

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD MEETING  
WEDNESDAY, JANUARY 8, 2025 AT 9:15 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 December 4, 2024
  - b. Board Executive Session Meeting Minutes of December 4, 2024
- 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
- 6. REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE (CHAIRMAN'S REPORT)**
  - a. Company Name: Epic Management, Inc.  
District: Orange  
Contract No.: ES-0043-M01  
School Name: Cleveland Street Elementary School  
Amendment No.: 23  
Reason: Credit Balance of MEP Manager Position  
Amount: (\$ 132,943.00)  
Original Contract Amount: \$ 1,185,078.41  
Contract Status: 92.5% Paid to Date  
Occupancy Date: September, 2024
  - b. Company Name: Anser Advisory  
District: Perth Amboy  
Contract No.: ET-0099-M01  
Original Contract Amount \$4,180,920.00  
School Name: New Perth Amboy High School  
Amendment No.: 3  
Reason: Credit Balance of Construction Services Funds  
Amount: (\$162,751.27)  
Contract Status: 91.45% Paid to Date against the Current Contract Value  
Occupancy Date: September 2024
- 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**

- Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)  
CCD Report (*no activity*)

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

**APPROVAL OF MEETING MINUTES**

**December 4, 2024 Open Session Minutes**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, DECEMBER 4, 2024**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, December 4, 2024 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

Juan Burgos (EDA)

Kevin Luckie (DCA)

David Moore (Treasury)

Bernard Piaia (DOE)

John Capo, Public Member

Daniel Gumble, Public Member

Michael Maloney, Public Member

Mario Vargas, Public Member

Nicole Vecchione, Public Member

being a quorum of the Members of the Board. Mr. Capo, Mr. Gumble, Mr. Maloney, Mr. Moore and Mr. Piaia participated by teleconference.

At the Chairman's request, Manuel Da Silva, chief executive officer; Donald Guarriello, vice president and chief financial officer; Janice Venables, vice president and assistant secretary; Ramy Kamel, vice president; Albert Barnes, chief counsel; Sean Murphy, managing director; and David Magyar, director of the SDA participated in the meeting. Alexis Franklin of the Governor's Authorities Unit (GAU) also attended the meeting by teleconference.

### ***Pledge of Allegiance***

Led by the Chairman, 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 the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and was duly posted on the Secretary of State's bulletin board at 225 West State Street in Trenton, New Jersey and on the SDA Website. 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 October 2, 2024 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. Luckie and seconded by Mr. Vargas, the Executive Session minutes of the October 2, 2024 SDA Board meeting were approved with the Members' vote in favor of the resolution attached hereto as ***Resolution 3a***.

Next, Mr. Nixon presented for consideration and approval the minutes of the Board's November 6, 2024 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 and seconded by Mr. Burgos, with Mr. Capo abstaining, the Open Session minutes of the November 6, 2024 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 provided an update on design-build projects in construction. He said that for the Union City New Grade 7-9 School project, roofing and window activities are ongoing to make the building weather tight. He added that underground basin activities continue in the playground lot.

Turning to design-bid-build projects in the construction stage, Mr. Da Silva reported that for the Keansburg Port Monmouth Road School project has been delivered and an emergency responder system has been installed. He noted that programming and testing are underway. Next, Mr. Da Silva provided an update on projects with active early site preparation. He advised that a recommendation for award for the design build procurement for the Garfield New Elementary School project is on today's agenda. For the Elizabeth Elementary School project, he said that the early site package contractor had completed demolition of approximately 95% of above grade structure and will be commencing below grade and backfilling activities.

Turning to Authority events, outreach and other activities, Mr. Da Silva informed the Members SDA's 2024 contractor training program will take place next week. He said he wanted to thank Edye Maier and the Communications Team for coordinating and scheduling the training.

### ***Audit Committee***

Mr. Nixon advised that the Committee met on November 18, 2024 and reported that at that meeting SDA's director of internal auditors, Mohammed Kathawala, provided the Committee with the results of one final project audit and one operational audit.

Next, Mr. Nixon advised the Members that the executive team and staff discussed the proposed revisions to SDA's Operating Authority. He said that a robust conversation took place at the Audit Committee and School Review Committee Meetings adding that the proposed revisions will be discussed again at the December Committee Meetings. He thanked the Members for their commitment to improve how the Authority operates and communicates to the Board within the levels Authority.

