. The Authority shall appoint and employ an executive director who shall be its Chief Executive Officer.

Section 4.3 Vacancies. In the event any office of the Authority established under Section 4.1, except if such office is held by an ex officio member, becomes vacant by death, resignation, removal or any other cause, or in the event additional offices are created by the Authority, the members may at any meeting elect an officer to fill such vacancy or additional office, and the officer so elected shall serve until the next Annual Meeting of the Authority and until the election of the officer's successor.

Section 4.4 Chairperson. The Chairperson shall preside at all meetings of the Authority and rule on all questions of order, subject to appeal by the members. The Chairperson shall submit such recommendations considered proper concerning the business, duties and affairs of the Authority and shall have such other powers and shall perform such other duties as the Authority may from time to time prescribe by resolution.

Section 4.5 Vice Chairperson. The Vice Chairperson shall preside over all meetings in the absence or disability of the Chairperson and shall perform the duties of the Chairperson in the event the office of the Chairperson is vacant or the Chairperson is unable to perform such duties by reason of illness, disability or absence. The Vice Chairperson shall have such other powers and perform such other duties as the Authority may from time to time prescribe by resolution.

Section 4.6 Secretary. The Secretary shall act as clerk of all meetings of the Authority, record or cause to be recorded all the proceedings of the meetings of the Authority, and cause such records to be kept in such a manner as to ensure their permanence. The Secretary shall give proper notice of all meetings as described herein and shall have custody of all the books and records of the Authority, except those kept by the Treasurer. The Secretary shall keep in safe custody the seal of the Authority and shall have the power to affix such seal to all contracts and instruments authorized to be executed by the Authority. The Secretary shall in general perform all the duties incident to the office of Secretary, subject to the control of the Authority, and shall have such other powers to do and perform such other duties as the Authority may prescribe from time to time by resolution. The Secretary shall deliver and certify forthwith a true copy of the minutes of every meeting of the Authority to the Governor. The Secretary shall also keep a record, containing the names of all persons who are members of the Authority or duly appointed designees of the members, showing their places of business and dates of membership or dates of designation.

Section 4.7 Assistant Secretary. The Authority may, by resolution, appoint an Assistant Secretary, who need not be a member of the Authority, and delegate any and all of the duties and confer any and all of the powers of the Secretary to the Assistant Secretary. The Authority may, by resolution, assign responsibility for the corporate governance and compliance responsibilities of the Authority to an Assistant Secretary. If the Authority confers such responsibility to an Assistant Secretary, the Assistant Secretary shall report to both the Chief Executive Officer and the Audit Committee. In the event that the Authority does not confer such responsibility upon an Assistant Secretary, or such Assistant Secretary is unable to fulfill such responsibility, the corporate governance and compliance responsibilities shall be vested in the Chief Executive Officer. The Authority may, by resolution, appoint additional Assistant Secretaries to serve in the event of the Assistant Secretary's absence or disability.

Section 4.8 Treasurer. The Treasurer shall have such powers and perform such duties as the Authority may prescribe from time to time.

Section 4.9 Assistant Treasurer. The Authority may, by resolution, appoint the Chief Financial Officer of the Authority to act as Assistant Treasurer, and may delegate any and all of the duties and confer any and all of the powers of the Treasurer to the Assistant Treasurer.

Section 4.10 Removal of Officers. Any officer of the Authority, other than the Chairperson, may be removed by the Authority whenever in its judgment the best interest of the Authority will be served thereby. The removal of a member of the Authority from an office thereof shall in no way constitute such member's removal as a member of the Authority.

ARTICLE V
STAFF

Section 5.1 Employment Actions Affecting Authority Management Team. An affirmative vote of the development authority shall be required to effect the hiring, termination, or discipline of any member of the management team of the development authority, which shall include the Chief Executive Officer, the Vice President of Program and Construction Operations, the Vice President and Chief Financial Officer, and the Vice President of Corporate Governance.

Section 5.2 Chief Executive Officer. The Authority shall employ a Chief Executive Officer qualified by training and experience for the duties of the office, who shall report to the members of the Authority. Unless otherwise directed by the members of the Authority, subject to the limitations, if any, of the budget adopted by the Authority and subject to the rules and regulations of the Authority, the Chief Executive Officer shall have general supervisory and management responsibility over all activities of the Authority, except in the case of the hiring, termination, or discipline of any other member of the management team of the development authority, which shall include the Vice President of Program and Construction Operations, the Vice President and Chief Financial Officer and the Vice President of Corporate Governance. In such case, an affirmative vote of the development authority shall be required for any such employment action. The Chief Executive Officer shall have the following powers and duties in addition to any other powers conferred upon him/her or duties assigned to him/her by any other provisions of these By-Laws or by resolution of the Authority:

A. Personnel. The Chief Executive Officer shall:

(1) Establish an annual staffing plan;
(2) supervise and direct the internal organization;
(3) when deemed necessary, establish a reorganization plan for presentation to the appropriate committee of the Board of Directors;
(4) employ such additional personnel as may be deemed necessary to exercise the powers, duties and functions of the Authority consistent with the Board approved staffing plan;
(5) create, determine and prescribe the duties and qualifications of new and existing positions;
(6) assign functions and duties to any employee of the Authority and modify such assignments as needed;
(7) appoint, assign, promote, remove, suspend, discipline and supervise employees of the Authority consistent with the rules and regulations of the Authority;
(8) at least once per quarter, provide the Audit Committee with an update on matters related to personnel and employee compensation; and
(9) administer a compensation plan, including salary range adjustments and merit increases, through consultation with the members of the Authority and/or consistent with the budget adopted by the members of the Authority.

B. Annual Budget. The 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.

C. Staffing Plan. The Chief Executive Officer shall prepare and submit a proposed annual staffing plan for the Authority for each ensuing year for adoption by the members of the Authority.

D. Procurement. The Chief Executive Officer shall supervise the procedures for the procurement of all supplies, material, equipment and services needed for the efficient and effective operation of the Authority.

E. Contracts. The Chief Executive Officer may execute contracts for good and services required for the efficient and effective operation of the Authority as set forth in resolutions adopted by the Authority.

F. Hearings. The Chief Executive Officer or his designee may authorize and hold hearings which may be required under P.L. 2007, c. 137, and the EFCFA, or which he may otherwise deem appropriate.

G. Delegation. The Chief Executive Officer may provide appropriate staff members with grants of operating authority in accordance with resolutions adopted by the Authority. In the event of the absence or disability of the Chief Executive Officer, the Chief Executive Officer may delegate one of the Authority's Vice Presidents to exercise the functions and undertake the responsibilities of the office of Chief Executive Officer.

H. Scope of Administrative Powers. The powers vested herein in the Chief Executive Officer shall not be construed or deemed to affect the power of the members of the Authority to act in any case, but where the members of the Authority exercise a power in any such case, such action shall not be construed or deemed to affect the power of the Chief Executive Officer to act in similar cases in the future.

Section 5.3 Chief Financial Officer. The Authority shall employ a Chief Financial Officer who shall be responsible for implementing adequate internal financial controls and shall provide for the custody of the funds and other property of the Authority. The Chief Financial Officer shall report to the Chief Executive Officer.

Section 5.4 Signing Authority. The members of the Authority shall designate by resolution those individual members, officers, employees (or any combination thereof) who shall be authorized (either generally or in specific transactions) to approve contracts and to execute documents legally binding on the Authority, or to sign checks and disbursements on behalf of the Authority. The authority of any such person so designated shall terminate immediately upon resignation, death, removal from office or termination of employment with the Authority, or upon the completion of the specific transaction as set forth in the authorizing resolution.

ARTICLE VI
WAIVER OF NOTICE

Section 6.1 Waiver of Notice. Whenever the Authority or any officer thereof is authorized to take any action or to hold any meeting or proceeding after notice or after the lapse of a prescribed period of time, such actions may be taken, or such meeting or proceeding held, without notice and without the lapse of any period of time, if at any time before or after the action to be completed or the meeting or proceeding to be held, the notice or lapse of time requirements be waived in writing by the member, person or body entitled to said notice or entitled to the benefit of the lapse of time.

ARTICLE VII
FISCAL YEAR

Section 7.1 Fiscal Year. 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.

ARTICLE VIII
REPORTS

Section 8.1 Biannual Report. The Authority shall submit to the Governor, the Joint Budget Oversight Committee, the President of the Senate and the Speaker of the General Assembly a biannual report pursuant to the provisions of section 24 of P.L.2000, c.72 (C.18A:7G-24).

Section 8.2 Annual Audit. The Authority shall provide for an annual audit of the financial statements of the Authority by a certified public accountant, and cause a copy thereof to be filed with the Secretary of State, the Director of the Division of Budget and Accounting in the Department of Treasury, and the State Auditor.

Section 8.3 Comprehensive Annual Report. Annually, the Authority shall prepare a comprehensive report regarding the Authority's operations in accordance with Executive Order No. 37 (Corzine). Following approval of the report by the members of the Authority, the report shall be submitted to the Governor's Authorities Unit and posted on the Authority's web site.

ARTICLE IX
AUDIT COMMITTEE

Section 9.1 Establishment of the Audit Committee. There is hereby established a standing committee of the Authority, which shall be called the Audit Committee.

Section 9.2 Members. The Audit Committee shall consist of no less than three and no more than seven members, including the Chairperson of the Authority, the State Treasurer and up to five additional members of the Authority appointed by the Chairperson. The Chairperson shall select one of the members of the Audit Committee to chair the Committee. At no time shall a member of the Authority's staff be a member of the Audit Committee. Each Audit Committee member shall be independent of the Authority as required by Executive Order No. 122 (McGreevey) ("EO 122"). At least one Audit Committee member shall have accounting or related financial expertise, and all members shall have knowledge of the Authority's governmental functions and sufficient time to accomplish the responsibilities of the Audit Committee.

Section 9.3 Meetings. The times, places and agenda for the Audit Committee shall be set forth by the Chairperson of the Committee, and shall be in accordance with EO 122.

Section 9.4 Independent Auditor. The Authority shall provide for an annual audit of the financial statements of the Authority as specified by Section 7.2 hereof. The Audit Committee shall assist the Authority in retaining an independent auditor to conduct such an audit by engaging in the auditor selection process prescribed by EO 122 and making a recommendation to the members of the Authority.

Section 9.5 General Duties. The Audit Committee shall proactively assist and advise the members of the Authority in overseeing: (i) the integrity and quality of the Authority's financial statements; (ii) the independent auditor's performance and ability to perform; (iii) the performance of the Authority's internal audit and internal control functions; (iv) the Authority's compliance with legal, regulatory, and ethical requirements; and (v) personnel and compensation policies. The specific duties of the Committee shall be defined by the Audit Committee's Charter, which shall include those duties established by EO 122 and such other duties as may be prescribed from time to time by resolution, provided that the actions of the Audit Committee shall be advisory in nature and shall not bind the members of the Authority or other parties.

Section 9.6 Voting. At every meeting of the Audit Committee at which action may be taken, a majority of the sitting members shall constitute a quorum. All action may be taken and motions and resolutions adopted by the affirmative vote of a majority of the members present.

ARTICLE X
SCHOOL REVIEW COMMITTEE

Section 10.1 Establishment of the School Review Committee. There is hereby established a standing committee of the Authority, which shall be called the School Review Committee.

Section 10.2 Members. The School Review Committee shall consist of no less than three and no more than seven members of the Authority, who shall be appointed by the Chairperson. The Chairperson shall select one of the members of the School Review Committee to chair the Committee.

Section 10.3 Meetings. The times, places and agenda for the School Review Committee shall be set forth by the Chief Executive Officer in conjunction with the Chairperson of the Committee.

Section 10.4 General Duties. The School Review Committee shall proactively assist and advise the members of the Authority regarding matters related to the planning, design and construction of school facilities projects including, but not limited to, project management issues and related expenditures in accordance with the Operating Authority adopted by the Authority. The Committee shall perform such other duties as may be prescribed from time to time by resolution, provided that the actions of the School Review Committee shall be advisory in nature and shall not bind the members of the Authority or other parties.

Section 10.5 Voting. At every meeting of the School Review Committee at which action may be taken, a majority of the sitting members shall constitute a quorum. All action may be taken and motions and resolutions adopted by the affirmative vote of a majority of the members present.

ARTICLE XI
REAL ESTATE COMMITTEE

Section 11.1 Establishment of the Real Estate Committee. There is hereby established a standing committee of the Authority, which shall be called the Real Estate Committee.

Section 11.2 Members. The Real Estate Committee shall consist of no less than three and no more than seven members of the Authority, who shall be appointed by the Chairperson. The Chairperson shall select one of the members of the Real Estate Committee to chair the Committee.

Section 11.3 Meetings. The times, places and agenda for the Real Estate Committee shall be set forth by the Chief Executive Officer of the Authority in conjunction with the Chairperson of the Committee.

Section 11.4 General Duties. The Real Estate Committee shall proactively assist and advise the members of the Authority regarding real estate matters related to the school construction program. The Committee shall perform such other duties as may be prescribed from time to time by resolution, provided that the actions of the Real Estate Committee shall be advisory in nature and shall not bind the members of the Authority or other parties.

Section 11.5 Voting. At every meeting of the Real Estate Committee at which action may be taken, a majority of the sitting members shall constitute a quorum. All action may be taken and motions and resolutions adopted by the affirmative vote of a majority of the members present.

ARTICLE XII
COMMITTEES

Section 12.1 Establishment of Committees. The Chairperson may, at his discretion, appoint and abolish committees, other than those provided herein, as is necessary to address the affairs of the Authority. The Chairperson of the Authority shall appoint the chairs of these committees.

ARTICLE XIII
AMENDMENT OR SUSPENSION OF BY-LAWS

Section 13.1 Amendments to By-Laws. These By-Laws may be altered, amended or repealed at any meeting of the Authority by the affirmative vote of at least ten members, after written notice of such an intention is provided by the Secretary to each member.

Section 13.2 Suspension of By-Laws. Any and all provisions of these By-Laws may be suspended by unanimous consent of the members present at any duly constituted meeting of the Authority.

Resolution–5a.

Proposed Revisions to the SDA's Policy Governing Operating Authority and SDA Bylaws

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.) and P.L. 2023, c.311 as 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 amended in 2019 and 2024; and

WHEREAS, pursuant to Section 5.4 of the Authority's bylaws, the Members of the Authority are required to "designate by resolution those individual members, officers, employees (or any combination thereof) who shall be authorized (either generally or in specific transactions) to approve contracts and to execute documents legally binding on the Authority, or to sign checks and disbursements on behalf of the Authority…"; and

WHEREAS, the SDA's current Operating Authority Policy was initially promulgated by the SDA Board on December 1, 2010, reissued on March 2, 2012 and was last updated on January 24, 2025; and

WHEREAS, additional revisions to the Operating Authority Policy are both necessary and appropriate in order to address changes in staffing and organizational structure, business continuity planning, and adoption of provisions that will clarify and streamline implementation of the policy and other factors that have been identified or that have developed since the last such policy was adopted; and

WHEREAS, the new provisions relating to emergency situations and unplanned absences are specifically designed to effectuate the goals of the SDA's Business Continuity Plan, and establish automatic succession protocols for executive management who may unexpectedly unavailable during business interruptions when urgent action is required to maintain the operation of the SDA; and

WHEREAS, the proposed modifications, which have been determined to provide accountability and transparency of action, are set forth in greater detail in materials presented to the Board on this date and incorporated herein; and

WHEREAS, certain necessary minor corrections have been identified in the current SDA Bylaws, and SDA management proposed amendments to correct the current physical address of the SDA's business offices, and provide and clarify that written designations by ex officio members of the SDA Board as to an officer or officer or employee of the member's department or authority who may represent the member at meetings, together with revocations or modifications to such written designations, are to be delivered to the Assistant Secretary for the Authority.

NOW THEREFORE, BE IT RESOLVED, that consistent with the materials presented to the Board on this date, the Members of the Board approve, adopt and issue revisions to the Operating Authority Policy and By-Laws of the SDA.

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 her 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 Revisions to the SDA's Policy Governing Operating Authority and SDA Bylaws, dated August 5, 2026

Dated: August 5, 2026

REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE
(CHAIRMAN'S REPORT)

Approval of Awards - Design Consultant Services for Limited-Scope Projects - GP-0304-R01

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Managing Director, Procurement

David Magyar
Program Director, Design Studio

DATE: August 5, 2026

RE: Description: Design Consultant Services for Limited-Scope Projects
Package No.: GP-0304-R01
Estimated Fee: $12,000,000 (aggregate Not-to-Exceed amount)

INTRODUCTION

The contract term and the recommended Board actions detailed below are consistent with those approved by the Members on June 7, 2023 for the preceding procurement action for Design Consultant Services (Package No. GP-0285-R01) which will be expiring in August 2026.

The Authority is requesting the Members' approval to award contracts to a new pool of eight (8) firms for Design Consultant Services that will provide viable, cost effective solutions for limited-scope projects throughout the SDA Districts. Through these eight (8) engagements resulting from a competitive procurement process, the NJSDA will have available a pool of Design Consultants to permit expedited assignment or competitive selection and award of Task Orders on an as-needed basis for time-sensitive, limited-scope projects (e.g., design for renovation of existing school facilities; design for repair of facilities conditions deficiencies; provision of support services on NJSDA construction projects; and design for post-construction correction of defective conditions) requiring design and/or construction administration services. This contract will not be used to engage a design professional for the complete design of a new school facilities project. Each of the eight (8) contracts will individually have a not-to-exceed amount of $1,500,000. The Term of each Agreement shall extend for a period of three (3) years or until all obligations of the Design Consultant to deliver services pursuant to any existing Task Order have been performed to the satisfaction of the Authority, whichever is later.

