



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

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 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.

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

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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.

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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.

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:

1. The CEO may delegate approval or signing authority to a Vice President or CFO.
2. Any Vice President may delegate approval or signing authority to another Vice President, CEO, CFO or to the Chief Counsel.
3. 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.

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4. Delegations of authority to staff members holding lower levels of authority shall be made only with the express written approval of the CEO.
5. 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.

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.



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		Communications Coordinator		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	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 Controllor		Senior Staff Analyst Senior Financial Accountant	Deputy Director – Accounting Payment Processing Manager	Controller Director – Contract Accounting & Disbursements Director - Accounting			
Division of Procurement		Procurement Specialist Purchasing 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		Insurance Claims Manager	Insurance Risk Manager				
Division of Facilities		Facilities Coordinator	Facilities Manager				
OFFICE OF CORPORATE GOVERNANCE					Vice President – Corporate Governance		
Division of Chief Counsel			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 Coordinator & Ethics Manager	Governance Records Manager					



Policy Governing Operating Authority

Schedule 2

Operating Authority

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

**New Jersey Schools Development Authority
OPERATING AUTHORITY BY LEVELS**

SECTION 1 -- APPROVALS 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
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: <ul style="list-style-type: none">• 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.
<i>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:</i>							
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
<i>Board approval of a Final Project Charter and review and approval by the Division of Chief Counsel are pre-requisites to the following activities:</i>							
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.	

New Jersey Schools Development Authority
OPERATING AUTHORITY LEVELS
SECTION 2 -- REAL ESTATE ACTIVITIES – PROJECT-RELATED LEASES TO THE SDA

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
<i>Board approval of a Preliminary Project Charter and review and approval by the Division of Chief Counsel are pre-requisites to the following activities:</i>							
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
<i>Board approval of a Preliminary Project Charter and review and approval by the Division of Chief Counsel are pre-requisites to the following activities:</i>							
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.	

New Jersey Schools Development Authority
OPERATING AUTHORITY LEVELS

SECTION 2 -- REAL ESTATE ACTIVITIES – LEASES OF REAL PROPERTY FOR SDA OPERATIONS

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
<i>Approval by the Division of Chief Counsel is a prerequisite to the following activities:</i>							
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	

New Jersey Schools Development Authority
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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
<i>Approval by the Division of Chief Counsel is a prerequisite to the following activities:</i>							
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	

New Jersey Schools Development Authority
OPERATING AUTHORITY
SECTION 2 -- REAL ESTATE ACTIVITIES – DISPOSITION OF SURPLUS PROPERTY

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.
<i>Approval by the Division of Chief Counsel is a prerequisite to the following activities:</i>							
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) <i>Advertisement Not Required</i>				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		
<ul style="list-style-type: none"> • 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

**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
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.							

**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 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

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
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 <hr/> Co-approval with Level 5 (or higher) for Purchase Orders/Contracts from \$100,000 to \$250,000 <hr/> 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 <hr/> 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 <hr/> 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 <hr/> Level 5 co-approval with level 3 for non-discretionary invoice amounts up to \$500,000 <hr/> 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 <hr/> Level 6 co-approval with level 3 for non-discretionary invoice amounts up to \$500,000 <hr/> 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

**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 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) <i>Level 5 Approval Required for All Credit Change Orders Resulting from Project De-Scoping</i>	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 <i>CMD review and approval required for requests exceeding \$150,000</i>			Co-approval with Level 4	Co-approval required			

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

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 <i>CMD review and approval required for requests exceeding \$150,000</i>			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 <i>CMD review and approval required for requests exceeding \$150,000</i>				Recommendation required	Co-approval with Level 6 required	Co-approval required	
Change Order which Singularly Exceeds \$1,000,000 <i>CMD review and approval required for requests exceeding \$150,000</i>			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 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 and recommendation required Project Review required Co-approval with Level 5 required	VP of Program Operations co- approval with Level 6 required Co-approval required	Co-approval required Co-approval	

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

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: <ul style="list-style-type: none">• 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
<p>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.</p> <p>Monthly Reports will be provided to the Board of Directors including:</p> <p>Projects that are projected to exceed their Board-approved Project Charter contingency amount;</p> <p>Projects indicating the possible compromise of an occupancy date, inclusive of recovery plan, as appropriate; and</p> <p>All approved Change Orders during the previous month.</p>							

**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.