Mr. Nixon then provided the October 2024 Financial Report. He said that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period totaled \$10.6 million, down \$2.6 million as compared to the budget for the corresponding period. He said that this variance is attributable to lower activity for personnel costs, professional and other contracted services, informational systems and SDA owned automobiles, offset by lower payroll and benefits expense allocation to project costs. He noted that the current full time equivalents (FTE) headcount is 128 through October 31, 2024 representing a 22 FTE decrease compared to year-to-date projections. Mr. Nixon then reported that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period total \$230.9 million, are \$57.9 million lower as compared to the capital spending forecast for the corresponding period. He advised that this variance is due to lower costs associated with construction work, grant agreements, project insurance, property acquisitions relocation an environmental expenses and construction management services. He further reported that project expenditures (Actual vs. Prior Year Actual), at \$230.9 million, are \$18 million higher when compared to the capital sending forecast for the corresponding prior year period. He said that this variance is a result of increases in spending for property acquisitions, relocation an environmental expenses, grant agreements, school furniture, fixtures and equipment, and design services. He said that this variance was partially offset by a spending



decrease in construction work. He reported that, since program inception, 82.5% of the funds authorized for the SDA districts have been disbursed. Additionally, he noted that 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He said that the estimated value of active school facilities capital projects, along with emergent and regular operating district grant projects, is approximately \$1.2 billion.

Mr. Nixon advised that at the conclusion of the Audit Committee Meeting, David Gannon of PKF O'Connor Davie, SDA's internal auditors, met with the Committee without Management present in accordance with Executive Order No. 122.

Next, Mr. Nixon advised the Board that management presented the Committee with three matters requiring Board action. Referencing a memorandum that was distributed to the Members in advance of the meeting, he said that management and the Committee request's approval for the renewal of the Authority's business and real estate property and casualty insurance program (Program, Policies). He reminded the members that November 1, 2023 the Authority approved a contract to the Safegard Group, Inc. (Safegard) to place and service the Authority's business and real estate property and casualty insurance program for three years beginning December 14, 2023. He said that the current initial policy year was for a not-to-exceed \$705,000 plus contingency for potential increases. He said that in July 2024 Safegard began to solicit quotes for the renewal of the Policies for year two which will take effect on December 14, 2024. Mr. Nixon then advised that the Committee and Management recommend that the Members approve the contract for the renewal of the Program for the cost of \$691,831.99 plus a contingency amount of \$21,168.01, approximately 3%, to account for potential increases in the Authority's insurable exposures during the policy year, for a total not-to-exceed amount of \$713,000. He added that prior to execution of the contract, the contract and related documentation shall be

reviewed and approved by the SDA Division of Chief Counsel. Mr. Vargas asked why the workers compensation cost were less than the previous year. Mr. Guarriello responded that the policy for workers compensation is adjustable based on the payroll, adding that in past years the SDA has received credits back on that line of coverage. Mr. Burgos asked about the cost variations from the proposed 2025 budget. Mr. Guarriello advised that workers compensation is a different line item.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Mr. Piaia the Board approved the business and real estate property and casualty insurance program for a not-to-exceed value of \$713,000 with its unanimous vote in favor of ***Resolution 5a***.

Next, Mr. Nixon then presented the proposed 2025 staffing plan. He reminded the Members that in 2019 the Board revised the Bylaws to require that, each year, the CEO must present a proposed Staffing Plan (Plan) for the upcoming year for Board approval. He noted that the Bylaws require that the Plan represent “the resources required to satisfy the SDA’s mission, goals, commitments and operating needs correlated to the volume and type of work activities to be advanced”. Mr. Nixon said that at the November 18 Audit Committee Meeting the CEO presented a detailed 2025 Plan that was prepared consistent with the requirements of the Bylaws. He said that the Plan was developed based on projected 2025 project work and other work and a review of the activities and staffing required to address that work on a monthly basis for the entirety of the next year. He referenced materials that were provided in advance of the meeting, for review, focusing on staff utilization by activity type by operating area. He advised that, as presented, management anticipates that 2025 will be addressing 18 Projects from the 2022 Capital Plan that will be advancing in various phases of planning, design or construction.