We are also requesting that the Members of the Authority approve the issuance of individual Task Order assignments by staff under this engagement, including the subsequent amendment or modification of such Task Orders, to allow for expeditious advancement of time-sensitive, limited-scope projects.

Task Orders may be awarded pursuant to the following methods:

1. Rotational assignment to pool members; or
2. Advertisement to all pool members, for Task Order award based on a competitive selection of the proposal most advantageous to the NJSDA based upon considerations of cost, efficiency and approach.

Further, we are requesting that the Members approve the delegation of authority to NJSDA staff and the Chief Executive Officer to execute individual Project Planning Charters for the projects for which design services will be assigned through these Task Orders. Assignments under this engagement are anticipated to include projects with construction costs ranging from $50,000 to $3,000,000 or more per school facility. Task Order assignments will be performed on a time and materials basis in accordance with the established hourly rates as determined by the NJSDA and as set forth in the Request for Qualifications and Proposals (see attached Exhibit A), or on a lump-sum fee basis consistent with the established hourly rates. The award of any subsequent construction contracts will be subject to Operating Authority approval.

PROCUREMENT PROCESS

The Request for Qualifications and Proposals ("RFQ/RFP") was advertised beginning on April 30, 2026 on the NJSDA website, on the New Jersey State website, and in selected newspapers for interested firms to participate in the bidding process. In addition, the RFQ/RFP was distributed to those firms that are pre-qualified in the Architecture (P001) discipline by both the Department of Treasury-Division of Property Management and Construction and the NJSDA.

Responsive Technical Proposals were received from twenty-seven (27) firms. A Selection Committee consisting of four (4) NJSDA staff members evaluated the Technical Proposals based upon the information provided by the firms in response to the RFQ/RFP for this procurement. The Selection Committee members independently evaluated the Technical Proposals based on the following criteria:

- Firm's Design Consultant Experience
- Key Team Members' Experience
- Firm's Approach to Managing the Design Team

Each Selection Committee member evaluated each Technical Proposal, assigning a raw score for each criterion on a scale of 0 to 10 as follows:

- Outstanding (9-10): depth and quality of response offers significant advantages
- Superior (7-8): exceeds RFQ/RFP requirements with no deficiencies
- Sufficient (5-6): meets RFQ/RFP requirements with no significant deficiencies
- Minimal (3-4): meets RFQ/RFP requirements but contains some significant deficiencies
- Marginal (1-2): comprehends intent of RFQ/RFP but contains many significant deficiencies
- Unsatisfactory (0): requirements not addressed and lack of detail precludes adequate evaluation

Weighting factors were applied to each of the Selection Committee member's raw scores for each criterion to arrive at a total weighted score as indicated in Table 1 below:

TABLE 1		
Criteria	**Weighting Factor (Applied to Raw Score)**	**Maximum Weighted Points**
Firm’s Design Consultant Experience	4.0	40
Key Team Members’ Experience	4.0	40
Firm’s Approach to Managing the Design Team	2.0	20
Total Possible Points		**100**

For each firm’s Technical Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a score for that Technical Proposal. The maximum Technical Proposal score is 100. All of the scores awarded by the Selection Committee members to a particular firm’s Technical Proposal were added together and averaged to arrive at a Final Technical Proposal Score for each firm. The firms, their scores and rankings are listed in Table 2 below:

TABLE 2		
Firm	**Final Technical Proposal Score**	**Final Technical Rank**
RSC Architects	76.250	1
Design Ideas Group Architecture + Planning, LLC	70.250	2
USA Architects, Planners + Interior Designers, Ltd.	67.750	3
DMR Architects, Inc.	65.750	4
Design Resources Group, Architects, AIA	64.500	5
Lan Associates, Engineering, Planning, Architecture, Surveying, Inc.	64.500	5
Clarke Caton Hintz	63.250	7
NK Architects, PA	63.000	8
EI Associates, Architects & Engineers, PA	62.500	9
Netta Architects, LLC	60.250	10
Mount Vernon Group Architects, Inc.	59.750	11
OCA Architects, Inc.	58.750	12
KSS Architects, LLP	56.000	13
BWS Architects, PC	54.500	14
SSP Architectural Group, Inc.	53.750	15
Tokarski Millemann Architects, LLC	53.500	16
MDSzerbaty & Associates Architecture, LLC	49.750	17
Studio 5 Partnership Architects/Planners, LLC	49.750	17
Jarmel Kizel Architects and Engineers, Inc.	49.250	19
H2M Architects & Engineers, Inc.	48.000	20
Solutions Architecture Corporation	41.000	21
Infotran Engineers & Architects, PC	40.250	22
Taheri Architecture, Inc.	40.250	22
Velocity Architecture & Engineering Group, D.P.C.	39.500	24
Massa Multimedia Architecture, PC	39.000	25
RZ Architecture, LLC	38.250	26
WATG Architects, Inc. New Jersey	37.000	27

RECOMMENDATION

The Members of the Authority are requested to approve:

1. The award of contracts for Design Consultant Services for Limited-Scope Projects to the top eight (8) most highly-ranked firms, as listed in Table 2 above, at the standardized hourly rates set forth in Exhibit A to this memorandum. Each firm would enter into a contract for a not-to-exceed amount of $1,500,000 over the three year term of the Agreement;
2. The issuance of individual Task Order assignments by NJSDA staff under this engagement;
3. The amendment or modification of individual Task Order assignments by NJSDA staff under this engagement; and
4. The delegation of authority to NJSDA staff and the Chief Executive Officer to execute individual Project Planning Charters for the projects for which design services will be assigned under this engagement.

Prior to the execution of each contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

/s/ Sean Murphy
Sean Murphy, Managing Director, Procurement

/s/ David Magyar
David Magyar, Program Director, Design Studio

Reviewed and Recommended by: Manuel Da Silva, Chief Executive Officer
Reviewed and Recommended by: Laurette Pitts, Vice President and Chief Financial Office
Reviewed and Recommended by: Ramy Kamel, Vice President, Program and Construction Operations
Reviewed and Recommended by: Janice Venables, Vice President, Corporate Governance

EXHIBIT A - HOURLY RATES

Staff Category	Hourly Rate
SENIOR PROFESSIONAL STAFF (more than 15 years relevant experience, license, firm practice leader)	
Principal Architect / Principal Environmental Specialist / Principal PE	$200
Project Manager / Principal Cost Estimator	$175
Engineering Manager / Sr. Environmental Specialist	$175
Licensed Professional Engineer – Sr. Geotechnical Engineer	$175
Licensed Site Remediation Professional (LSRP) – Professional Geologist	$175
Sr. Certified Industrial Hygienist (CIH) – Indoor Environmental Health	$175
Sr. Risk Assessor / Toxicologist	$175
Historical & Cultural Resources Specialist	$150
Expert Testimony (Litigation Support, Depositions)	$175
Expert Testimony (Court Defense)	$200
MID-LEVEL SUPPORT STAFF (more than 10 years relevant experience)	
Field Project Manager / Project Environmental Specialist	$150
Project Geologist / Hydrogeologist / Biologist / Ecologist / Project Engineer	$150
LEED Specialist / Commissioning Specialist / E-Rate Specialist / Acoustical	$150
Specifications Writer / QA/QC Specialist / Construction Administrator	$150
Geotechnical Engineer / Civil Engineer / Structural Engineer / Project Architect	$150
Plumbing - Fire Protection Engineer / HVAC Engineer / Electrical Engineer	$150
Educational Planner / Sr. Cost Estimator / Technology – Security Specialist	$150
Certified Industrial Hygienist (CIH) / Licensed Mold Inspector	$150
Project Architect/ Staff Planner / Traffic Engineer / Acoustic Specialist	$150
Landscape Architect / Environmental Specialist	$125
Licensed Professional Engineer / Geotechnical / Construction Admin.	$150
Health & Safety Specialist	$150
Project Scientist / Licensed Mold / ACM/Haz Mat Inspector	$125
Risk Assessor / Toxicologist	$125
Staff Architect	$125
Cost Estimator / Scheduling Specialist	$100
CAD / Draftsperson	$95
TECHNICAL STAFF (less than 10 years relevant experience)	
Environmental Scientist / Environmental Staff / Engineering Staff	$105
Geologist / Hydrogeologist	$105
Data Validation Chemist	$105
Site Engineer (EIT) / Demolition Oversight / CM	$105
Health & Safety Personnel	$105
Haz Mat Sampling Technician	$95
Biologist - Ecologist	$105
Administrative / Clerical	$65
Field Sampling Personnel – Noise / Traffic / Air Data Collection	$95

Resolution—6a.

Approval of Awards

District:	Statewide
Description:	Design Consultant Services for Limited-Scope Projects
Package No:	GP-0304-R01
Estimated Fee:	$12,000,000 (aggregate Not-to-Exceed amount)

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) provides that the Members of the Authority shall approve task order contracts to consultants and contractors; and

WHEREAS, SDA executive management and associated program staff recommend that the Members approve the award of contracts to eight (8) firms listed in the memorandum presented to the Board on this date for design consultant services that will provide viable, cost-effective solutions for projects throughout SDA Districts involving emergent facilities conditions, capital improvement needs, or other limited scope tasks; and

WHEREAS, these 8 engagements, resulting from a competitive procurement process as described in the memorandum presented to the Board on this date, will provide a pool of design consultants from which SDA staff is authorized to assign task orders on an as-needed basis for time-sensitive, limited-scope projects requiring predesign, design and/or construction administration services and to amend or modify the same as deemed necessary; and

WHEREAS, it is necessary and appropriate that the SDA Chief Executive Officer and staff effectuate execution of individual project planning charters for the projects for which design services will be assigned through these task orders; and

WHEREAS, prior to the execution of each contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel; and

WHEREAS, the terms and provisions of the contracts to be awarded, the details of the competitive procurement process and the proposed methodologies to be utilized in award of the task orders are comprehensively set forth in the memorandum presented to the Board on this date and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of contracts to eight firms for design consultant services for Limited-Scope Projects as set forth in the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority authorize the issuance and, as needed, the subsequent amendment or modification, of individual task order assignments by SDA staff under this engagement.

BE IT FURTHER RESOLVED, that the Members of the Authority authorize the delegation of authority to SDA staff and the Chief Executive Officer to execute individual Project Planning Charters for the projects for which design services will be assigned under this engagement.

BE IT FURTHER RESOLVED, that, prior to the execution of each contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

BE IT FURTHER RESOLVED, 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 her 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, Design Consultant Services for Limited-Scope Projects (Package No. GP-0304-R01), dated August 5, 2026

Dated: August 5, 2026

Rule Readoption without Amendments: Title 19, Chapter 38C Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consulting Services

MEMORANDUM

TO: Members of the Authority

FROM: Janice Venables, Vice President
Division of Corporate Governance

DATE: August 5, 2026

RE: Rule Readoption without Amendments: Title 19, Chapter 38C
Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consulting Services

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On March 4, 2026, the Members of the Authority approved for proposal and publication the readoption of regulations at Title 19, Chapter 38C, Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consulting Services (the "Rules"), without amendments. Management of the New Jersey Schools Development Authority ("Authority" or "SDA") now seeks the Members' approval to formally readopt the Rules as previously approved for proposal and publication. The Rules to be readopted have not changed since the Board's initial approval on March 4, 2026, with the exception of minor edits made by the Office of Administrative Law prior to publication. The Rules to be readopted are provided with this memorandum.

The proposed Rules appeared in the New Jersey Register on April 20, 2026 at 58 N.J.R. (a), and were subject to a sixty (60) day public comment period ending June 19, 2026. Additional notice of the rule proposal was published on the Authority's website and social media accounts and provided to news outlets and by electronic mail to the Authority's mailing list. No comments were received during the public comment period, and thus the Rules are unchanged from the form previously approved by the Board for publication on March 4, 2026 (with the exception of minor technical edits from the Office of Administrative Law).

Requested Board Action:

The Members of the Authority are requested to approve completion of the readoption process for these Rules, which requires filing the attached Notice of Adoption with the Office of Administrative Law, and subsequent publication of the final approved Rules and Notice of Adoption in the New Jersey Register.

/s/ Janice Venables
Janice Venables
Vice President, Corporate Governance

JV/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consulting Services

Readoption: N.J.A.C. 19:38C

Proposed: April 20, 2026 at 58 N.J.R. 1427(a)

Adopted: DATE by the New Jersey Schools Development Authority,

Manuel M. DaSilva, Chief Executive Officer

Filed: [DATE] as R. 2026 d.____, **without change**.

Authority: P.L. 2007, c. 137, § 4k (N.J.S.A. 52:18A-238k) (rulemaking authority); P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.); P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.) (enabling statutes); and P.L. 1997, c. 399 (N.J.S.A. 52:34-9.1 et seq.) (related authority).

Effective date: [FILING DATE], 2026;

Expiration date: [FILING DATE], 2033.

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

The rules proposed for readoption implement a State statute, specifically P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.). There are no Federal standards or requirements applicable to the rules. A Federal standards analysis, therefore, is not required.

Full text of the adoption follows:

*** This file includes all Regulations adopted and published through the ***
*** New Jersey Register, Vol. 47 No. 4, February 17, 2015 ***

TITLE 19. OTHER AGENCIES
NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
CHAPTER 38C. PROCUREMENT OF ARCHITECTS, ENGINEERS, LAND SURVEYORS, AND OTHER PROFESSIONAL SERVICES CONSULTANTS

N.J.A.C. 19:38C (2015)

Title 19, Chapter 38C -- Chapter Notes

CHAPTER AUTHORITY:

P.L. 2007, c. 137, § 4k (N.J.S.A. 52:18A-238k) (rulemaking authority); P.L. 2000, c. 72 (*N.J.S.A. 18A:7G-1* et seq.); P.L. 2007, c. 137 (*N.J.S.A. 52:18A-235* et seq.) (enabling statutes); and P.L. 1997, c. 399 (*N.J.S.A. 52:34-9.1* et seq.) (related authority).

CHAPTER SOURCE AND EFFECTIVE DATE:

R.2012 d.085, effective April 4, 2012.

See: *43 N.J.R. 3153(a)*, *44 N.J.R. 1551(a)*.

CHAPTER EXPIRATION DATE:

Chapter 38C, Procurement of Architects, Engineers, Land Surveyors, and Other Professional Services Consultants, expires on April 4, 2019.

CHAPTER HISTORICAL NOTE:

Chapter 38C, Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consultant Services, was adopted as R.2005 d.60, effective February 7, 2005. See: *36 N.J.R. 4087(a)*, *37 N.J.R. 516(b)*.

Pursuant to Executive Order No. 1(2010), the chapter expiration date was extended from February 7, 2010 until the completion of the review of administrative regulations and rules by the Red Tape Review Group, and until such time as the extended regulation or rule was readopted pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq.

Chapter 38C, Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consultant Services, was readopted as R.2012 d.085, effective April 4, 2012. As a part of R.2012 d.085, Chapter 38C was renamed Procurement of Architects, Engineers, Land Surveyors, and Other Professional Services Consultants; Subchapter 3, Selection Procedures--Category One Contracts, was renamed Selection Procedures--Agreements not Exceeding the State Bid Threshold Pursuant to N.J.S.A. 52-34-7b; Subchapter 4, Selection Procedures--Category Two Contracts, was repealed; Subchapter 5, Selection Procedures--Category Three Contracts, was renamed Selection Procedures--Agreements Exceeding the State Bid Threshold, as Adjusted, Pursuant to N.J.S.A. 52-34-7b; Subchapter 6, Selection Procedures--Category Four Contracts, was renamed Waiver of Advertising; Subchapter 7, Selection Procedures--Category Five Contracts, was renamed Selection Procedures--Term Agreements; and Subchapter 8, Engagement of Title Insurance Companies, Subchapter 9, Engagement of Appraisers, Subchapter 10, Engagement of Experts and Subchapter 11, Protests and Hearing Procedures, were adopted as new rules, effective May 7, 2012. See: Source and Effective Date. See, also, section annotations.

§ 19:38C-1.1 Purpose and scope of rules

This chapter is designed to implement the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, *N.J.S.A. 18A:7G-1* et seq., as amended, and P.L. 2007, c. 137, *N.J.S.A. 52:18A-235* et seq., by establishing procedures for the procurement of professional consulting services, so that the Authority may carry out its broad statutory mandate to plan, design and construct school facilities projects and effectively administer the Authority's schools construction program. This chapter is also designed to implement the provisions of P.L. 1997, c. 399, *N.J.S.A. 52:34-9.1* et seq., which govern procedures generally applicable to the Authority's award of contracts for professional architectural, engineering, and land surveying services.

§ 19:38C-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

"Act" means the "Educational Facilities Construction and Financing Act," P.L. 2000, c. 72, *N.J.S.A. 18A:7G-1* et seq., as amended, which mandates the school construction program.

"Agreement" means the written agreement between the Authority and the architectural, engineering, land surveying, or other professional services consultant for the provision of services.

"Appraiser" means a firm that provides an unbiased analysis, opinion, or conclusion on the value of real property.

"Authority" or "SDA" means the New Jersey Schools Development Authority, an entity formed pursuant to P.L. 2007, c. 137, *N.J.S.A. 52:18A-235* et seq., as successor to the New Jersey Schools Construction Corporation. The Authority is statutorily charged with undertaking and funding school facilities projects, pursuant to the Act.

"Board" means the governing body of the Authority, consisting of the members of the Authority as outlined in *N.J.S.A. 52:18A-237*.

"Commissioner" means the Commissioner of the Department of Education.

"Compensation" means the payment(s) due to the professional services consultant for services rendered.

"Corporation" or "SCC" means the New Jersey Schools Construction Corporation, the entity formed pursuant to *N.J.S.A. 34:1B-159* and the predecessor to the Authority, which was abolished by P.L. 2007, c. 137.

"Department" means the New Jersey Department of Education.

"Emergent project" means a capital project necessitating expedited review and, if applicable, approval, in order to alleviate a condition that, if not corrected on an expedited basis, would render a building or facility so potentially injurious or hazardous that it causes an imminent peril to the health and safety of students or staff, as defined by *N.J.A.C. 6A:26-1.2*.

"Expert" means an individual or firm with a high degree of skill or knowledge in a specific subject engaged or to be engaged by the Authority for purposes of litigation support, including, but not limited to, testimony as an expert witness.

"Fee proposal" means the proposal submitted by the professional services consultant in the form and manner provided for in the request for qualifications or request for proposals, which specifies the fees proposed for the provision of services.

"Key team member" means a principal, partner, or officer of the professional services consultant, project executive, senior principal, studio head, project manager, project architect, construction administrator, job captain, or any other title required in the request for qualifications or request for proposals, and represented in a proposal as having a responsible role in the successful completion of services required in the agreement.

"Moral integrity review" means an investigation, performed by the Authority or members of the New Jersey State Police or other investigative body on behalf of the Authority, of a firm that seeks to enter an agreement with the Authority.

"NJEDA" means the New Jersey Economic Development Authority established pursuant to P.L. 1974, c. 80, *N.J.S.A. 34:1B-1* et seq., as amended, or any successor thereto.

"Notice of award" means a written notice issued to a professional services consultant by the Authority indicating that the professional services consultant has been selected to perform certain services pursuant to an Authority procurement process and that upon the Authority's receipt of certain required documentation, the Authority intends to enter an agreement with the professional services consultant for the performance of those services.

"Other facilities" means those facilities that are not school facilities projects as defined by the Act, namely, athletic stadiums, swimming pools, any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building, or facility used solely for school administration.

"Pre-construction activities" means the work that must be undertaken prior to submitting a school facilities project application to the Department for approval and calculation of preliminary eligible costs. Such activities may include:

1. Site analysis;

2. Acquisition of land;

3. Remediation;

4. Site development;

5. Feasibility studies including studies to determine the viability of new construction versus rehabilitation;

6. Design work;

7. Acquisition of and design work for temporary facilities; and

8. Such other activities as may be specified in *N.J.S.A. 18A:7G-5* or *N.J.A.C. 19:34-1.2* or *6A:26-1.2*.

"Pre-qualified" or "pre-qualification" means the approval of a professional services consultant by the Authority pursuant to *N.J.A.C. 19:38A*.

"Preliminary eligible costs" means the initial eligible costs of a school facilities project as calculated pursuant to the formulas set forth in section 7 of P.L. 2000, c. 72, *N.J.S.A. 18A:7G-7* or as otherwise provided pursuant to section 5 of P.L. 2000, c. 72, *N.J.S.A. 18A:7G-5* and which shall be deemed to include the costs of construction and other allowable costs.

"Professional services consultant" or "consultant" means the architect, engineer, land surveyor, or other individual or professional firm providing services related to its respective occupation, which require unique professional or technical skills, licenses, or other credentials, associated with research, development, design, construction, construction administration, alteration, or improvement to real property, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform. The professional services consultant may provide services including, but not limited to, studies (including feasibility studies), investigations, surveys, evaluations, consultations, appraisals, planning, programming, conceptual designs, plans, and specifications, cost estimates, construction management, inspections, submittal reviews, testing, commissioning, provision of title insurance, preparation of operating and maintenance manuals, and other related services, and shall include those consultants who provide "professional architectural, engineering, or land surveying services" within the meaning of *N.J.S.A. 52:34-9.2*.

"Proposal" means the response submitted by a professional services consultant with respect to a request for qualifications or a request for proposals.

"Protest" means a challenge to a decision, statement, action, or alleged inaction of the Authority.

"Ranking" means the process of listing responsive professional services consultants in order of highest to lowest total scores, based upon selection criteria set forth in the RFQ and/or RFP.

"Request for proposals" or "RFP" means a request for technical proposals and/or fee proposals for the selection of a professional services consultant.

"Request for qualifications" or "RFQ" means a written request issued by the Authority seeking submissions from professional services consultants, including statements of qualifications, experience, and/or organizational information, as well as any additional information deemed necessary by the Authority, in connection with the selection of a professional services consultant for a school facilities project, pre-construction activity, or other type of engagement for the school construction program.

"School construction program" means the program of school facilities projects and related activities undertaken by the Authority pursuant to the Act.

"School facilities project" means the planning, acquisition, demolition, construction, improvement, alteration, modernization, renovation, reconstruction, or capital maintenance of all or any part of a school facility or of any other personal property necessary for, or ancillary to, any school facility, and shall include fixtures, furnishings and equipment, and shall also include, but is not limited to, site acquisition, site development, the services of design professionals, such as engineers and architects, construction management, legal services, financing costs, and administrative costs and expenses incurred in connection with the project.

"School facility" means and includes any structure, building or facility used wholly or in part for educational purposes by a district, and facilities that support such structures, buildings and facilities, such as district wastewater treatment facilities, power generating facilities, and steam generating facilities, but shall exclude other facilities as elsewhere defined in this section.

"SDA school district" means a school district that received education opportunity aid or preschool expansion aid in the 2007-2008 school year, as defined at P.L. 2007, c. 260, § 39, *N.J.S.A. 18A:7G-3*.

"Selection committee" means the group(s) responsible for review and evaluation of professional services consultants' responses to RFQs and/or RFPs in connection with a procurement of one or more professional services consultants for an engagement with the Authority when the compensation for the engagement is anticipated to exceed the State bid advertisement threshold pursuant to *N.J.S.A. 52:18A-243*.

"Selection coordinator" means the administrator of the operations and procedures of the selection process, whose activities shall include, but are not limited to, scheduling of meetings, preparing agendas, recording scores, preparing minutes of selection committee meetings, and other similar administrative duties.

"Services" means the duties and responsibilities to be performed by the professional services consultant pursuant to the agreement, and includes all other labor, materials, and equipment provided or to be provided to fulfill such obligations.

"Small business enterprise" or "SBE" means a firm that is registered as a "small business" with the New Jersey Department of the Treasury, Division of Minority and Women Business Development pursuant to *N.J.A.C. 17:14-3.1*.

"Task order" means a contractual document, containing a scope of work, negotiated costs, and schedule, which the Authority issues to a professional services consultant, pursuant to a term agreement.

"Term agreement" means an agreement whereby the Authority may engage a professional services consultant for a defined period of time.

"Title insurance" means a policy issued by a title insurance company insuring, guaranteeing, or indemnifying owners of real property or others interested therein against loss or damage suffered by reason of liens, encumbrances upon, defects in or the unmarketability of the title of the subject property and includes searches relating to the title of the subject property.

"Title insurance company" means a title insurance company duly authorized to transact the business of issuing title insurance in the State of New Jersey.

§ 19:38C-2.1 Scope

This subchapter addresses the manner in which SDA shall engage a professional services consultant; provides for the methodologies; identifies the qualitative factors used in evaluating proposals; and provides the process for the rejection of proposals and the approval, execution, and termination of agreements.

§ 19:38C-2.2 Pre-qualification requirement

(a) A professional services consultant seeking to be engaged by the Authority must be pre-qualified by the Authority at the time of submission of a response to an RFQ and/or an RFP, if pre-qualification is required by *N.J.A.C. 19:38A*, except if otherwise expressly provided in this chapter.

(b) The Authority shall establish pre-qualification requirements as may be necessary in order to ensure competitive proposals, or as may be dictated by the unique or specialized nature of the services to be performed under the agreement.

(c) All professional services consultants that seek to be engaged by the Authority are subject to a moral integrity review, even where Authority pre-qualification is not required. If the results of the moral integrity review are negative or unsatisfactory in that they indicate any circumstance that would justify a revocation of pre-qualification under *N.J.A.C. 19:38A-4.1*, the Authority shall reject the professional services consultant's proposal pursuant to *N.J.A.C. 19:38C-2.6*.

§ 19:38C-2.3 Selection procedures based on type of engagement

The Authority may establish different procedures, as set forth in this chapter, for the selection of professional services consultants based on the type of professional services consultant to be engaged or the contract value.

§ 19:38C-2.4 Advertising

(a) The Authority shall advertise for all procurements in accordance with *N.J.S.A. 52:18A-243(h)*. In addition, such advertising may also be placed:

1. In design and construction publications and trade journals covering the construction industry in New Jersey;

2. By written notice to New Jersey professional societies; or

3. By use of direct mailings to consultants.

(b) Any advertisement shall be made in the form and in the time required to promote competition and shall describe any specific information that an interested professional services consultant must submit, as well as the date and time of the deadline for submissions.

(c) The advertisement shall specify the evaluation criteria that shall apply to the proposals.

§ 19:38C-2.5 Evaluation

(a) The ranking of professional services consultants shall be performed pursuant to evaluation criteria established by the Authority for each particular engagement, and by the weights established for such criteria. In selecting the most highly qualified professional services consultants, the selection committee shall consider the criteria and relative weights of such criteria, as set forth in the RFP and/or RFQ.

(b) The Authority may require the submission of proposals, requests for clarifying technical and/or organizational information, interviews, site visits, and pre-proposal conferences; however, all such requirements will be set forth in the RFP and/or RFQ.

(c) Nothing in this chapter shall be construed to limit the Authority's ability to obtain services pursuant to an SBE set-aside procurement under *N.J.A.C. 19:39*.

§ 19:38C-2.6 Rejection of proposals; cancellation of procurement or award

(a) Proposals received after the submission date and time prescribed in the RFQ and/or RFP shall be rejected.

(b) The Authority may reject any proposal for any reason, in accordance with law, when it is otherwise deemed to be in the public interest to do so. The Authority may reject all proposals and cancel a procurement, for excessive cost, insufficient competition, or any other reason, in accordance with law, that it deems to be in the public interest.

(c) The Authority may cancel an award at any time before the execution of an agreement by all parties.

§ 19:38C-2.7 Approval and execution of agreement

No agreement is valid or binding on the Authority unless and until it is executed by the Authority.

§ 19:38C-2.8 Termination

All agreements executed pursuant to this chapter shall provide for, among other things, termination for the convenience of the Authority and for cause.

§ 19:38C-2.9 Disclosure and publicity

(a) Any and all submissions made in response to an RFQ and/or an RFP are subject to the provisions of the Open Public Records Act, *N.J.S.A. 47:1A-1* et seq., including the exceptions from disclosure provided therein.

(b) Consultants shall notify the Authority prior to the issuance of press releases and other public dissemination of information concerning a school facilities project and such shall acknowledge Authority financing and assistance in the undertaking of the school facilities project.

§ 19:38C-2.10 Performance evaluation

(a) The Authority shall have the right to consider the performance of a professional services consultant as a factor in the ranking of the consultant when evaluating proposals.

(b) Performance evaluations may include, but are not limited to, the following factors:

1. Quality of work;

2. Scheduling;

3. Management;

4. Cost control/amendments;

5. Subconsultants;

6. Close out; and

7. Any other factors affecting a consultant's performance.

§ 19:38C-3.1 Scope

This subchapter sets forth the procedural requirements applicable to the procurement of agreements for professional services consultants where such agreements specify compensation not exceeding the State bid advertisement threshold of $ 36,000, as adjusted, pursuant to N.J.S.A. 52:34-7b, except for those procurements in which the Authority, at its sole option, determines to apply the procedures of N.J.A.C. 19:38C-5. This subchapter shall not apply to the procurement of appraisers or title insurance companies.

§ 19:38C-3.2 Solicitation

In accordance with *N.J.S.A. 52:34-7*, the Authority shall not be required to advertise the procurement of agreements for professional services consultants where such agreements provide for compensation below the State bid threshold. The Authority reserves the right to waive any prequalification requirements for a procurement pursuant to this subchapter.

§ 19:38C-3.3 Evaluation

Proposals shall be evaluated based on fees and/or the evaluation criteria appropriate for the particular procurement. The Authority may request clarifying technical and/or organizational information from any professional services consultant prior to finalizing the evaluation.

HISTORY:

Amended by R.2012 d.085, effective May 7, 2012.

See: *43 N.J.R. 3153(a)*, *44 N.J.R. 1551(a)*.

Substituted "fees and/or" for "price and", "Authority" for "Corporation", and "professional services consultant" for "entity submitting a proposal".

§ 19:38C-3.4 Selection

The Authority shall select the proposal that is in the best interest of the school construction program, based on fees and/or the evaluation criteria established for the selection.

Title 19, Chapter 38C, Subchapter 4. (Reserved)

§ 19:38C-5.1 Scope and applicability

This subchapter sets forth the procurement procedures that shall apply to agreements for professional services consultants with compensation exceeding the amount set forth in N.J.S.A. 52:34-7b. At the option of the Authority, the procedures specified in this subchapter may apply to an engagement with compensation below the amount set forth in N.J.S.A. 52:34-7b. This subchapter shall not apply to the procurement of appraisers or title insurance companies.

§ 19:38C-5.2 Initiation

The procurement of a professional services consultant shall be initiated by the public advertisement of a request for qualifications, a request for proposals, or both, except in circumstances where a waiver of advertising is permitted under N.J.A.C. 19:38C-6.

§ 19:38C-5.3 Selection committee

(a) Prior to the receipt of proposals, the Authority shall establish a selection committee or committees to review and evaluate the proposals. Each member of the selection committee shall have the relevant experience necessary to evaluate the proposals. Each member of a selection committee shall be responsible for independently evaluating and scoring the proposals.

(b) Once the responses are received and the identity of the vendors is ascertained and communicated to the members of the selection committee, each member of the selection committee, prior to the evaluation of any proposal, shall execute a certification that he or she has no personal interest, financial or familial, in any of the vendors to be evaluated, or the principals, subsidiaries, or parent companies thereof. Furthermore, should any of the selection committee members indicate that a conflict or personal interest exists once the identity of the vendors is revealed, that member shall not serve on the selection committee and may be replaced.

(c) The names of the members of the selection committee shall be made public once the contract is awarded, pursuant to *N.J.S.A. 52:34-10.3(c)*.

§ 19:38C-5.4 Selection evaluation criteria

(a) The selection evaluation criteria may include the following: the firm's experience on projects of a similar size and nature; project team experience; past project performance; project approach; understanding of project needs and project schedule; and budget and cost estimating. Selection evaluation criteria may also include any other criteria as determined to be appropriate in the sole discretion of the Authority.

(b) The selection evaluation criteria and the specific weight assigned to each criterion for each professional services consultant procurement shall be established by the Authority prior to advertisement and the criteria and weights shall be incorporated into the RFQ and/or RFP for the procurement.

(c) When the procurement is for professional services consultants other than architects, engineers, and/or land surveyors, the Authority may provide that a fee proposal shall be one of the qualitative factors upon which professional services consultants will be evaluated.

§ 19:38C-5.5 Selection evaluation process

(a) The members of the selection committee will evaluate the submissions and other information comprising the evaluation process and shall assign scores based upon the evaluation criteria stated in the RFQ and/or RFP.

(b) In addition to the review of responses to an RFQ and/or RFP the evaluation process may include:

1. Review of responses to requests for additional or clarifying information;

2. Participation in interviews; and/or

3. Any other components determined, in the sole discretion of the Authority, to be appropriate.

(c) Site visits, pre-proposal conferences, and interviews may be scheduled. Attendance shall be mandatory when so stipulated in the RFP or RFQ.

(d) The selection coordinator shall compile the evaluation scores of the committee members, as well as any points assigned in the consideration of a fee proposal in accordance with *N.J.A.C. 19:38C-5.7(a)*, if applicable, and shall prepare a ranking in accordance with the procedures specified in the RFQ and/or RFP, which shall be deemed a final ranking if no shortlisting process, as set forth in this section, is called for in the RFQ.

(e) If a shortlisting process is specified by the selection procedures described in the RFQ, the selection coordinator shall review the ranking and identify the short list of firms.

1. Once the short list is determined, the Authority shall publish the short list on the Authority's website and/or provide written notification to all firms that supplied responses to the RFQ of the names of the firms selected for the short list.

2. If additional information is required, the Authority shall request such information from all of the shortlisted firms prior to the final ranking. The members of the selection committee shall review and evaluate the additional information provided by the shortlisted firms, in accordance with the procedures specified in the RFQ and/or RFP, and shall assign scores based upon the evaluation criteria stated in the RFQ and/or RFP, as applicable. At the sole discretion of the Authority, interviews may be held with the shortlisted firms prior to the determination of the final ranking. The members of the selection committee shall evaluate the additional information, and interviews, if any, and shall assign scores to each. The selection coordinator shall combine all evaluation scores in accordance with the procedures outlined in the RFQ and/or RFP, and prepare a final ranking.