He outlined that: 11 projects will be actively advancing, and; administration of the remaining \$8.7 million FY 2022, 23 and 24 grant program will continue moving forward with the administration of \$50 million allocated to SDA Districts in FY 2025. He noted that in 2024, for RODs, SDA offered 657 projects in 259 school districts adding that these grant projects will continue to advance throughout 2025 and beyond requiring project progress inspections and grant payments. Mr. Nixon said that the assessment resulted in a conclusion that 140 staff members, as broken down by functional area, is the number of staff required to satisfy the SDA's commitments and operating needs throughout 2025. He advised that the Plan analysis utilized historical data documenting that 65% of SDA's staff activities are dedicated to school facilities projects; 9% are activities required to be performed in satisfaction of statutory, regulatory or governance requirements and 26% are activities related to organizational operations and support. Mr. Nixon said that after reviewing the Plan, the Committee determined that it is comprehensive, data-driven and reflects the Authority's needs in 2025. He said that it is the Committee's recommendation that management take all necessary steps to ensure that the Authority has sufficient staff—at the level of 140 FTEs-- in order to ensure that it can competently and efficiently advance its current work demands adding that at year end staff will have 127 FTEs. Mr. Da Silva thanked Mr. Voronov and Mr. Coonahan for their assistance. Mr. Gumble asked if the SDA is subject to the Governor's advisory discouraging any new hires, . Mr. Da Silva advised that any new hires would be within the budget and would require approval through the GAU. Mr. Vargas noted that the 14 vacancies are accounted for in the 2025 Budget and asked if staffed is overwhelmed with work in light of the diminishing staff. Mr. Da Silva said that it is a balancing act. Mr. Nixon noted that he does not see an issue with the Authority hiring within the projected 14 positions. Ms. Vecchione asked if it was correct that last year's staffing number

was 150 for 2024 but the staff level is at 127. Mr. Da Silva said she was correct and discussed the various divisions that will be gearing up throughout 2025. Ms. Vecchione note that employee's salaries do not go up very much in 2025 and asked if the budgeted figure will cover new employees on an as needed basis. He noted that the Budget includes 140 FTEs. Mr. Luckie asked if the 140 covers 2026. Mr. Da Silva responded that the 140 FTE figure is for 2025 stressing that he is concentrating on the next round of additional funding for the SDA projects. A discussion ensued regarding updating and keeping current the Operating Authority, and Ms. Venables developing a 2025 procedures and policies plan.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon a motion duly made by Mr. Luckie and seconded by Mr. Vargas the Board approved the 2025 SDA Staffing Plan with its unanimous vote in favor of ***Resolution 5b***.

Lastly, Mr. Nixon then presented the proposed 2025 Operating Budget (Budget) for Board consideration. He said that the Budget was discussed with the Audit Committee at its October and November meetings and that the Committee's input has been incorporated into the Budget that is before the Board today. Referencing materials that previously were provided for Board review, Mr. Nixon advised that the proposed Budget, at \$15.5 million, represents a decrease of \$105,000 as compared to the current year budget. He explained that, consistent with prior years, a portion of the Authority's employee salary and benefits costs will be appropriately charged to school facilities projects based upon weekly employee time sheets. He said that the estimated amount of \$11.2 million would be charged to school facilities projects for budget year 2025. Mr. Nixon noted that Budget is reflective of the Staffing Plan. Mr. Guarriello said that is a responsible budget that will serve the Authority well in 2025. Mr. Da Silva noted that the Budget is in concurrence with the proposed staffing plan.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon a motion duly made by Mr. Burgos and seconded by Mr. Vargas the Board approved the 2025 SDA Operating Budget with its unanimous vote in favor of ***Resolution 5c***.

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

The Chairman then asked Mr. Vargas to provide the report of the School Review Committee. Mr. Vargas aid that the School Review Committee met on November 18, 2024 and is advancing two items for Board consideration today. He said that management is seeking Board approval of a Design-Build Services Award and Project Charter for the Garfield New Elementary School Project (School or Project). He reported that the Project will consist of the construction of an approximately 132,000 square foot building to educate 767 students in grades Kindergarten through 5. He advised that on November 2, 2022, the Members approved the preliminary project charter, thereby approving the demolition of the old school and construction of a new elementary school facility and related site development work utilizing in-house design and a design-build delivery method. He explained that a package for design-build services was advertised beginning July 26, 2024 with “price” weighted as 60% of the overall weight and “all non-price factors” having a combined weight of 40%. He said that upon completion of the competitive procurement process, the construction operations directors and the financial operations director recommend award of the contract to the highest ranked bidder, Dobco, Inc. (Dobco), in the amount of \$69,500,000, inclusive of SDA-established allowances totaling \$2,150,000. Mr. Vargas noted that the SDA executive management also recommends that the Members approve the final project charter as presented to the Board on this date and representing all expended and projected funds necessary for completion of the Project. He added that prior to

execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

Mr. Nixon asked if SDA staff would discuss the technical approach to the Project and the difference between Dobco's bid and the other contractors and if Dobco understood the entirety of the Project. Mr. Murphy advised that there is a non-score component which is the experience portion, noting that there is a separate committee that evaluates the experience criteria portion of the Project. He added that the committee consists of three SDA staff members who determined that all three of the firms possess the experience required to complete the Project based on their proposals and past experience. Mr. Murphy added that the scoring portion was based on the approach of the Project at hand. He noted that Dobco didn't score as well as the two firms for the non-price factors which weights at 40% but their price which weighs at 60% made them the number one ranked firm. Mr. Murphy explained that there was a through bid review meeting with Dobco which the discussed the variance between the SDA's construction cost estimate and bidder price. He added that Dobco confirmed their price included all scope elements.