§ 19:38C-5.6 Submission of fee proposals

A fee proposal shall be submitted in accordance with the process set forth in either an RFQ or RFP. A fee proposal shall be submitted in a separate sealed envelope. The envelope shall indicate clearly that it is the fee proposal and shall identify the firm's name, project number, and any other information required by the RFQ or RFP. The fee proposals shall remain sealed until such time as provided in *N.J.A.C. 19:38C-5.7(a)* or (b), as applicable.

§ 19:38C-5.7 Consideration of fee proposals

(a) In the event the fee proposal is one of the qualitative factors for the evaluation of the proposals, the Authority shall open the sealed fee proposals and assign the maximum points to the lowest total fee proposal. All other proposals shall be scored based upon the percentage that each proposal exceeds the lowest proposal. The scores of the fee proposals shall then be utilized to finalize the ranking undertaken by the selection committee, pursuant to *N.J.A.C. 19:38C-5.5(d)*.

(b) In the event the fee proposal is not a qualitative factor for the evaluation of the proposal, the Authority shall open the sealed fee proposals at a predetermined date and time after the final ranking has been prepared. Using the fee proposals as a guide, the Authority shall negotiate an agreement with the highest-ranked consultant at a fee determined by the Authority to be fair and reasonable. Should the Authority be unable to negotiate a satisfactory fee with the highest-ranked consultant, the Authority shall terminate negotiations with the highest-ranked consultant, and may then terminate the procurement or may then undertake negotiations with the second-highest ranked consultant. Failing accord with the second highest-ranked consultant, the Authority shall terminate negotiations with the second highest-ranked consultant and may then terminate the procurement or may undertake negotiations with the third highest-ranked consultant. In the event that the Authority is unable to agree to a satisfactory fee with any of the three highest-ranked firms, the Authority may select additional consultants in the order of their ranking and continue negotiations, until either an agreement is reached or the procurement is canceled or terminated.

§ 19:38C-5.8 Recommendation

Based on the process set forth in this subchapter, the selection coordinator shall recommend the most technically qualified consultant at final compensation determined to be fair and reasonable. If the recommendation is approved, the Authority will issue a written notice of award to the successful professional services consultant.

§ 19:38C-5.9 Execution of agreement

Upon the successful professional services consultant's submission of any required documentation or materials as specified in the notice of award, and the Authority's acceptance of such documents, the Authority will execute the agreement and provide the successful professional services consultant with a fully-executed agreement.

§ 19:38C-5.10 Confidentiality

The selection evaluations, rankings, negotiations, and fee proposals of all firms, as well as all discussions and correspondence, relating to the selection of a professional services consultant shall remain confidential and exempt from production under the Open Public Records Act, *N.J.S.A. 47:1-1* et seq., until a notice of award has been issued.

§ 19:38C-6.1 Scope

This subchapter shall govern the procurement of an agreement through the Authority's grant of a waiver of advertising pursuant to *N.J.S.A. 52:34-10*. While the Authority shall normally procure professional services consultants through a competitive selection process initiated by advertising, in those limited situations where it is not possible, feasible or prudent to advertise, this subchapter shall apply to the procurement of professional services consultant agreements.

§ 19:38C-6.2 Circumstances justifying waiver of advertising; pre-qualification

(a) The Authority may grant a waiver of public advertisement in the following limited circumstances:

1. The engagement to be made is with the Federal government, or any State government or any agency or political subdivision thereof;

2. A public exigency exists in which professional services must be purchased immediately and are necessary to mitigate an emergency situation;

3. Only one professional services consultant is capable of or available to provide the services at the time they are required; or

4. When the services required are available through participation in an existing contract between a vendor and any department, division, office, agency, bureau, or section of the United States, or any authority or instrumentality created or chartered thereby and any department, division, office, agency, bureau, or section of New Jersey or any state of the United States other than New Jersey, or any political subdivision thereof including, but not limited to, municipalities, or any other authority or instrumentality created or chartered thereby, provided that:

i. The existing contract was the result of a competitive selection process;

ii. The terms of the existing contract permit such Authority participation;

iii. The price of the services being procured is no greater than the price offered to the original governmental unit party to the existing contract;

iv. The Authority receives the benefit of any price reductions mandated by the original governmental unit party during the term of the existing contract and is protected from price increases during that time; and

v. The price of services being procured is no greater than the price of the same or equivalent goods or services under any existing New Jersey State contract.

(b) At the option of the Authority, the Authority may waive pre-qualification of a professional services consultant procured pursuant to public exigency under (a)2 above.

§ 19:38C-6.3 Solicitation

(a) With respect to a circumstance arising under *N.J.A.C. 19:38C-6.2*, whenever practical, the Authority will undertake a competitive selection process for agreements of this type to the extent it is feasible and economical to do so. This less formal process may include obtaining at least three telephonic quotations or obtaining written quotations from at least three separate professional services consultants.

1. Proposals shall be evaluated based on proposed fees and the evaluation criteria appropriate for the particular procurement. The Authority may request clarifying technical and/or organizational information from any entity submitting a proposal, prior to finalizing the evaluation.

2. The Authority shall select the proposal that is in the best interest of the Authority and the school construction program, based on proposed fees and the evaluation criteria established for the selection.

3. The competitive selection process used shall be memorialized in the recommendation of award.

§ 19:38C-7.1 Scope

This subchapter provides for the use of term agreements by the Authority to serve a variety of consultant needs in accordance with its statutory responsibilities to administer the schools construction program. This subchapter further provides for the issuance of task orders, in accordance with a term agreement.

§ 19:38C-7.2 General requirements

(a) A term agreement is an agreement whereby the Authority may engage a professional services consultant or consultants for a defined period of time, rather than for a defined project or projects.

(b) Term agreements may be used by the Authority to retain professional services consultants when:

1. There is a need to expedite emergent projects or emergent project requirements;

2. There is a need to accomplish any study, evaluation, review, assessment, or other professional services relating to a school facilities projects on an "on call" basis; or

3. There is a need to address the program-wide requirements of the Authority.

(c) Procurement of a term agreement shall be in accordance with the selection procedures set forth at N.J.A.C. 19:38C-5, except that fee proposals may be based upon hourly or daily rates and/or other methods for determining costs over a specific time period.

(d) Term agreements shall be for a specific time period and maximum contract value, which shall be set forth in the term agreement. The Authority shall set forth a budget and schedule for each proposed task order under a term agreement prior to its assignment to a professional services consultant. The time in which services are to be performed under a task order may extend past the expiration date of a term agreement, as long as the task order was executed prior to the expiration date.

(e) The Authority may enter into a term agreement with any consultant engaged pursuant to the provisions of this chapter for a term, not to exceed three years, unless a longer time period is expressly authorized by law, and for a value that shall not exceed a ceiling stated in the agreement.

(f) Notwithstanding the foregoing, term agreements for provision of professional services in litigation matters shall be for a term not to exceed two years, pursuant to Executive Order No. 37 (2006).

§ 19:38C-7.3 (Reserved)

§ 19:38C-7.4 (Reserved)

§ 19:38C-8.1 Scope

This subchapter, exclusively, shall govern the Authority's engagement of title insurance companies.

§ 19:38C-8.2 Master list

The Authority shall establish and maintain a master list of title insurance companies, which are on the list of title insurance companies authorized to write title insurance policies in New Jersey as compiled by the New Jersey Department of Banking and Insurance and rated "A" or higher by a major credit rating agency. The master list shall be updated by the Authority on a quarterly basis.

§ 19:38C-8.3 Procurement by competitive bidding for individual engagement

(a) When the Authority deems it in the best interest of a school facilities project or the school construction program to make use of an individual competitive procurement to secure title insurance, it shall solicit proposals for title insurance by means of a request for proposals presented to at least three separate title insurance companies randomly selected from the master list. Authority staff shall prepare a memorandum indicating the number of entities contacted and the number of proposals received, including prices.

(b) The proposals shall be evaluated by the Authority based on price and the title insurance company's experience with the property or area comprising and surrounding the site for the particular school facility at issue. The Authority may request clarifying technical and/or organizational information from those entities submitting proposals prior to determining the final ranking.

§ 19:38C-8.4 Procurement through term agreements specifying fixed rates

(a) In the event that the Authority determines that it would be in the best interest of the school construction program to make use of a term agreement approach to the procurement of title insurance, it may extend an offer to all title insurance companies on the master list to enter into an agreement that may extend for a term not to exceed three years. The compensation paid under any such term agreement shall be in accordance with a fixed schedule of rates and charges, and the contract value shall not exceed a stated ceiling during its term. The Authority may extend such term agreement offers at such frequency as it determines is in the best interest of the school construction program, provided that no title insurance company may be engaged under more than one such term agreement at a time. All term agreements with title insurance companies shall provide for, among other things, termination for the convenience of the Authority and termination for cause.

(b) During the term of such an agreement, the Authority may assign to a title insurance company one or more task orders identifying specific properties or sites for which to provide title insurance for purposes of one or more school facilities projects based upon the following criteria:

1. The title insurance company's experience with the property or area comprising and surrounding the site for the particular school facility at issue;

2. Present capacity of the firm to provide the required services; and

3. Equitable allocation of task order assignments among all title insurance companies engaged by the Authority under a term agreement.

§ 19:38C-9.1 Scope

This subchapter, exclusively, shall govern the engagement of appraisers.

§ 19:38C-9.2 Master list

(a) The Authority shall establish and maintain and update on a quarterly basis, a master list of appraisers. The master list shall be created based upon the list of appraisers maintained by the New Jersey Department of Transportation and the list of appraisers previously engaged by the Authority. Firms may apply for inclusion on the master list by submitting to the Authority a statement of qualifications, which shall include, but not limited to, the following:

1. A resume;

2. Experience with condemnation projects carried out by governmental entities and a full description of same; and

3. Experience with other governmental entities.

(b) Authority staff shall evaluate the statement of qualifications submitted by a firm seeking inclusion in the master list-based criteria including:

1. The firm's experience with condemnation projects carried out by governmental entities; and

2. The firm's compliance with the Uniform Standards of Professional Appraisal Practice, as published annually by the Appraisal Standards Board of the Appraisal Standards Foundation, 1029 Vermont Avenue, NW, Suite 900, Washington, DC 20005.

§ 19:38C-9.3 Procurement by competitive bidding for individual engagement

(a) When the Authority deems it is in the best interest of a school facilities project or the school construction program to make use of an individual competitive procurement to engage an appraiser, it shall solicit proposals for appraisal services by means of a request for proposals presented to at least three separate appraisers chosen from the master list based upon the following:

1. Geographic proximity to the school facilities project; and

2. If applicable, the need for a particular specialty.

(b) The Authority shall prepare a memorandum indicating the number of entities contacted and of proposals received, including prices.

(c) The proposals will be evaluated by the Authority based on price and the following evaluative criteria:

1. Licensing status;

2. Professional designations;

3. Previous experience on similar projects;

4. Geographic proximity to the school facilities project; and

5. Present capacity of a firm to complete solicited services.

(d) The Authority may request clarifying technical and/or organizational information from those entities submitting proposals prior to determining the final ranking.

§ 19:38C-9.4 Procurements through term agreements specifying fixed rates

(a) In the event that the Authority determines that it would be in the best interest of the school construction program to make use of a term agreement approach to the procurement of appraisal services, it may extend an offer to all firms on the master list to enter into an agreement that may extend for a term not to exceed three years. The compensation paid under any such term agreement shall be in accordance with a fixed schedule of rates and charges and the contract value shall not exceed a stated ceiling during its term. The Authority may extend such term agreement offers at such frequency as it determines is in the best interest of the school construction program, provided that no appraiser may be engaged under more than one such term agreement at a time. All term agreements with appraisers shall provide for, among other things, termination for the convenience of the Authority and termination for cause.

(b) During the term of such an agreement, the Authority may assign to an appraiser a task order identifying specific sites to appraise for purposes of one or more school facilities projects based upon the following criteria:

1. Licensing status;

2. Professional designations;

3. Previous experience on similar projects;

4. Geographic proximity to the school facilities project or projects;

5. Present capacity of the firm to complete the required services; and

6. Equitable allocation of task order assignments among all appraisers engaged by the Authority under a term agreement.

§ 19:38C-10.1 General requirements

Experts for litigation support or real estate transaction support may be retained through outside counsel on behalf of the Authority, or procured directly by the Authority, using any of the procurement methods set forth in this chapter.

§ 19:38C-11.1 Scope and purpose

(a) This subchapter sets forth the procedures that govern protests and administrative hearings regarding the Authority's conduct of procurements for professional services consultants, including protests challenging:

1. The form of advertisements for procurement;

2. The form of the RFQ or the RFP for a given procurement;

3. The scoring of proposals or the ranking of firms;

4. The selection of professional services consultants for unadvertised procurements under N.J.A.C. 19:38C-3 or 6;

5. The issuance of a task order under a term agreement under *N.J.A.C. 19:38C-7.4*; and

6. Performance evaluations for professional services consultants.

(b) For purposes of this subchapter, protests of the type described in (a) above are not contested cases subject to the requirements of the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq.

§ 19:38C-11.2 Subject matter, time limitations, and who may request hearings

(a) Administrative hearings before the Authority may include the following subject matter and may be requested by the following entities:

1. RFQ process or documents. A consultant that has submitted or intends to submit a proposal in response to an RFQ, may request an informal hearing before the Authority to protest the RFQ process or documents by submitting a written protest to the Authority at least five business days prior to the date and time scheduled for receipt of proposals, setting forth in detail the grounds for such protest. The protest must contain all legal and factual arguments, materials, or other documents that support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed less than five business days prior to the date and time scheduled for receipt of proposals, or that fails to provide the specific reasons for, and arguments supporting, the protest;

2. RFP process or documents. A consultant that has submitted or intends to submit a proposal in response to an RFP, may request an informal hearing before the Authority to protest the RFP process or documents, by submitting a written protest to the Authority setting forth in detail the grounds for such protest, at least five business days prior to the date and time scheduled for receipt of the proposals. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed less than five business days prior to the date and time scheduled for receipt of proposals, or that fails to provide the specific reasons for and arguments supporting the protest;

3. Short list. A consultant protesting its failure to be included in a short list, or protesting the inclusion of another consultant on a short list, may request an informal hearing before the Authority to protest the selection of the short list, by submitting to the Authority a written protest setting forth the specific grounds for challenging the short list, within five business days of the public announcement of the short list. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public an-

nouncement of the short list, or any protest that fails to provide the specific reasons for and arguments supporting the protest;

4. Master list. An appraiser or title insurance firm protesting its failure to be included in a master list may request an informal hearing before the Authority to protest the composition of the master list by submitting to the Authority a written protest setting forth the specific grounds for challenging the composition of the master list, within five business days of notification of the firm's failure to be included on the master list. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after notification of the firm's failure to be included on the master list, or any protest that fails to provide the specific reasons for and arguments supporting the protest;

5. Award of contract. A consultant that has submitted a proposal in response to an RFQ or RFP may request an informal hearing before the Authority to protest the award of a contract to another professional services consultant by submitting to the Authority a written protest, setting forth the specific grounds for challenging such award, within five business days of the public announcement of the award. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for and arguments supporting the protest;

6. Unadvertised contracts. A professional services consultant may request an informal hearing before the Authority to protest the award of a contract to another professional services consultant by submitting to the Authority a written protest setting forth the specific grounds for such protest, within five business days of the public announcement of the award of the contract. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for and arguments supporting the protest;

7. Task order assignment. A professional services consultant that has received an award under a term agreement procurement may request an informal hearing before the Authority to protest the award or assignment of a task order to another professional services consultant, by submitting to the Authority a written protest setting forth the specific grounds for such protest, within five business days of the public announcement of the award or assignment of the task order. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award or assignment of the task order, or any protest that fails to provide the specific reasons for and arguments supporting the protest; or

8. Performance evaluation. A professional services consultant that is dissatisfied with its performance evaluation on an Authority project may request an informal hearing before the Authority by submitting to the Authority a written protest setting forth the specific grounds for such protest, within 15 calendar days after the date of receipt of written notification of the performance evaluation. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than 15 calendar days after the consultant's receipt of written notification of the performance evaluation, or any protest that fails to provide the specific reasons for and arguments supporting the protest.

§ 19:38C-11.3 Hearing procedures

(a) Hearing procedures shall be as follows:

1. The Authority, in its sole discretion, shall determine whether to grant an informal hearing regarding any protest. Informal hearings are for fact-finding purposes for the benefit of the Authority and the Authority shall have the sole discretion as to whether to hold an informal hearing. Alternatively, the Authority may determine that sufficient information already exists in the record, so that a decision may be made without a hearing, and the Authority may issue a final agency decision accordingly. In the event that the Authority determines that a hearing is not necessary, a written decision will be issued by the Authority within five business days of receipt of all documents related to the protest.

2. Informal hearings will be held, where feasible, within 14 business days of the receipt of the request. Hearings will be heard, where practicable, by a hearing officer designated by the Chief Executive Officer. The hearing officer shall issue a final written decision within 30 calendar days of the conclusion of the hearing unless, due to the circumstances of the hearing, a greater time is required. For all protests of the RFQ or RFP processes and documents, the written decision will issue prior to the opening of proposals. If a decision based upon a protest results in a modification of the aforesaid process or documents, such decision shall be conveyed by addendum to all consultants eligible for the procurement at issue.

3. In an informal hearing, the Authority may, in instances where public exigency exists or where there is potential for substantial savings to the State, modify or amend the time frames or any other requirements provided in this subchapter. In these instances, the Authority shall document, for the record, the rationale for such amendment and give adequate notice to the parties involved.

4. For matters of dispute that may occur relative to the activities of the Authority, if formal hearings are warranted, such hearings will be held by the Chief Executive Officer or his or her designee, or by an Administrative Law Judge pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq. and *52:14F-1* et seq., as applicable.

5. The Board of the Authority, or the Chief Executive Officer, as its designee, shall determine whether a matter constitutes a contested case and shall retain or refer any such matter for hearing pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq. and *52:14F-1* et seq. Upon filing of the initial pleading in a contested case, the Board of the Authority may by resolution either retain the matter for hearing directly or transmit the matter for hearing before the Office of Administrative Law. Such hearings shall be governed by the provisions of the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq. and *52:14F-1* et seq., and the Uniform Administrative Procedure Rules, *N.J.A.C. 1:1*.

Resolution–6b.

Rule Readoption without Amendments: Title 19, Chapter 38C, Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consulting Services

Resolution

WHEREAS, Section 4 of the legislation creating the New Jersey Schools Development Authority (SDA or the Authority), P.L. 2007, c. 137 §4 (codified at N.J.S.A. 52:18A-238k) grants the Members of the Authority the power to adopt, amend and repeal rules and regulations to carry out the provisions of the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c. 72 (codified at N.J.S.A. 18A:7G-1et seq.), and the legislation creating the SDA, P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.); and

WHEREAS, in 2005 the Members of the Authority originally approved the adoption of regulations governing the Authority's Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, N.J.A.C. 19:38C (the Rules), and in 2012 subsequently approved the readoption of those Rules with substantive amendments; and

WHEREAS, on April 3, 2019, the Members of the Authority approved the readoption of the Rules through the filing of a Notice of Readoption to readopt Subchapter 38C without amendment, which extended the effectiveness of the Rules until March 4, 2026; and

WHEREAS, the Rules establish standards and procedures for the Authority's procurement of contracts with architects, engineers and other professional services consultants; and

WHEREAS, on March 4, 2026, the Members of the Authority approved for proposal and publication the readoption of the Rules, without amendments; and

WHEREAS, the proposed Rules appeared in the New Jersey Register on April 20, 2026 at 58 N.J.R. (a), on the SDA website and social media accounts, and were subject to a sixty (60) day public comment period ending June 19, 2026, and no comments were received during the public comment period; and

WHEREAS, the Rules are unchanged from the form previously approved by the Board for publication on March 4, 2026 (with the exception of minor technical edits from the Office of Administrative Law); and

WHEREAS, management is seeking Board approval of the completion of the readoption process for the Authority's Subchapter 38C Rules for the Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, and the filing of the attached Notice of Adoption with OAL consistent with the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, a complete copy of the Rules was provided to the Members of the Authority for review.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby approve the proposed readoption of the Authority's Subchapter 38C Rules for the Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, and the filing of the Notice of Adoption with the Office of Administrative Law.

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 her 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, Notice of Proposal for Readoption (without amendments) of Regulations at N.J.A.C. 19:38C - Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, dated August 5, 2026

Dated: August 5, 2026

Rule Readoption without Amendments: Title 19, Chapter 38D Procurement of Goods and Services

MEMORANDUM

TO: Members of the Authority

FROM: Janice Venables, Vice President
Division of Corporate Governance

DATE: August 5, 2026

RE: Rule Readoption without Amendments: Title 19, Chapter 38D
Procurement of Goods and Services

On March 4, 2026, the Members of the Authority approved for proposal and publication the readoption of regulations at Title 19, Chapter 38D, Procurement of Goods and Services (the "Rules"), without amendments. Management of the New Jersey Schools Development Authority ("Authority" or "SDA") now seeks the Members' approval to formally readopt the Rules as previously approved for proposal and publication. The Rules to be readopted have not changed since the Board's initial approval on March 4, 2026, with the exception of minor edits made by the Office of Administrative Law prior to publication. The Rules to be readopted are provided with this memorandum.

The proposed Rules appeared in the New Jersey Register on April 20, 2026 at 58 N.J.R. 1428(a), and were subject to a sixty (60) day public comment period ending June 19, 2026. Additional notice of the rule proposal was published on the Authority's website and social media accounts and provided to news outlets and by electronic mail to the Authority's mailing list. No comments were received during the public comment period, and thus the Rules are unchanged from the form previously approved by the Board for publication on March 4, 2026 (with the exception of minor technical edits from the Office of Administrative Law).

Requested Board Action:

The Members of the Authority are requested to approve completion of the readoption process for these Rules, which requires filing the attached Notice of Adoption with the Office of Administrative Law, and subsequent publication of the final approved Rules and Notice of Adoption in the New Jersey Register.

/s/ Janice Venables
Janice Venables
Vice President, Corporate Governance

JV/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Procurement of Goods and Services

Readoption: N.J.A.C. 19:38D

Proposed: April 20, 2026 at 58 N.J.R. 1428(a)

Adopted: DATE by the New Jersey Schools Development Authority,

Manuel M. DaSilva, Chief Executive Officer

Filed: [DATE] as R. 2026 d.____, **without change**.

Authority: N.J.S.A. 52:18A-238.k..

Effective date: [FILING DATE], 2026;

Expiration date: [FILING DATE], 2033.

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

The rules proposed for readoption implement a State statute, specifically P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.). There are no Federal standards or requirements applicable to the rules. A Federal standards analysis, therefore, is not required.

Full text of the adoption follows:

TITLE 19. OTHER AGENCIES
NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
CHAPTER 38D. PROCUREMENT OF GOODS AND SERVICES

Title 19, Chapter 38D -- Chapter Notes

CHAPTER AUTHORITY:

P.L. 2007, c. 137, § 4k (N.J.S.A. 52:18A-238k) (rulemaking authority); P.L. 2000, c. 72 (*N.J.S.A. 18A:7G-1* et seq.); P.L. 2007, c. 137, (*N.J.S.A. 52:18A-235* et seq.) (enabling statutes); and P.L. 1997, c. 399 (*N.J.S.A. 52:34-9.1* et seq.) (related authority).

CHAPTER SOURCE AND EFFECTIVE DATE:

Effective: March 4, 2019. See: 51 N.J.R. 779(b).

CHAPTER HISTORICAL NOTE:

Chapter 38D, Procurement of Goods and Services, was adopted by R.2005 d.61, effective February 7, 2005. See: *36 N.J.R. 4096(a)*, *37 N.J.R. 522(a)*.

Pursuant to Executive Order No. 1(2010), the chapter expiration date was extended from February 7, 2010 until the completion of the review of administrative regulations and rules by the Red Tape Review Group, and until such time as the extended regulation or rule was readopted pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq.

Chapter 38D, Procurement of Goods and Services, was readopted as R.2012 d.086, effective April 4, 2012. As a part of R.2012 d.086, Subchapter 4, Category Two Selection Procedures, Subchapter 5, Category Three Selection Procedures, Subchapter 7, Category Five Selection Procedures, Subchapter 8, Category Six Selection Procedures and Subchapter 9, Category Seven Selection Procedures, were repealed; Subchapter 4, Selection Procedures--Agreements Exceeding the State Bid Threshold, as Adjusted, Pursuant To N.J.S.A. 52:34-7b, Subchapter 5, Term Agreements, and Subchapter 7, Protests and Hearing Procedures, were adopted as new rules; Subchapter 3, Category One Selection Procedures, was renamed Selection Procedures--Agreements not Exceeding the State Bid Threshold Pursuant to N.J.S.A. 52:34-7b; and Subchapter 6, Category Four Selection Procedures, was renamed Waiver of Advertising, effective May 7, 2012. See: Source and Effective Date. See, also, section annotations.

Chapter 38D, Procurement of Goods and Services, was readopted, effective March 4, 2019. See: Source and Effective Date.

§ 19:38D-1.1 Purpose and scope of rules

This chapter is designed to establish the procedures applicable to the award of contracts by the Authority for goods and services required for implementation of the school construction program, excluding services subject to P.L. 1997, c. 399, *N.J.S.A. 52:34-9.1* et seq., and *N.J.A.C. 19:38C*.

§ 19:38D-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

"Act" means the "Educational Facilities Construction and Financing Act," P.L. 2000, c. 72 (*N.J.S.A. 18A:7G-1* et seq.) as amended, which mandates the school construction program.

"Agreement" means the written agreement between the Authority and the vendor for the provision of goods and/or services.

"Authority" or "SDA" means the New Jersey Schools Development Authority, an entity formed pursuant to P.L. 2007, c. 137, *N.J.S.A. 52:18A-235* et seq., as successor to the New Jersey Schools Construction Corporation. The Authority is statutorily charged with undertaking and funding school facilities projects, pursuant to the Act.

"Board" means the governing body of the Authority, consisting of members of the Authority as outlined in *N.J.S.A. 52:18A-237*.

"Compensation" means the payment due the vendor pursuant to the agreement.

"Corporation" or "SCC" means the New Jersey Schools Construction Corporation, the entity formed pursuant to *N.J.S.A. 34:1B-159* and the predecessor to the Authority, which was abolished by P.L. 2007, c. 137.

"Department" means the New Jersey Department of Education.

"Emergent project" means a capital project necessitating expedited review and, if applicable, approval, in order to alleviate a condition that, if not corrected on an expedited basis, would render a building or facility so potentially injurious or hazardous that it causes an imminent peril to the health and safety of students or staff, as defined by *N.J.A.C. 6A:26-1.2*.

"Fee proposal" means the proposal submitted by a vendor, in the form and manner provided in the request for qualifications or request for proposals, which specifies the fees proposed for the provision of goods and/or services.

"Goods" means fixtures, furnishings, equipment, technology and any other items the procurement of which the Authority deems necessary for the school construction program. For purposes of this chapter, "goods" shall not include materials to be provided in connection with the provision of services pursuant to an agreement entered into by the Authority pursuant to *N.J.A.C. 19:38C* or *N.J.S.A. 52:18A-243*.

"Key personnel" means those persons named by a vendor in response to a requirement in an RFQ or RFP for specific identification of employees or personnel having a responsible role in the successful delivery of goods or services proposed by a vendor.

"Moral integrity review" means an investigation, performed by the Authority or members of the New Jersey State Police or other investigative body on behalf of the Authority, of a vendor that seeks to enter an agreement with the Authority.

"Notice of award" means a written notice issued to a vendor by the Authority indicating that the vendor has been selected to provide certain goods or services pursuant to an Authority procurement process, and that upon the Authority's receipt of certain required documentation, the Authority intends to enter an agreement with the vendor for the provision of those goods and/or the performance of those services.

"Other facilities" means those facilities that are not school facilities projects as defined by the Act, namely, athletic stadiums, swimming pools, any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building, or facility used solely for school administration.

"Pre-qualified" or "pre-qualification" means the approval of a vendor by the Authority pursuant to *N.J.A.C. 19:38A*.

"Proposal" means the response submitted by a firm with respect to a request for qualifications or a request for proposals.

"Protest" means a challenge to a decision, statement, action, or alleged inaction of the Authority.

"Ranking" means the process of listing responsive vendors in order of highest to lowest total scores, based upon selection criteria set forth in the RFQ and/or RFP.

"Request for proposals" or "RFP" means the solicitation issued by the Authority in connection with the selection of a vendor.

"Request for qualifications" or "RFQ" means the request for statements of qualifications issued by the Authority seeking submissions from vendors including statements of qualifications, experience and/or organizational information, as well as any additional information deemed necessary by the Authority, in connection with the selection of a vendor.

"Schedule of goods" means the goods required to be provided by a vendor under an agreement.

"School construction program" means the program of school facilities projects and related activities undertaken by the Authority.

"School facilities project" means the planning, acquisition, demolition, construction, improvement, alteration, modernization, renovation, reconstruction, or capital maintenance of all or any part of a school facility or of any other personal property necessary for, or ancillary to, any school facility, and shall include fixtures, furnishings and equipment, and shall also include, but is not limited to, site acquisition, site development, the services of design professionals, such as engineers and architects, construction management, legal services, financing costs and administrative costs, and expenses incurred in connection with the project.

"School facility" means and includes any structure, building or facility used wholly or in part for academic purposes by a district, and facilities that physically support such structures, buildings and facilities, such as district wastewater treatment facilities, power generating facilities, and steam generating facilities, but shall exclude other facilities, as elsewhere defined herein.

"Scope of services" means the extent of obligations contractually required from a vendor pursuant to an agreement.

"SDA school district" means a school district that received education opportunity aid or preschool expansion aid in the 2007-2008 school year, as defined at P.L. 2007, c. 260, § 39, *N.J.S.A. 18A:7G-3*.

"Selection committee" means the group(s) responsible for review and evaluation of vendors' responses to RFQs and/or RFPs in connection with a procurement, when the compensation for the engagement is anticipated to exceed the State bid advertisement threshold pursuant to N.J.S.A. 52:34-7b.

"Selection coordinator" means the administrator of the operations and procedures of the selection process, whose activities shall include, but are not limited to, scheduling of meetings, preparing agendas, recording scores, preparing minutes of selection committee meetings and other similar administrative duties.

"Services" means the duties and responsibilities to be performed by the vendor pursuant to the agreement, including all other labor, materials and equipment provided or to be provided to fulfill such obligations, except that, for purposes of these policies and procedures, "services" shall not include:

1. Any "architectural, engineering or land surveying services" within the meaning of *N.J.S.A. 52:34-9.2*;

2. Services procured under the procedures established at *N.J.A.C. 19:38C*; and

3. Services subject to the procurement requirements established at *N.J.S.A. 52:18A-243*.

"Small business enterprise" or "SBE" means a firm that is registered as a "small business" with the New Jersey Department of the Treasury, Division of Minority and Women Business Development pursuant to *N.J.A.C. 17:14-3.1*.

"Task order" means a contractual document, containing a scope of work, negotiated costs, and schedule, which the Authority issues to a vendor, pursuant to a term agreement.

"Term agreement" means an agreement whereby the Authority may engage a vendor for a defined period of time, as provided in this chapter.

"Vendor" means a provider of goods and/or services.

§ 19:38D-2.1 Scope

This subchapter sets forth requirements applicable to procurements of goods and/or services for the Authority.

§ 19:38D-2.2 Pre-qualification and moral integrity review

(a) For all procurements requiring pre-qualification pursuant to *N.J.A.C. 19:38A*, vendors must be pre-qualified by the Authority at the time of submission of a response to an RFQ and/or an RFP, except if otherwise expressly provided in this chapter.

(b) All vendors seeking to enter into an agreement with the Authority are subject to a moral integrity review, even where Authority pre-qualification is not required. If the results of the moral integrity review are negative or unsatisfactory in that they indicate any circumstance that would justify a revocation of pre-qualification under *N.J.A.C. 19:38A-4.1*, the Authority shall reject the vendor's proposal pursuant to *N.J.A.C. 19:38D-2.6*.

§ 19:38D-2.3 Selection procedures based on type of engagement

The Authority may establish different procedures as set forth in this chapter, for the selection of vendors based on the contract type or value of the engagement.

§ 19:38D-2.4 General evaluation criteria

(a) The ranking of vendors shall be performed pursuant to evaluation criteria established by the Authority for each particular procurement and by the weights established for such criteria. In selecting the most highly qualified vendor, the selection committee shall consider the criteria and relative weights of such criteria, as set forth in the RFP and/or RFQ. Such evaluation criteria may include:

1. The experience of the vendor, and its key personnel, on projects similar in scope, size, complexity;

2. The ability of the vendor and its key personnel, to provide the required goods or services;

3. The approach set forth by the vendor with respect to the provision of the goods or services in its proposal;

4. The proposed staffing, including, but not limited to, the extent to which the ability of the vendor to fulfill the contract may be affected or compromised by the commitment of staff to another contract with the Authority, or to contracts with any other public or private entity;

5. Performance by the vendor of the goods or services on other work undertaken or funded by the Authority;

6. The proximity of the vendor of the goods or services to the site of the school facility at issue;

7. In the case of the provision of goods, the durability, and/or construction of, and related warranty provisions affecting, the goods in question; and/or

8. Such other criteria as the Authority may determine to be appropriate to a specific procurement and which shall be set forth in the pertinent advertisement and request for proposals.

(b) To the extent required by law or by order of a court of competent jurisdiction, the Authority shall abide by the provisions of *N.J.S.A. 52:32-17* et seq., and all applicable regulations, with respect to SBEs. Nothing in this chapter shall be construed to limit the Authority's ability to obtain goods or services pursuant to an SBE set-aside procurement pursuant to *N.J.A.C. 19:39*.

§ 19:38D-2.5 Rejection of proposals; cancellation of procurement or award

(a) Proposals received after the submission date and time prescribed in the RFQ or RFP shall be rejected.