A discussion ensued regarding Dobco's history of change orders.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Mr. Piaia, the Board approved a Design-Build Services Award and Project Charter for the Garfield New Elementary School Project with its unanimous vote in favor of ***Resolution 6a.***

Next, Mr. Vargas said that the second item for Board consideration will be discussed in Executive Session.

### ***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. The Chairman opened the Public Comments portion of the meeting. Mr. Nixon recognized Nikki Baker from New Jersey Healthy Schools Now (HSN). She said that she heard 2025 may be challenging but she is still looking forward to working with the Authority and advocating for funding for the students because our students need it regardless of the administration.

Next, Ms. Baker said that that education staff have asked when a new school is being built are restroom facilities for staff need being considered. Mr. Magyar answered in the affirmative noting that they consider the staff and relocate the staff bathroom throughout the facilities.

In continuing, Ms. Baker asked if the SDA has the status of the Educational Facilities Needs Assessment (EFNA). Mr. Da Silva said that he knows that the Department of Education is on the EFNA but he believes that it hasn't been officially released or finalized.

Mr. Nixon then asked for a motion to adjourn the Open Session of the meeting into Executive Session. He asked Ms. Venables to announce the matter to be considered by the Board in Executive Session. Ms. Venables advised that the Board will adjourn into Executive Session to discuss a Recommendation to Fund District Property Acquisition for Union City Mother Seton School and to amend the 2022 Capital Plan. She said that the Board will vote on this matter upon return to Open Session.

Upon motion by Mr. Vargas and seconded by Mr. Burgos the Board unanimously voted to approve **Resolution No. 8.** and thereby adjourn the Open portion of the meeting into Executive Session.

Following the Board's return to Open Session, Mr. Vargas announced that in Executive Session the Board had discussed management's Recommendation to Fund District Property Acquisition for Union City Mother Seton School and to amend the 2022 Capital Plan.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Luckie and seconded by Mr. Piaia, the Board approved a Recommendation to Fund District Property Acquisition for Union City Mother Seton School and to amend the 2022 Capital Plan with its unanimous vote in favor of ***Resolution 6b***.

Next, Mr. Nixon advised that as all of the Members are aware, at the January Organizational Meeting, the Members vote on the Committee Assignments. He asked that any Member who has a request to change their Committee assignment should reach out to him.

### ***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 December 4, 2024 meeting.

*/s/Janice Venables*  
Assistant Secretary

***Resolution—3a./3b.***

**Approval of Minutes**

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

**WHEREAS**, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the December 4, 2024 Board meeting of the New Jersey Schools Development Authority, for the Open and Executive Sessions 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 December 4, 2024 Open and Executive Session meetings are hereby approved.

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

Dated: January 8, 2025

## **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**

**TO:** Members of the Authority

**FROM:** Janice Venables, Vice President of Corporate Governance

**DATE:** January 8, 2025

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

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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"). Section 5.3 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 Operating Authority Policy was initially promulgated by the SDA Board on December 1, 2010, was reissued on March 2, 2012, and was last updated on March 6, 2018. Revisions to the Operating Authority Policy now are both necessary and appropriate in order to address significant changes in SDA staffing and organizational structure, changes in project delivery models, inflation, and other factors that have been identified or that have developed since the last such policy was adopted.

Annexed to this Memorandum as Attachment A is a proposed revised Operating Authority Policy. Schedule 1 to the Operating Authority Policy sets forth delegations of authority by levels within SDA staff for specified decision-making functions, approvals and document executions ("Levels of Authority"). Schedule 2 to the Policy establishes the levels of approvals required for the advancement of various activities of the SDA relating to both its administrative and program operations ("Operating Authority").

Among the significant modifications reflected in the proposed revised Operating Authority Policy are the following:

- Policy Narrative. The initial policy narrative has been re-written to more clearly and concisely recite the purpose and scope of the Operating Authority Policy. It also designates the Office of Corporate Governance (previously the Chief of Staff) to oversee compliance with and regular review of the Policy and to initiate appropriate modifications to job titles contained in the Levels of Authority.
- Levels of Authority. This document has been extensively revised to reflect the SDA's current organizational structure, job titles and grade levels.
- Division of Operating Authority into Sections. The Operating Authority has been reorganized by section to enhance ease of reference and use.