(b) The Authority may reject any proposal for any reason in accordance with law, when it is otherwise deemed to be in the public interest to do so. The Authority may reject all proposals and cancel a procurement for excessive cost, insufficient competition, or any other reason, in accordance with law, that it deems to be in the public interest. The Authority may cancel an award at any time before the execution of an agreement by all parties.

§ 19:38D-2.6 Approval and execution of agreement

No agreement is valid or binding on the Authority unless and until it is executed by the Authority.

§ 19:38D-2.7 Termination

All agreements executed pursuant to this chapter shall provide for, among other things, termination for convenience and for cause.

§ 19:38D-2.8 Disclosure and publicity; records access and retention

(a) Any and all submissions made in response to an RFP and/or an RFQ are subject to the provisions of the Open Public Records Act, *N.J.S.A. 47:1A-1* et seq., including the exceptions from disclosure provided therein.

(b) Vendors shall notify the Authority prior to the issuance of press releases and other public dissemination of information concerning a school facilities project and such shall acknowledge Authority financing and assistance in the undertaking of the school facilities project.

(c) The Authority and any vendor subject to this chapter shall retain all records relating to goods or services provided under the agreement with the Authority for a specified period following expiration or termination of the agreement, as indicated in the agreement and as specified in the Authority's document retention schedule. All such records shall be provided to the Authority upon written demand, at no cost to the Authority. In the event that any litigation, claim, audit or request pursuant to the Open Public Records Act, *N.J.S.A. 47:1A-1* et seq., relating to the procurement and the provision of such services is commenced prior to expiration or termination of the agreement, such records shall be retained until all litigation, claims, audit findings, document requests, and related appeals, if any, have been resolved with finality.

§ 19:38D-2.9 Advertising

(a) The Authority shall advertise for all procurements in accordance with *N.J.S.A. 52:18A-243(h)*. In addition, such advertising may also be placed:

1. In pertinent trade publications with distribution in New Jersey;
2. By written notice to New Jersey professional societies or trade organizations; and/or
3. By use of direct mailings to appropriately selected firms.

(b) Any such advertisement shall be made in the form and in the time required to promote competition and shall describe any specific information that an interested vendor must submit, as well as the date and time of the deadline for submissions.

(c) The advertisement shall specify the evaluation criteria that shall apply to the proposals.

§ 19:38D-3.1 Scope

This subchapter sets forth the procedural requirements applicable to the procurement of agreements for goods and/or services where such agreements specify compensation that does not exceed the State bid threshold of $ 36,000, as adjusted, pursuant to N.J.S.A. 52:34-7b, except for those procurements in which the Authority, at its sole option, determines to apply the procedures of N.J.A.C. 19:38D-4. The Authority reserves the right to waive any pre-qualification requirement for a procurement pursuant to this subchapter.

§ 19:38D-3.2 Solicitation

In accordance with N.J.S.A. 52:34-7b, the Authority shall not be required to advertise the procurement of agreements for goods and/or services where such agreements provide for compensation below the State bid threshold.

§ 19:38D-3.3 Evaluation

Proposals shall be evaluated based on fees and/or the evaluation criteria appropriate for the particular procurement. The Authority may request clarifying technical and/or organizational information from any vendor submitting a proposal prior to finalizing the evaluation.

§ 19:38D-3.4 Selection

The Authority shall select the proposal that is in the best interest of the Authority and the school construction program, based on fees and/or the evaluation criteria established for the selection.

§ 19:38D-4.1 Scope

This subchapter sets forth procedures that shall apply to the procurement of agreements for goods and/or services where such agreements specify compensation exceeding the amount set forth in N.J.S.A. 52:34-7b. At the option of the Authority, the procedures specified in this subchapter may apply to an engagement with compensation below the amount set forth in N.J.S.A. 52:34-7b.

§ 19:38D-4.2 Initiation

A procurement for the provision of goods and/or services under this chapter shall be initiated by the public advertisement of an RFQ, RFP, or both, except in circumstances where a waiver of advertising is permitted under N.J.A.C. 19:38D-6. The RFQ or RFP shall include the schedule of goods or the scope of services sought under the procurement, as well as the form of agreement and other related documents.

§ 19:38D-4.3 Selection committee

(a) Prior to the receipt of vendor proposals, the Authority shall establish a selection committee or committees to review and evaluate the proposals. Each member of the selection committee shall have the relevant experience necessary to evaluate the proposals. Each member of a selection committee shall be responsible for independently evaluating and scoring the proposals.

(b) Once the responses are received and the identity of the vendors is ascertained and communicated to the members of the selection committee, each member of the selection committee, prior to the evaluation of any proposal, shall execute a certification that he or she has no personal interest, financial or familial, in any of the vendors to be evaluated, or the principals, subsidiaries or parent companies thereof. Furthermore, should any of the selection committee members indicate that a conflict or personal interest exists once the identity of the vendors is revealed, that member shall not serve on the selection committee and may be replaced.

(c) The names of the members of the selection committee shall be made public once the contract is awarded, pursuant to *N.J.S.A. 52:34-10.3(c)*.

§ 19:38D-4.4 Selection evaluation criteria

(a) The selection evaluation criteria may include the criteria listed in *N.J.A.C. 19:38D-2.4*, as well as past project performance, understanding of project needs and project schedule, and budget and cost estimating. Selection evaluation criteria may also include any other criteria determined to be appropriate in the sole discretion of the Authority.

(b) The selection evaluation criteria and the specific weight assigned to each criterion for each procurement of goods and/or services under this chapter shall be established by the Authority prior to advertisement, and the criteria and weights shall be incorporated into the RFQ and/or RFP for the procurement.

(c) The Authority may consider the fee proposal as a qualitative factor upon which firms will be evaluated.

§ 19:38D-4.5 Selection evaluation process

(a) The members of the selection committee will evaluate the submissions and other information comprising the evaluation process, and shall assign scores based upon the evaluation criteria set forth in the RFQ and/or RFP.

(b) In addition to the review of responses to an RFQ and/or RFP, the evaluation process may include:

1. Review of a vendor's responses to requests for additional or clarifying information;

2. Participation in interviews; and

3. Any other components determined, in the sole discretion of the Authority, to be appropriate.

(c) Site visits, pre-proposal conferences, and interviews may be scheduled. Attendance shall be mandatory when so stipulated in the RFP or RFQ.

(d) The selection coordinator shall compile the evaluation scores of the committee members, as well as any points assigned in the consideration of a fee proposal in accordance with *N.J.A.C. 19:38D-4.7(a)*, if applicable, and shall prepare a ranking in accordance with the procedures specified in the RFQ and/or RFP, which shall be deemed a final ranking if no shortlisting process, as set forth in this section, is called for in the RFQ.

(e) If a shortlisting process is specified by the selection procedures described in the RFQ, the selection coordinator shall review the ranking and shall identify the short list of vendors.

1. Once the short list is determined in accordance with subsection (e) above, the Authority shall publish the short list on the Authority's website and/or provide written notification to all firms that supplied responses to the RFQ of the names of the firms selected for the short list.

2. If additional information is required, the Authority shall request such information from all of the shortlisted firms prior to the final ranking. The members of the selection committee shall review and evaluate the additional information provided by the shortlisted firms, in accordance with the procedures specified in the RFQ and/or RFP, and shall assign scores based upon the evaluation criteria stated in the RFQ and/or RFP. At the sole discretion of the Authority, interviews may be held with the shortlisted firms prior to the determination of the final ranking. The members of the selection committee shall evaluate the additional information, and interviews, if any, and shall assign scores to each. The selection coordinator shall combine all evaluation scores in accordance with the procedures outlined in the RFQ and/or RFP, and prepare a final ranking.

§ 19:38D-4.6 Submission of fee proposals

A fee proposal shall be submitted in accordance with the process set forth in either an RFQ or RFP. A fee proposal shall be submitted in a separate sealed envelope. The envelope shall indicate clearly that it is the fee proposal and shall identify the vendor's name, the project or procurement number and any other information required by the RFQ and/or RFP. The fee proposals shall remain sealed until such time as provided in *N.J.A.C. 19:38D-4.7(a)* or (b) below.

§ 19:38D-4.7 Consideration of fee proposals

(a) In the event the fee proposal is one of the qualitative factors for the evaluation of the proposals, the Authority shall open the sealed fee proposals and assign the maximum points to the lowest total fee proposal. All other proposals shall be scored based upon the percentage that each proposal exceeds the lowest proposal. The scores of the fee proposals shall then be utilized to finalize the ranking undertaken by the selection committee, pursuant to *N.J.A.C. 19:38D-4.5(d)*.

(b) In the event the fee proposal is not a qualitative factor for the evaluation of the proposal, the Authority shall open the sealed fee proposals at a predetermined date and time after the final ranking has been prepared. Using the fee proposals as a guide, the Authority shall negotiate an agreement with the highest-ranked vendor at a fee determined by the Authority to be fair and reasonable. Should the Authority be unable to negotiate a satisfactory fee with the highest-ranked vendor, the Authority shall terminate negotiations with the highest-ranked vendor, and may then terminate the procurement or may undertake negotiations with the second-highest ranked vendor. Failing accord with the second highest-ranked vendor, the Authority shall terminate negotiations with the second highest-ranked vendor and may then terminate the procurement or may undertake negotiations with the third highest-ranked vendor. In the event that the Authority is unable to agree to a satisfactory fee with any of the three highest-ranked firms, the Authority may select additional vendors in the order of their ranking and continue negotiations, until either an agreement is reached or the procurement is canceled or terminated.

§ 19:38D-4.8 Recommendation

Based on the process set forth in this subchapter, the selection coordinator shall recommend the most technically qualified vendor at final compensation determined to be fair and reasonable. If the recommendation is approved, the Authority will issue a written notice of award to the successful vendor.

§ 19:38D-4.9 Execution of agreement

Upon the successful vendor's submission of any required documentation or materials as specified in the notice of award, and the Authority's acceptance of such documents, the Authority will execute the agreement and provide the successful vendor with a fully-executed agreement.

§ 19:38D-4.10 Confidentiality

The selection evaluations, rankings, negotiations and fee proposals of all firms, as well as all discussions and correspondence, relating to the selection of a vendor shall remain confidential and exempt from production under the Open Public Records Act, *N.J.S.A. 47:1-1* et seq., until a notice of award has issued.

§ 19:38D-5.1 Scope

This subchapter provides for the use of term agreements by the Authority to serve a variety of needs in accordance with its statutory responsibilities to administer the school construction program. This subchapter further provides for issuance of purchase orders, or issuance of task orders in accordance with a term agreement.

§ 19:38D-5.2 General requirements

(a) A term agreement is an agreement whereby the Authority may engage a vendor for a defined period of time, rather than for a defined project or projects.

(b) Term agreements may be used by the Authority to procure goods and/or services when there is a need to:

1. Expedite emergent projects or emergent project requirements;

2. Procure goods or services for a school facilities project on an "on call" basis; or

3. Address the program-wide requirements of the Authority.

(c) Procurement of a term agreement shall be in accordance with the selection procedures pursuant to N.J.A.C. 19:38D-3 or 4, depending on whether the value of the term agreement exceeds the statutory threshold of N.J.S.A. 52:34-7b, except that fee proposals submitted under those procedures may be based upon hourly or daily rates and/or other methods of determining costs over a specific time period.

(d) Term agreements shall be for a specific time period, or maximum contract value, or both, which limitations shall be set forth in the term agreement. The Authority shall set forth a budget and schedule for each proposed purchase order or task order under a term agreement, prior to its issuance or assignment to a vendor. The time in which goods are to be supplied or services are to be performed under a purchase order or task order may extend past the expiration date of a term agreement, as long as the purchase order or task order was issued or executed prior to the expiration date.

(e) Under this subchapter, the Authority may enter into a term agreement with any vendor engaged pursuant to the provisions of this chapter for:

1. A value that shall not exceed a ceiling stated in the agreement; or

2. An initial term not to exceed three years, with an option to renew for one additional year, unless a longer time period is expressly authorized by law; or

3. A combination of both a stated value and a stated time period.

§ 19:38D-6.1 Scope

This subchapter shall apply when the Authority determines to procure goods and/or services by means of an exemption from advertising pursuant to *N.J.S.A. 52:34-10*, having found that the requirements of one of the exemption types in *N.J.A.C. 19:38D-6.2* have been satisfied, and when the Authority has established that such exemption is in the best interest of the Authority and the school construction program.

§ 19:38D-6.2 Exemption types and requirements

(a) The circumstances providing a basis for an exemption are as follows:

1. Sole source: when only one vendor is capable of or available to provide the goods or services at the time they are required.

2. Continuity: when, as a result of the vendor's previous satisfactory engagement by the Authority, a significant need arises to maintain continuity through updated or additional goods or services from the same source.

3. Governmental agreement: when the goods or services required are available from the Federal or any state government or any agency or political subdivision thereof.

4. Public exigency: when public exigency requires the immediate delivery of the goods or services. Public exigency may be found if:

i. A health or safety hazard exists, which precludes the lead time for advertisement of a procurement for goods and/or services to rectify such condition, or renders the competitive bidding for such a procurement impractical or impossible;

ii. A critical agency mandate, statutory or operational requirement can only be fulfilled by the sole source; or

iii. A health or safety emergency precludes the lead time required to develop a competitive schedule of goods or scope of services.

5. Existing contract: when the goods or services required are available through participation in an existing contract between a vendor and any department, division, office, agency, bureau or section of the United States, or any authority or instrumentality created or chartered thereby and any department, division, office, agency, bureau or section of New Jersey or any state of the United States other than New Jersey, or any political subdivision thereof including, but not limited to, municipalities, or any other authority or instrumentality created or chartered thereby, provided that:

i. The existing contract was the result of a competitive selection process;

ii. The terms of the existing contract permit such Authority participation;

iii. The price of the goods or services being procured is no greater than the price offered to the original governmental unit party to the existing contract;

iv. The Authority receives the benefit of any price reductions mandated by the original governmental unit party during the term of the existing contract and is protected from price increases during that time; and

v. The price of goods or services being procured is no greater than the price of the same or equivalent goods or services under any existing New Jersey State contract.

§ 19:38D-7.1 Scope and purpose

(a) This subchapter sets forth the procedures that govern protests regarding the Authority's procurements of goods and services, including protests challenging:

1. The form of advertisements for procurement;

2. The form of the RFQ or the RFP for a given procurement;

3. The scoring of proposals or the ranking of firms;

4. The selection of vendors for unadvertised procurements under N.J.A.C. 19:38D-3 or 6; and

5. The issuance of a task order under a term agreement under N.J.A.C. 19:38D-5.4.

(b) For purposes of this subchapter, protests of the type described are not contested cases subject to the requirements of the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq.

§ 19:38D-7.2 Subject matter, hearing procedures, time limitations

(a) A protest shall be made as follows:

1. RFQ process or documents. A vendor that has submitted or intends to submit a proposal in response to an RFQ may request an informal hearing before the Authority to protest the RFQ process or documents, by submitting a written protest to the Authority, at least five business days prior to the date and time scheduled for receipt of proposals, setting forth in detail the grounds for such protest. The protest must contain all legal and factual arguments, materials or other documents that support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed less than five business days prior to the date and time scheduled for receipt of proposals, or that fails to provide the specific reasons for, and arguments supporting, the protest;

2. RFP process or documents. A vendor that has submitted or intends to submit proposals in response to an RFP may request an informal hearing before the Authority to protest the RFP process or documents, by submitting a written protest to the Authority, setting forth in detail the grounds for such protest, at least five business days prior to the date and time scheduled for receipt of the proposals. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed less than five business days prior to the date and time scheduled for receipt of proposals, or that fails to provide the specific reasons for, and arguments supporting, the protest;

3. Short list. A vendor protesting its failure to be included in a short list, or protesting the inclusion of another vendor on a short list, may request an informal hearing before the Authority to protest the selection of the short list by submitting to the Authority, a written protest setting forth the specific grounds for challenging the short list, within five business days of the public announcement of the short list. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position, and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the short list, or any protest that fails to provide the specific reasons for, and arguments supporting, the protest;

4. Award of contract. A vendor that has submitted a proposal in response to an RFQ or RFP, may request an informal hearing before the Authority to protest the award of a contract to another vendor, by submitting to the Authority a written protest, setting forth the specific grounds for challenging such award, within five business days of the public announcement of the award. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position, and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for, and arguments supporting, the protest;

5. Unadvertised contracts. A vendor may request an informal hearing before the Authority to protest the award of an unadvertised contract to another vendor, by submitting to the Authority, a written protest setting forth the specific grounds for such protest, within five business days of the public announcement of the award of the contract. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for, and arguments supporting, the protest; or

6. Task order assignment. A vendor that has received an award under a term agreement procurement may request an informal hearing before the Authority to protest the award or assignment of a task order to another vendor, by submitting to the Authority, a written protest setting forth the specific grounds for such protest, within five business days of the public announcement of the award or assignment of the task order. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award or assignment of the task order, or any protest that fails to provide the specific reasons for, and arguments supporting, the protest.

§ 19:38D-7.3 Hearing procedures

(a) Hearing procedures shall be as follows:

1. The Authority, in its sole discretion, shall determine whether to grant an informal hearing regarding any protest. Informal hearings are for fact-finding purposes for the benefit of the Authority. Alternatively, the Authority may determine that sufficient information already exists in the record

so that a decision may be made without a hearing, and the Authority may issue a final agency decision accordingly. In the event that the Authority determines that a hearing is not necessary, a written final agency decision will be issued by the Authority within five business days of receipt of all documents related to the protest.

2. Informal hearings will be held, where feasible, within 14 business days of the receipt of the request. Hearings will be heard, where practicable, by a hearing officer designated by the Chief Executive Officer. The hearing officer shall issue a final agency decision within 30 calendar days of the conclusion of the hearing unless, due to the circumstances of the hearing, a greater time is required. For all protests of the RFQ or RFP processes and documents, the written final agency decision will issue prior to the opening of proposals. If a decision based upon a protest results in a modification of the aforesaid process or documents, the modifications relating to such decision shall be conveyed by addendum to all vendors eligible for the procurement at issue.

3. In an informal hearing, the Authority may, in instances where public exigency exists or where there is potential for substantial savings to the State, modify or amend the time frames or any other requirements provided in this subchapter. In these instances, the Authority shall document, for the record, the rationale for such amendment and give adequate notice to the parties involved.

4. For matters of dispute that may occur relative to the activities of the Authority, if formal hearings are warranted, such hearings will be held by the Chief Executive Officer or his or her designee, or by an Administrative Law Judge pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq. and *52:14F-1* et seq., as applicable.

5. The Board of the Authority, or the Chief Executive Officer, as its designee, shall determine whether a matter constitutes a contested case and shall retain or refer any such matter for hearing pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq. and *52:14F-1* et seq. Upon filing of the initial pleading in a contested case, the Board of the Authority may, by resolution, either retain the matter for hearing directly, or transmit the matter for hearing before the Office of Administrative Law. Such hearings shall be governed by the provisions of the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq. and *52:14F-1* et seq. and the Uniform Administrative Procedure Rules, *N.J.A.C. 1:1*.

Resolution–6c.

Rule Readoption without Amendments: Title 19, Chapter 38D
Procurement of Goods and Services

Resolution

WHEREAS, P.L. 2007, 137 (N.J.S.A. 52:18A-238(k)) requires that the Members of the New Jersey Schools Development Authority (SDA or the Authority) adopt, amend and repeal rules and regulations to carry out the provisions of P.L. 2000, c. 72 (C. 18A:7G-1 et seq.) and P.L. 2007, c. 137 (C. 52:18A-235 et seq.); and

WHEREAS, On March 2, 2012, the Members of the Authority approved for final adoption regulations governing the Procurement of Goods and Services, N.J.A.C. 19:38D (the Rules), and the Rules were formally published in the New Jersey Register on April 4, 2012; and

WHEREAS, the Rules address requirements for prequalification, advertisement, evaluation and selection in procurements for professional services consultants; procedures regarding cancellation of procurements; inclusion of required contract terms for termination, records retention, disclosure and publicity; and provisions for performance evaluations of engaged consultants; and

WHEREAS, on March 4, 2026, the Members of the Authority approved for proposal and publication the readoption of regulations at Title 19, Chapter 38D, Procurement of Goods and Services (the “Rules”), without amendments; and

WHEREAS, the proposed Rules appeared in the New Jersey Register on April 20, 2026 at 58 N.J.R. 1428(a), and on the SDA website and social media accounts, and were subject to a sixty (60) day public comment period ending June 19, 2026, and no comments were received during the public comment period; and

WHEREAS, and the Rules are unchanged from the form previously approved by the Board for publication on March 4, 2026 (with the exception of minor technical edits from the Office of Administrative Law); and

WHEREAS, a complete copy of the Rules was provided to the Members of the Authority for review; and

WHEREAS, SDA management is seeking Board approval of the completion of the readoption process for these Rules, which requires filing the attached Notice of Adoption with the Office of Administrative Law, and subsequent publication of the final approved Rules and Notice of Adoption in the New Jersey Register.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby approve completion of the readoption process for these Rules, and the filing of the attached Notice of Adoption with the Office of Administrative Law, and subsequent publication of the final approved Rules and Notice of Adoption in the New Jersey Register.

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 her 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, Rule Readoption without Amendments, N.J.A.C. 19:38D, Procurement of Goods and Services, dated August 5, 2026

Dated: August 5, 2026

MONTHLY REPORTS

(For Informational Purposes)

ACTIVE PROJECTS STATUS REPORT

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Mikie Sherrill, Governor
Dr. Dale G. Caldwell, Lt. Governor
Manuel Da Silva, CEO

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: August 5, 2026
SUBJECT: Active Project Status Report
(For Informational Purposes Only)

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

The 2nd 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.

Portfolio Projects Activities Summary

as of 7/20/26

Portfolio Projects - sorted by District, Project

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost *(millions)*	Delivery Method	Advancement Status	School Opening	Comments
		1							
Bridgeton	6-8	6-8	TBD	TBD	TBD	Design-Build	Project phased with advancement of High School Add/Reno Project.	TBD	
Bridgeton	6-8	6-8	TBD	TBD	TBD	Design-Build	Project phased with advancement of High School Add/Reno Project.	TBD	
Bridgeton	HS Addition/Renovation	9-12	346	408	$87.2	Design-Build	Advertisement for D-B (Re-bid) 6/1/26. Proposals due August 18, 2026.	TBD	
Camden	New High School (East Side HS Replacement)	9 - 12	800	941	$115.1	Design-Build	Advertisement for D-B 7/17/26. Proposals due September 29, 2026.	3 QTR 29	Capital Plan included 2 ES projects. District requested advancement of a replacement HS instead.
Elizabeth	New ES (Battin Replacement)	PK-8	973	1,068	$101.5	Design-Build	Award for D-B and Final Charter approved Jul-25 Board. (Terminal)	3 QTR 28	ESP complete.
Garfield	New ES (No. 5 Replacement)	PK-5	767	852	$87.6	Design-Build	Award for D-B and Final Charter approved Dec-24 Board. (Dobco)	3 QTR 27	ESP complete.
Garfield	K-5	K-5	TBD	TBD	TBD	Design-Build	Project phased with advancement of the New ES (No. 5 Replacement) Project.	TBD	
Jersey City	Chaplain Charles Watters School No. 24 Addition	PK/K	271	288	$37.5	Design-Build	Preliminary Charter approved Dec-25 Board.	3 QTR 30	
New Brunswick	MS Addition	6 - 8	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing.	TBD	Need beyond acquisition of MS Annex under review with NJDOE.
New Brunswick	Pathways MS & P-Tech Academy	6-8, 9-12	765	859	$42.0	Alternative Delivery	Building Acquisition Complete.	n/a	Facility was previously leased by the District as an active school facility.
Newark	Nelson Mandela ES (Existing Building Acq.)	PK-8	338	376	$20.5	Alternative Delivery	Building Acquisition Complete.	Sep-23	
Newark	New University High School (Replacement)	9 - 12	920	1,082	$153.0	Design-Build	Advertisement for D-B 7/1/26. Proposals due September 15, 2026.	3 QTR 29	ESP Recommendation of Award approved Jun-26 Board.
Passaic City	New Passaic High School No. 12 (Replacement)	9-12	2,400	2,823	$328.1	Design-Build	Planning Charter approved Feb-24 Board.	3 QTR 31	
Paterson	New STEAM & STARS HS	9-12	1,329	1,564	$200.8	Design-Build	Award for D-B and Final Charter approved Jan-26 Board. (Dobco)	3 QTR 29	
Pleasantville	New Decatur Ave ES	PK-5	601	658	$72.6	Design-Build	Award for D-B and Final Charter approved Dec-25 Board. (Bock)	3 QTR 28	ESP complete.
Salem City	New PK-8	PK-8	940	1,024	$121.3	Design-Build	Planning Charter approved Feb-26 Board.	TBD	
Trenton	ES at Dunn MS	K-6	753	837	$89.4	Design-Build	Award for D-B and Final Charter approved Sep-25 Board. (Bock)	3 QTR 28	
West New York	New Middle School	6 - 8	788	876	$121.8	Design-Build	Award for D-B and Final Charter approved Sep-25 Board. (Terminal)	3 QTR 28	ESP complete.

Notes

PLEASE NOTE - Dates in past are actual.

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.

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Active Project Status Report
Status as of 7/1/2026

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	Elizabeth	New ES (Battin Replacement)	New Construction	Design-Build Construction	1Q 2028	On-target	Sep-28	On-target	$ 101,454,452
2	Garfield	New ES (Washington No. 5 Replacement)	New Construction	Design-Build Construction	3Q 2027	On-target	Sep-27	On-target	$ 87,624,000
3	Paterson	New STEAM & STARS High School	New Construction	Design-Build Design	2Q 2029	On-target	Sep-29	On-target	$ 200,780,000
4	Pleasantville	New Decatur Avenue Elementary School	New Construction	Design-Build Design	3Q 2028	On-target	Sep-28	On-target	$ 72,627,000
5	Trenton	New Elemantary School (Dunn MS Site)	New Construction	Design-Build Construction	2Q 2028	On-target	Sep-28	On-target	$ 89,390,000
6	West New York	New Middle School	New Construction	Design-Build Construction	2Q 2028	On-target	Sep-28	On-target	$ 121,840,256

PROJECT STATUS REPORT

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Planning and Program Operations

DATE: August 5, 2026

SUBJECT: Executive Summary – Monthly Project Status Reports

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:

No activity during the reporting period

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

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

Reporting Period: January 2008 to June 2026

District	Project	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining[1]	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status

In Construction

No Activity To Report for Projects Active in Construction

Substantially Complete & Building Occupied

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

No Activity To Report for Projects in Close-Out

1 Does not include expended contingency or contingency funds allocated for change orders, amendments

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

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

Reporting Period: June 2026

#	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

No Activity During the Reporting Period

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Revisions to Project Charters

Reporting Period: June 2026

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision

No Activity During the Reporting Period

CONTRACTS EXECUTED REPORT/AMENDMENTS & CHANGE ORDERS REPORT

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Planning & Program Operations

DATE: August 5, 2026

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

REPORT PERIOD – June 2026

Contracts Executed Report

Noteworthy Items during the reporting period:

- 1 contract for Construction Management services for the Newark Science Park HS smoke evacuation system corrective work project to Jacobs Architects / Engineers, Inc. for $119,867 was executed during the reporting period.

Amendments & Change Orders Report

Noteworthy Items during the reporting period:

- 2 Professional Services Amendment were executed during the reporting period totaling a credit of $5.7k, none of the executed amendments required Board approval.
- 1 Construction Services Change Orders was executed during the reporting period totaling $397.7k, none of the executed change orders required Board approval.

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Contracts Executed Report

Reporting Period: 6/1/2026 through: 6/30/2026

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
Part 1. Professional Services										
Others										
Newark	New Science Park HS	New	ConstrMgmt	NE-0001-M01	Jacobs Architects / Engineers, Inc.		$119,867	6/10/2026	-	
Others										
Part 1. Professional Services							**$119,867**			

**** 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

SDA State of New Jersey Schools Development Authority

Amendments & Change Orders Report

Reporting Period: 6/1/2026 through: 6/30/2026

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 %
Professional Services													
Design Consultant													
Jersey City	Heights Middle School (-N03)	JE-0001-A01	3/11/2002	27	Clarke Caton Hintz	6/25/2026	$2,516,390	$1,400,235	($5,441)			$3,911,184	55.42%
Construction Manager													
Keansburg Borough	New Caruso E.S.	ET-0061-M01	5/1/2014	1	Joseph Jingoli & Son, Inc.	6/29/2026	$1,109,378	$0	($308)			$1,109,071	-0.02%
Professional Services									**($5,749)**				
Construction Services													
Contractor													
Perth Amboy	Seaman Avenue School	ET-0031-B01	8/15/2016	20	Epic Management, Inc.	6/9/2026	$43,570,000	($390,875)	$397,714			$43,576,838	0.01%
Contractor													
Construction Services									**$397,714**				

	Total Change Summary	Total Changes
Grand Totals	**$391,965**	**3**

Column Description Legend

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**

DIVERSITY AND WORKFORCE PARTICIPATION REPORT

MEMORANDUM

TO: Members of the Authority

FROM: J Manuel Castillo, Director – EEO/AA and Contracting Accountability

DATE: August 5, 2026

RE: Diversity and Workforce Participation Monthly Update for June 2026

The EEO/AA & Contracting Accountability Team consistently participates in mandatory pre-bid and pre-construction meetings. Our Team informs and provides guidance to vendors regarding SDA's Small Business Enterprise and Workforce goals, policies and procedures in pre-construction meetings, including:

- The expectation to delegate the state-mandated 25% of the value of the contract to NJ Division of Revenue and Enterprise Services certified Small Business Enterprises ("SBEs") and make efforts to award 3% of contract value to disabled veteran-owned businesses.
- County trade workforce participation goals for minorities and females, in accordance with N.J.A.C. 17:27-7.2.
- Post-bid advertisement Subcontractor Request for Work Review and Approval Process, and Contractor/Subcontractor Payroll Certification submission requirement.
- Our Division's process for monitoring and tracking vendor progress to meet the mentioned goals and requirements throughout the life cycle of each project.

During these meetings, our Team strongly encourages vendors to identify and hire minority-owned, female-owned and disabled veteran-owned firms, as well as locally based enterprises, for diverse business participation on all school building projects. As each project progresses, our Team offers vendors outreach strategies to support their efforts in reaching the above-mentioned goals.

SMALL BUSINESS ENTERPRISE ATTAINMENT

SDA contracts regularly exceed the state-mandated 25% SBE participation goal. The total contracted dollar amount associated with NTP-issued SDA contracts in June 2026 was $159,912,912. Thus far, the overall dollar amount associated with NTP-issued SDA contracts in 2026 is $318,436,505. Of that total, $10,927,008 was awarded to SBEs, including any minority, female and disabled veteran-owned SBEs. This represents an SBE current participation of 3.43% in all NTP-issued SDA contracts awarded thus far in calendar year 2026. SBE participation routinely increases as prime contractors/consultants hire subcontractors/subconsultants with SBE certifications throughout the lifecycle of their SDA contracts.

Diversity Breakdown for 2026 thus far

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
SBEs	$10,927,008	3.43%
Minority Business Enterprises*	$ 1,580,000	0.50%
Women Business Enterprises*	$ 6,980,000	2.19%
Minority/Women-Owned Business Enterprises*	$ -0-	0.00%
Disabled Veteran-Owned Business Enterprises*	$ -0-	0.00%
TOTAL DIVERSITY CONTRACTS	**$19,487,008**	**6.12%**

*non-SBE

WORKFORCE PARTICIPATION

The data submitted by Prime contractors in the month of June 2026 revealed that there was a contractor trade workforce as of this reporting period of 263 on SDA projects. That workforce amassed a total of 15,539 contractor workforce hours. This is explained in more detail below:

Workforce Breakdown Submitted by Contractors in June 2026 (All Trades/Districts/Counties)			
Ethnicity	**Total Workforce**	**Total Workforce Hours**	**Workforce Hours Percentage**
Black	4	432	2.78%
Hispanic	129	7,080	45.56%
Indigenous American	0	0	0.00%
Asian	1	7	0.05%
Total Minority Participation	**134**	**7,519**	**48.39%**
Total Non-Minority Participation	129	8,020	51.61%
Total Contractor Workforce	263	15,539	100.00%

The total non-minority participation data seen above includes 104 workforce hours performed by female trade workforce. As seen below, the overall workforce hours submitted by contractors on SDA projects for the period of January 1, 2026 through June 30, 2026 amounted to 48,552.

The following table cites the mentioned overall 2026 contractor trade workforce hours and highlights the *Local County Contractor Workforce* participation in 2026 thus far:

Contractor Trade Workforce Participation	Workforce Hours	Percentage
*Total Contractor Workforce Hours	48,552	100.00%
***Total Local County Workforce Hours**	**0**	**0.00%**
Total Local County Non-Minority Workforce Hours	**0**	**0.00%**
Total Local County Female Workforce Hours	**0**	**0.00%**
Total Local County Minority Workforce Hours	**0**	**0.00%**
****Local County Workforce Hours by Race/Ethnicity:**		
Black	0	0.00%
Hispanic	0	0.00%
Indigenous American	0	0.00%
Asian	0	0.00%

*Total contractor workforce and total local county workforce represent all respective laborers, including females.
**Race/Ethnicity breakdown of Total Local County Minority Workforce Hours.

NOTE: Hours worked by local county female laborers who are minority are included in the Total Local County Female Workforce Hours shown above. Therefore, for the purposes of this memorandum, hours worked by local county female *minority* workforce **are not** included in the total local county minority workforce hours or local county workforce hours by Race/Ethnicity breakdown.