- Real Estate Activities Section of Operating Authority. The Real Estate Activities Section of the Operating Authority includes additions to address approvals for previously unspecified but commonly encountered real estate activities, signing authority with respect to the execution of real estate related documentation, and disposition of surplus property. Total base rent thresholds for approvals of project-related leaseholds have also been increased to account for inflation. Total base rent for such leaseholds must still be within budgets established under Board-approved charters. All prospective project-related leaseholds with total base rent exceeding \$1,500,000 must receive Board approval.
- Contracts for Professional and Construction Management Services and for Goods and Services. Required approvals have been adjusted to reflect changes in bid thresholds set by the State Treasurer pursuant to N.J.S.A. 52:25-23. The threshold for Board approval of Construction Management Contracts has been increased from greater than \$100,000 to greater than \$250,000.
- Contracts for Construction and Construction-Related Services. The Chief Executive Officer ("CEO") is delegated authority to approve all Construction contracts with a value less than \$2,000,000 (previously \$500,000).
- Change Orders on Contracts for Construction and Construction-Related Services. The threshold for change orders on capital plan project contracts requiring advance Board approval is increased from those exceeding \$500,000 to those exceeding \$1,000,000. All change orders on such projects must still fall within the Board-approved project charter budgets. The CEO is delegated authority to co-approve change orders of any value on emergent projects. Board notification by monthly report remains required for all change orders on emergent projects.
- Deputy Director and Director Authority on Change Orders, Amendments and Invoice Approvals. Staff at the Deputy Director and Director levels are given increased authority with respect to approvals of specified change orders and amendments and approvals of invoices and payment requisitions.
- Credit Change Orders and Amendments. The requirement for Board approval of credit change orders and amendments has been eliminated. Monthly reports to the Board will continue to capture such contract activity.
- Settlements. The threshold for advance Board approval of settlements has been increased from those exceeding \$250,000 to those exceeding \$500,000. Monthly reports to the Board will continue to detail all such settlement activity.

The proposed increases in contract, change order and amendment thresholds afford the SDA the ability to move ahead with required work with increased speed and flexibility, while preserving accountability to the Board through adherence to Board-approved budgets and regular reporting requirements. Based upon an analysis of the SDA's activities over the past decade, after implementation of the proposed increases in the thresholds for Board approvals on capital plan and emergent project contracts, change orders and amendments, the Board will remain directly involved in the advance approval of the SDA's incurrence of over 90% of such prospective contractual obligations.

The overall impact related to project approvals was analyzed utilizing historical data covering the period of January 1, 2015 to October 21, 2024. The data for the aforementioned period was analyzed using the Current and Proposed Operating Authority to demonstrate what the possible impact would be Board approvals and staff approvals. Table 1 below illustrates the results of those analyses:

**Table 1: Current Versus Proposed Operating Authority Analysis**

**Current Operating Authority**

All Projects	Board Approved \$ Value	% Board Approved	Staff Approved \$ Value	% Staff Approved
Total Credits	\$ (35,798,296.00)	42.6%	\$ (48,246,482.00)	57.4%
Additive Obligations SDA Managed Projects	\$ 1,547,166,629.00	96.2%	\$ 62,084,539.00	3.8%
Delegated Grants	\$ 17,930,224.00	97.9%	\$ 376,391.00	2.1%
<b>Total Additive Obligations*</b>	<b>\$ 1,565,096,853.00</b>	<b>96.1%</b>	<b>\$ 62,460,930.00</b>	<b>3.9%</b>

**Proposed Operating Authority**

All Projects	Board Approved \$ Value	% Board Approved	Staff Approved \$ Value	% Staff Approved
Total Credits	\$ 0.00	0.0%	\$ (84,044,778.00)	100.0%
Additive Obligations SDA Managed Projects	\$ 1,486,753,089.00	92.4%	\$ 122,498,079.00	7.6%
Delegated Grants	\$ 0.00	0.0%	\$ 18,306,615.00	100.0%
<b>Total Additive Obligations*</b>	<b>\$ 1,486,753,089.00</b>	<b>91.3%</b>	<b>\$ 140,804,694.00</b>	<b>8.7%</b>

\* Additive Obligations included Contract Awards for Design Services, CM Services and Construction as well as additive Change Orders and Amendments to those contracts.

In summary, SDA had obligations totaling more than \$1.62 billion with \$1.57 billion or 96.1% being approved by the Board and \$62 million or 3.9% approved by staff. Under the proposed Operating Authority thresholds for Board approval \$1.49 billion or 91.3% of those obligations would continue to require Board approval and \$140.8 million or 8.7% would be approved at the staff level. As noted above it is anticipated that under the proposed revisions the Board will continue to be responsible for direct approval of over 90% of all of the Authorities obligations and will continue to have direct oversight of the program through the approval of all Authority plans and project charters for all major capital projects advanced from those plans. It is also important to note the Board will continue to be responsible for approval of construction awards for all major Capital projects as well as all emergent projects and demolition and early site packages and any other construction contracts with values exceeding \$2.0 million. The Board will no longer need to approve project credits or delegated grants however there will continue to be monthly reporting provided to highlight those transaction.

**RECOMMENDATION**

Recommendation and request is made that the Board approve, adopt and issue revisions to the Operating Authority Policy as set forth in this Memorandum. The revised Operating Authority Policy addresses significant 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. For these reasons and as detailed in this Memorandum, the approval, adoption and issuance of the revised Operating Authority Policy is in the best interests of the NJSDA and the State of New Jersey.

/s/ Janice Venables

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Janice Venables, Vice President of Corporate Governance

Reviewed and Recommended By:

Manuel M. Da Silva, Chief Executive Officer  
Donald Guarriello, Vice President and Chief Financial Officer  
Ramy Kamel, Vice President, Construction and Program Operations  
Gregory Voronov, Managing Director, Planning and Program Operations

# **ATTACHMENT A**

## **Policy Governing Operating Authority**

**Issued by:** Office of Corporate Governance

**Approved by:** Members of the New Jersey Schools Development Authority

**Effective Date:** XXXXXXXXXXXX

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### **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.

Policy Governing Operating Authority

Issued by: Office of Corporate Governance

Approved by: Members of the New Jersey Schools Development Authority

Effective Date: XXXXXXXXXXXX

## **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.

## Policy Governing Operating Authority

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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.

Policy Governing Operating Authority

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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.





**STATE OF NEW JERSEY**  
**SCHOOLS DEVELOPMENT AUTHORITY**

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**Policy Governing Operating Authority**

**Schedule 1**

**Levels of Authority**

**New Jersey Schools Development Authority  
OPERATING AUTHORITY – LEVELS OF AUTHORITY**

	<b>Minimum Levels of Authority</b>						
	<b>Level 1 Either Grade 16 or Job Title Listed Below</b>	<b>Level 2 Either Grade 17 or Job Title Listed Below</b>	<b>Level 3 Either Grade 18 or Job Title Listed Below</b>	<b>Level 4 Either Grade 19/20 or Job Title Listed Below</b>	<b>Level 5 Either Grade 21 or Job Title Listed Below</b>	<b>Level 6 CEO</b>	<b>Level 7 Members of the Board of Directors</b>
<b>OFFICE OF CHIEF EXECUTIVE OFFICER</b>						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			
<b>OFFICE OF PROGRAM AND CONSTRUCTION OPERATIONS</b>					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			
<b>OFFICE OF FINANCIAL OPERATIONS</b>					Vice President and Chief Financial Officer		
Division of the Controller		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				
<b>OFFICE OF CORPORATE GOVERNANCE</b>					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					



**STATE OF NEW JERSEY**  
**SCHOOLS DEVELOPMENT AUTHORITY**

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**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 -- 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
<b>NJSDA ANNUAL OPERATING BUDGET AND MODIFICATIONS TO THE ANNUAL OPERATING BUDGET</b>  Division heads are responsible to ensure that all purchases and commitments to purchase are within Divisional annual operating budgets.							
<b>NJSDA STRATEGIC PLAN AND MODIFICATIONS TO THE STRATEGIC PLAN</b>					Recommendation by Vice President – Program and Construction Operations	Approval and Recommendation to the Board by Chief Executive Officer	Board approval required
<b>NJSDA CAPITAL PLAN AND MODIFICATIONS TO THE CAPITAL PLAN</b>					Recommendation by Vice President – Program and Construction Operations	Approval and Recommendation to the Board by Chief Executive Officer	Board approval required
<b>PLANNING PROJECT CHARTER</b> (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
<b>PRELIMINARY PROJECT CHARTER</b> (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
<b>FINAL PROJECT CHARTER</b> (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
<b>REVISIONS TO PROJECT CHARTER</b> (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.
<b>PLANNING RESERVE RELEASE TO FUND PLANNING CONTINGENCY FOR A SPECIFIC PROJECT</b> (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 -- 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
<b>UNFORESEEN EVENTS RESERVE RELEASES TO FUND SPECIFIC PROJECTS</b>				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
<b>EMERGENT CONDITIONS RESERVE RELEASE TO FUND EMERGENT PROJECTS OR TO ADDRESS EMERGENT SITUATIONS</b>				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
<b>MONTHLY AND QUARTERLY REPORTING TO THE BOARD</b>	<p>Monthly Reports will be provided to the Board of Directors regarding:</p> <ul style="list-style-type: none"> <li>• All revisions to Project Charters;</li> <li>• Projects projected to exceed their Board-approved Project Charter contingency amount;</li> <li>• Projects that are more than 90 days behind schedule;</li> <li>• Projects projected to potentially not achieve the planned occupancy date and any schedule recovery plan, as appropriate; and</li> <li>• All Amendments and Change Orders approved during the preceding month.</li> </ul> <p>Quarterly Reports will be provided to the Board of Directors regarding all active projects.</p>						