The following table represents contractor minority and female trade workforce for all SDA active Capital Construction Projects and all active and completed Emergent and Demolition Projects for the period of January 1, 2026 through June 30, 2026.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Female Workforce Hours and Percentage		Local County Workforce Hours & Percentage	
Union City MS	394	144	36.55%	0	0%	0	0%
Garfield ES	29,336	9,558	32.58%	104	0.35%	0	0%
Elizabeth ES	13,597	8,436	62.04%	168	1.24%	0	0%
Trenton ES	2,488	1,040	41.80%	0	0%	0	0%
West NY MS	1,104	448	40.58%	0	0%	0	0%
STEAM HS	51	7	13.73%	0	0%	0	0%
Emergent Projects	254	246	96.85%	0	0%	0	0%
Demo/ESP	1,328	353	26.58%	0	0%	0	0%

Reviewed and finalized by: J Manuel Castillo
Prepared by: Charlotte Brooks

REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Planning and Program Operations

DATE: August 5, 2026

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

REPORT PERIOD: June 2026

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

Monthly Update:

- No grants were offered during the reporting period.
- 2 grants impacted 1 District were executed during the reporting period representing total project costs of $2.4 million and state share of $0.9 million.
- 8 grants impacting 6 Districts were closed out during the reporting period representing total project costs of $9.3 million and state share of $4.7 million.
- Since inception, over $3.0 billion has been disbursed to over 525 regular operating districts through the grant program.
- Since inception nearly $3.8 billion 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
June 2026

ROD Grant Summary Since Program Inception				
	Offered[1]	Executed	Closed-Out	Active
Districts Impacted	4	529	523	202
Number of Grant Projects	4	5,949	5,361	588
Total Project Cost Estimate	$ 13,869,326	$ 9,735,532,231	$ 8,950,683,826	$ 784,848,405
Grant Amount	$ 7,300,133	$ 3,342,422,007	$ 2,997,536,540	$ 344,885,467
Amount Disbursed	NA	$ 3,039,026,117	$ 2,997,536,540	$ 41,489,577

Total Funding Offered to School Districts via Grant Program	$ 3,798,198,700
Total ROD Grant Funding remaining for new Grant Projects	$ 113,974,582

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	1	6
Number of Grant Projects	2	8
Total Project Cost Estimate	$ 2,351,440	$ 9,297,604
Grant Amount	$ 940,576	$ 4,651,526
Amount Disbursed	NA	$ 4,651,526

* 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.

STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail
June 2026

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Essex	Caldwell-West Caldwell	Jefferson E.S.	$ 1,422,720	$ 569,088	Roofs.
Essex	Caldwell-West Caldwell	Wilson E.S.	$ 928,720	$ 371,488	Roofs.
Grand Total		**Grants Executed - 2**	**$ 2,351,440**	**$ 940,576**	

COMMUNICATIONS MONTHLY REPORT

SDA STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Mikie Sherrill, Governor
Dr. Dale G. Caldwell, Lt. Governor
Manuel Da Silva, CEO

MEMORANDUM

TO: Members of the Authority

FROM: /s/ Edye Maier, Director of Communications

DATE: August 5, 2026

RE: Monthly Communications Report

SDA Joined by Trenton Officials at a Groundbreaking Ceremony for the New Elementary/Intermediate School

On July 7, 2026, SDA joined Trenton school district officials, as well as state and local officials for a groundbreaking ceremony to celebrate the start of construction for the new Betty V. Coles Elementary School and Miguel Hernandez Intermediate School. Officials were accompanied by family members and friends of the school's namesakes.

SDA CEO Manuel Da Silva said, "The foundation being built here will support an educational facility that represents our commitment to students, educators, and the community. Together, alongside our school district, state, local, and construction partners, our shared vision and purpose will result in a new school that will unlock countless opportunities for Trenton's young learners."

To correspond with the school district's grade level alignment, this 124,000 square-foot facility will serve as two schools in one, an elementary school for grades kindergarten through third and an intermediate school for grades fourth through sixth. The new $89.4 million school will be designed to educate a maximum of 837 students. Ernest Bock & Sons, Inc. is the design-builder on the project, working alongside SSP Architectural Group, Inc. on the design. Joseph Jingoli & Son, Inc. is managing the project. The school is scheduled to open to students in September 2028.

MONTHLY FINANCIAL REPORT

MEMORANDUM

TO: The Members of the Authority

FROM: Sherman E. Cole
Controller

DATE: August 5, 2026

RE: Monthly Financial Report – June 2026

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

As of June 2026, the Authority's operating expenses for the year-to-date amounted to $7.1M, reflecting a $1.6M savings compared to the budgeted figure for this period. This positive variance is largely attributed to decreased spending in personnel costs $746K, information systems $310K, professional and other contracted services $305K, and SDA automobiles $136K.

As of June 30, 2026, the full-time employee (FTE) headcount was 120, marking a reduction of 7 FTEs from the staffing level forecasted in the 2026 budget.

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

For the year-to-date period ending June 2026, expenditures on school facilities projects amounted to $109.7M, which is $38.8M less than the projected capital spending forecast. This variance is attributed to reduced expenditures in construction work $49.8M, partially offset by a combined spending increase in grant activity $12.3M.

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

Year-to-date project expenditures of $109.7M represent an increase of $8.4M compared to the same period in the previous year. This variance is due to increased spending in grant activity $17.9M and construction work $2.1M, offset by spending reductions in project insurance $9.1M and school furniture, fixtures & equipment $2.3M.

Other

Since the program's inception, 83.6% of the funds authorized for the SDA Districts have been disbursed. Of the total SDA disbursements to date, 96% have been allocated to school facilities projects, while the remaining 4% have been designated for operating expenses.

The current estimated value of active school facilities projects which includes capital, emergent, and ROD grant initiatives is approximately $2.55 billion.

Attachment

New Jersey Schools Development Authority
Monthly Financial Report
June 2026
(Unaudited)

New Jersey Schools Development Authority
Overview of Financial Position
June 30, 2026

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, June 30, 2026.

► Overall **Cash and Cash Equivalents** have increased by $246.7 million to $805.7 million, as follows:

■ Appropriation from State	$ 350,000,000
■ Investment earnings	14,489,578
■ Miscellaneous revenue	8,152
■ Project costs	(109,718,508)
■ SDA operating expenses	(8,064,912)
■ SDA capital expenditures	(183,275)
■ Deposits (primarily district local shares)	173,177
Net Change in Cash	$ 246,704,212

► **Prepaid Expenses** total $386,878 as follows:
- Prepaid insurance of $324,627.
- Prepaid rents of $0 for the Authority's leased office space in Trenton.
- Prepaid security deposit of $1,548 for the Authority's flexible spending accounts.
- Prepaid MIS maintenance service contracts of $58,580.
- Other prepaids of $2,123.

► **Capital Assets** total $3,791,632 (net of accumulated depreciation of ($4,526,098), consisting of leasehold improvements (SDA office), 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 $216,556 and **Depreciation Expense** is $30,614.

► **Accrued Liabilities** total $846.7 million, as follows:
- Accrued project costs of $11.0 million consisting of unpaid invoices ($5.0 million) and retainage ($6.0 million). Project-related lease liabilities are $0.2 million.
- Net pension liability of $18.4 million. Accrued annual pension payable of 1.0 million.
- Unearned grant revenues of $777.8 million.
- Other post-employment benefits obligation of $27.0 million.
- Pollution remediation obligations (PRO) under GASB 49 net to $4.3 million (PRO liability $4.3 million, offset by expected cost recoveries of $0 million).
- Estimated liability for loss contingencies (contractor claims) totaling $1.1 million.
- Payroll related liabilities of $2.2 million.
- Other accrued liabilities of $3.7 million, including non-project lease liabilities of $3.3 million.

► **Deposits** total $9.8 million, as follows:
- $9.8 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is ($55.3) million.

New Jersey Schools Development Authority
School Facilities Project Expenditures & Funding Allocation
June 30, 2026

► School Facilities Construction Bond/NoteProceeds/Appropriations & Project Expenditures

- During the current year to date, the SDA has received $0.0 million in bond/note proceeds & $350.0 million in appropriations and Federal CPF Grant funds. The total amount received since program inception is $13.4 billion.
- Project expenditures for the month and year-to-date periods total $16.9 million and $109.7 million, respectively, as follows:

Category	Current Month	Year-To-Date	Since Inception
Construction	$ 9,873,114	$ 30,180,609	$ 5,975,116,666
Design Services	397,980	1,927,639	423,664,725
PMF/CM Services	180,164	1,048,183	488,617,465
SDA Project Management	1,110,423	5,244,276	166,490,745
Property Acquisition, Relocation & Enviro	221,056	1,009,480	646,869,776
School Furniture, Fixtures & Equipment	890	142,001	265,402,022
Project Insurance	25,000	228,314	130,826,508
NJ State Inter-Agency Transfers	3,108	18,648	54,703,066
SDA District Grant & Funding Agreements	1,000,000	39,486,338	1,123,466,327
Regular Operating District Grant Agreements	4,021,137	29,856,864	3,139,304,401
Real-Time Project Audits	53,075	106,925	1,850,538
Property Management, Maintenance & Utils	18,384	244,049	20,023,307
Outside Legal & Claims Resolution Services	8,104	109,194	12,740,461
Temporary Staffing	12,255	19,618	10,813,935
Other Project Costs	384	96,370	63,705,499
Project Credits	-	-	(54,902,944)
Total Project Expenditures	16,925,074	109,718,508	12,468,692,497
Less: Local Share Contributions	-	-	(192,829,285)
Project Expenditures (State Share)	$ 16,925,074	$ 109,718,508	$ 12,275,863,212
2026 Capital Spending Forecast	$ 25,319,833	$ 148,488,943	

	Allocations Since Program Inception		
► All Funding Sources & Expenditures	All Sources [1]	Total Funding [2]	Paid to Date [3]
■ SDA Districts	$ 10,946,826,150	$ 11,139,304,952	$ 9,307,925,291
■ RODs Incl Vo-Tech Schools	4,025,000,000	4,093,301,590	3,536,204,067
Total - State Share	$ 14,971,826,150	$ 15,232,606,542	$ 12,844,129,358

► Percentage of Total Funding Paid to Date

■ SDA Districts	83.6%
■ RODs Incl Vo-Tech Schools	86.4%
Total - State Share	84.3%

1 Of the $14.9 billion authorized for the school construction program (including bond funds, appropriations and Federal CPF Grant funds), $13,379,528,798 has been received to date.

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

3 These amounts include the allocation of SDA operating expenses and capital expenditures totaling $568,266,146.

New Jersey Schools Development Authority
Fund Reporting Operating Expenses vs Budget
June 30, 2026

Category		Actual Year-To-Date		Budget Year-To-Date		Over/ (Under)
Personnel Expenses:						
Employee Salaries	$	5,993,917	$	7,074,474	$	(1,080,557)
Employee Benefits		4,111,743		4,538,126		(426,383)
Direct Hire Temporary Employee Costs		1,216		25,002		(23,786)
Total Employee Salaries & Benefits Costs		10,106,876		11,637,602		(1,530,726)
Less: Employee Salaries & Benefits Costs Charged to Projects		5,244,276		6,029,142		(784,866)
Salaries & Benefits Charged to Operating Expense		4,862,600		5,608,460		(745,860)
Temporary Staffing Services		12,246		79,800		(67,554)
Travel & Expense Reimbursements		9,780		16,265		(6,485)
Training & Professional Development		16,049		59,952		(43,903)
Total Personnel Expenses		4,900,675		5,764,477		(863,802)
Non-Personnel Operating Expenses:						
Facilities & General Office Expenses		998,432		959,472		38,960
Information Systems		673,811		983,846		(310,035)
Professional & Other Contracted Services		184,627		489,552		(304,925)
Property & Casualty Insurance		294,293		294,306		(13)
SDA-Owned Automobiles		24,043		160,002		(135,959)
Communications & Outreach		243		1,998		(1,755)
Reserve for Unforseen Events & New Initiatives		150		4,998		(4,848)
Total Authority Operating Expenses	**$**	**7,076,274**	**$**	**8,658,651**	**$**	**(1,582,377)**
2026 Annual Operating Budget			**$**	**15,513,745**		

New Jersey Schools Development Authority
Fund Reporting Operating Expenses vs Prior Year
June 30, 2026

Category	**Actual Year-To-Date**	**2025 Year-To-Date**	**Over/ (Under)**
Personnel Expenses:			
Employee Salaries	$ 5,993,917	$ 6,035,112	$ (41,195)
Employee Benefits	4,111,743	3,875,796	235,947
Direct Hire Temporary Employee Costs	1,216	13,304	(12,088)
Total Employee Salaries & Benefits Costs	10,106,876	9,924,212	182,664
Less: Employee Salaries & Benefits Costs Charged to Projects	5,244,276	5,376,108	(131,832)
Salaries & Benefits Charged to Operating Expense	4,862,600	4,548,104	314,496
Temporary Staffing Services	12,246	-	12,246
Travel & Expense Reimbursements	9,780	13,067	(3,287)
Training & Professional Development	16,049	26,660	(10,611)
Total Personnel Expenses	4,900,675	4,587,831	312,844
Non-Personnel Operating Expenses:			
Facilities & General Office Expenses	998,432	913,095	85,337
Information Systems	673,811	685,525	(11,714)
Professional & Other Contracted Services	184,627	69,261	115,366
Property & Casualty Insurance	294,293	300,077	(5,784)
SDA-Owned Automobiles	24,043	30,762	(6,719)
Communications & Outreach	243	851	(608)
Reserve for Unforseen Events & New Initiatives	150	-	150
Total Authority Operating Expenses	**$ 7,076,274**	**$ 6,587,402**	**$ 488,872**

New Jersey Schools Development Authority
Employee Headcount
June 30, 2026

	Current Month End	Budget	Over/ (Under)
Office of Chief Executive Officer	2	2	-
Human Resources	4	4	-
Vacant Positions	0	0	-
Communications	3	3	-
Legislative Affairs	1	1	-
EEO/AA & Vendor Services	4	4	-
Office of Program Operations & Strategic Planning	1	1	-
Capital Planning & Program Operations	8	7	1
Design Studio	13	15	(2)
Grants Administration	7	7	-
Real Estate Services & Predevelopment	3	3	-
Office of Construction Operations	0	0	-
Region Teams	15	18	(3)
Office of Corporate Governance & Legal Affairs	3	3	-
Chief Counsel	6	7	(1)
Information Systems	9	10	(1)
Central Records Management	3	3	-
Safety	4	4	-
Internal Audit	3	3	-
Office of Chief Financial Officer	1	1	-
Financial Operations	6	6	-
Financial Accounting & Disbursements	10	11	(1)
Procurement	9	9	-
Risk Management	2	2	-
Facilities	3	3	-
Total Full-Time Employees at Month End	**120**	**127**	**(7)**
Total Full-Time Employees at Year End		**135**	

New Jersey Schools Development Authority
Statement of Net Position
June 30, 2026

	Current Month End	2025 Year End	Over/ (Under)
ASSETS			
Cash and cash equivalents	$ 805,736,084	$ 559,031,872	$ 246,704,212
Receivables	28,759	28,192	567
Prepaid expenses	386,878	72,703	314,175
Capital assets, net of accumulated depreciation	3,791,632	4,215,626	(423,994)
Total Assets	809,943,353	563,348,393	246,594,960
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount for pensions and OPEB	12,221,133	12,221,133	-
Total Deferred Outflows of Resources	12,221,133	12,221,133	-
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	**$ 822,164,486**	**$ 575,569,526**	**$ 246,594,960**
LIABILITIES			
Accrued school facilities project costs	$ 16,637,408	$ 37,815,748	$ (21,178,340)
Unearned revenue	777,843,006	446,848,461	330,994,545
Net pension liability	18,411,025	18,411,025	-
Total other postemployment benefits liability	26,952,538	26,741,386	211,152
Other accrued liabilities	6,808,058	10,122,809	(3,314,751)
Deposits	9,752,995	9,579,818	173,177
Total Liabilities	856,405,030	549,519,247	306,885,783
DEFERRED INFLOWS OF RESOURCES			
Deferred amount for pensions and OPEB	21,073,838	21,073,838	-
Deferred amount for Federal CPF grant	-	-	-
Total Deferred Inflows of Resources	21,073,838	21,073,838	-
NET POSITION			
Net investment in capital assets	364,032	311,877	52,155
Restricted for schools construction:			
Federal CPF grant	-	-	-
Special revenue fund	(4,376,422)	27,616,521	(31,992,943)
Unassigned/(Unrestricted)	(51,301,992)	(22,951,957)	(28,350,035)
Net Position	(55,314,382)	4,976,441	(60,290,823)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION	**$ 822,164,486**	**$ 575,569,526**	**$ 246,594,960**

New Jersey Schools Development Authority
Statement of Activities
June 30, 2026

		Current Year-To Date		2025 Year-To Date		Over/ (Under)
REVENUES						
School Construction Program:						
Appropriation from State		-		-		-
Debt Defeasance & Prevention Fund grant	$	19,005,455	$	31,733,742	$	(12,728,287)
Federal CPF grant		-		4,395,573		(4,395,573)
General:						
Investment earnings		14,691,118		12,422,940		2,268,178
Other revenue		8,152		1,407		6,745
Total Revenues		33,704,725		48,553,662		(14,848,937)
EXPENSES						
Administrative and general expenses		5,414,707		6,532,737		(1,118,030)
School facilities project costs		88,580,841		89,096,223		(515,382)
Total Expenditures/Expenses		93,995,548		95,628,960		(1,633,412)
CHANGE IN NET POSITION		**(60,290,823)**		**(47,075,298)**		**(13,215,525)**
Beginning of Period - as previously stated		4,976,441		42,818,376		(37,841,935)
Adjustment to Beginning Balance		-		-		-
Beginning of Period Net Position		4,976,441		42,818,376		(37,841,935)

NO EXECUTIVE SESSION