**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
<b>Land Acquisition for Projects</b> (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>							
<b>Execution of Contract for the Purchase of Real Estate</b> (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.	
<b>Execution of Documents Ancillary to Land Acquisition</b> (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.	
<b>Execution of Environmental Documents Relating to Land Acquisition</b> (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.	
<b>Execution of Documents Incidental to Closing of Title Relating to Land Acquisition</b> (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.	
<b>Execution of Project-Related Easements, Licenses and Use and Occupancy Agreements</b> (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>							
<b>Execution of Deed of Real Property to District</b> (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.	
<b>Execution of Environmental Documents in Connection with Real Property Transfer to District</b> (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.	
<b>Execution of Documents Ancillary to Real Property Transfer to District</b> (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.	
<b>Execution of Documents Incidental to Closing of Title Relating to Real Property Transfer to District</b> (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>							
<b>Approval of Project-Related Leases – SDA as Lessee</b> <b>Total Base Rent: Not exceeding \$500,000 and</b> <b>Term: Not exceeding 1 year</b> (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.	
<b>Approval of Project-Related Leases – SDA as Lessee</b> <b>Total Base Rent: Not exceeding \$1,500,000</b> <b>Term: Not exceeding 3 years</b> (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.	
<b>Approval of Project-Related Leases – SDA as Lessee</b> <b>Total Base Rent: Exceeding \$1,500,000</b> <b>Term: Exceeding 3 years</b> (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.
<b>Exercise of Lease Options – SDA as Lessee</b>				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.
<b>Execution of Project-Related Leases – SDA as Lessee</b> (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>							
<b>Approval of Leases to SDA Districts</b> (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.	
<b>Approval of Leases to Entities Other than SDA Districts</b> (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.
<b>Execution of Project-Related Leases of SDA-Owned or Leased Real Property</b> (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**

<b>Operating Scope Real Estate Activities Leases of Real Property for SDA Operations</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>	<b>Level 6</b>	<b>Level 7</b>
<i>Approval by the Division of Chief Counsel is a prerequisite to the following activities:</i>							
<b>Approval of Leases for SDA Operations</b> (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
<b>Approval of Subletting of Space Leased for SDA Operations</b> (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
<b>Execution of Leases for SDA Operations and Subleases of Space Leased for SDA Operations</b> (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  
OPERATING AUTHORITY**

**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>							
<b>Approval of Temporary Use and/or Occupancy Agreement of SDA-Owned Real Property for Term of 3 years or Less</b> (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	
<b>Approval of Temporary Use and/or Occupancy Agreement of SDA-Owned Real Property for Term or Extension of Initial Term Exceeding 3 Years</b> (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
<b>Execution of Temporary Use and/or Occupancy Agreement</b> (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
<b>Declaration of Real Property as Surplus Property and Approval of Disposition of Surplus Real Property</b>				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>							
<b>Execution of Contract for the Sale of Surplus Real Property</b> (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.	
<b>Execution of Documents Ancillary to Sale of Surplus Real Property</b> (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.	
<b>Execution of Environmental Documents Relating to Sale of Surplus Real Property</b> (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.	
<b>Execution of Documents Incidental to Closing of Title Relating to Sale of Surplus Real Property</b> (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
<b>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)</b> <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.	
<b>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)</b>							Board approval required for Contracts with a contract amount greater than \$250,000
<b>Waiver of Advertising Due to Public Exigency</b>					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
<b>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</b>				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
<b>Approval of Title Insurance and Appraisal Contracts</b>			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	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
<b>Professional and Construction Management Services and for Goods and Services</b>	Approvals for Level 4 must be staff from the Office of Chief Financial Officer unless otherwise noted						
<b>Approval of Goods and Services Contracts with No Assigned Dollar Value</b>							Board approval required.
<b>Approval of Construction Management Contracts</b>				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
<b>Approval of Sole Source Procurement - In accordance with Executive Order 37 (Corzine)</b>							Board Approval Required
<b>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)</b>			May singularly execute	May singularly execute	May singularly execute	May singularly execute	
<b>Termination of Professional Services, Goods and Services and/or Construction Management Consultant Contracts for Cause or Convenience</b>					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)
<b>Approval of Final Agency Decision of Procurement Appeals and Bid Protests</b>					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.**

<b>Operating Scope Contracts for Construction and Construction-Related Services</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>	<b>Level 6</b>	<b>Level 7</b>
	Approvals for Level 4 must be staff from the Office of Chief Financial Officer unless otherwise noted						
<b>Contracts for Construction and Construction-Related Services</b>  (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
<b>Sole Source Procurement</b> (In accordance with Executive Order 37 (Corzine))							Board approval required
<b>Execution of Construction and Construction-related Services Contracts</b> (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	
<b>Termination of Construction and Construction-related Services Contracts for Cause or Convenience</b>					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)
<b>Delegation of Approval of Final Agency Decision of Procurement Appeals and Bid Protests</b>					Vice President and Chief Financial Officer may singularly sign the Final Agency Decision after consultation with Division of Chief Counsel		
<p>The Members of the Board may request approval of any contract award at the Project Charter approval stage.</p> <p>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.</p>							

**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.**

<b>Operating Scope FFT&amp;E Purchase Orders</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>	<b>Level 6</b>	<b>Level 7</b>
<b>FFT&amp;E Purchase Orders valued at \$250,000 or less that do not exceed the FFT&amp;E estimate within the most recent approved Project Charter</b>		Co-approval with Level 3 (or higher)	Co-approval	Co-approval	Co-approval	Co-approval	
<b>FFT&amp;E Purchase Orders valued at \$500,000 or less that do not exceed the FFT&amp;E estimate within the most recent approved Project Charter</b>		Co-approval with Level 4 (or higher)	Co-approval with Level 4 (or higher)	Co-approval	Co-approval	Co-approval	
<b>FFT&amp;E Purchase Orders valued at greater than \$500,000 or that exceed the FFT&amp;E estimate within the most recent approved Project Charter</b>		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.	
<b>Execution of FFT&amp;E Purchase Orders</b>		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**

<b>Operating Scope Miscellaneous Actions</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>	<b>Level 6</b>	<b>Level 7</b>
<b>Task Order Contracts for Consultants and/or Contractors</b>				Recommendation required	Recommendation required		Board approval required
<b>Creation of Bidder Pools for Consultants and/or Contractors</b>				Recommendation required	Recommendation required		Board approval required
<b>Contingent Approval of any Contract that does not Exceed 10% of the Estimated Contract Price</b>							Board approval of delegation to the Chief Executive Officer required
<b>Execution of Memorandum of Agreement, Memorandum of Understanding and/or Interagency Agreement</b>					May singularly execute	May singularly execute	Board approval required prior to execution
<b>Offer of Grants to SDA Districts for Emergent and Capital Maintenance Projects Pursuant to N.J.A.C. 19:34 and 19:34A</b>			May singularly offer	May singularly offer	May singularly offer		
<b>Offer of Funding Agreements</b>			May singularly offer	May singularly offer	May singularly offer		
<b>Offer of Delegated Grants for Construction or Demolition Pursuant to N.J.A.C. 19:34B</b>							Board approval required
<b>Offer of Grants to Regular Operating Districts (DOE Approved)</b>			May singularly offer	May singularly offer	May singularly offer	May singularly offer	
<b>Execution of Grants and Funding Agreements</b>			May singularly execute	May singularly execute	May singularly execute	May singularly execute	
<b>District Agreements (including 13C Implementation and 13D Maintenance Agreements)</b>					May singularly execute	May singularly execute	
<b>District Agreements (13B Local Share Agreement)</b>				Managing Director – Planning and Program Operations may singularly execute	May singularly execute	May singularly execute	
<b>Termination of any Grant/Agreement for Cause and/or Convenience (any dollar value)</b>					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
<b>Builders Risk Claim Settlements</b>			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	
<b>OCIP Claim Settlements</b>			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
<b>Miscellaneous Insurance Claim Settlements (including Property Damage and Bodily Injury on SDA Operations, Owned Real Estate, Leaseholds and Temporary Classroom Units)</b>			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
<b>Public Official Liability Insurance Claim Settlements</b>				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
<b>Employment Practices Liability Insurance Claim Settlements</b>				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
<b>SBE Mandated Subcontractor or Subconsultant Substitution by Request of Prime Vendor</b>			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
<b>Substitution of Advertisement -- Required Subcontractors or Subconsultants</b>			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		
<b>Substitution of Statutorily Named Subcontractors by Request of Contractor</b>			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
<p><b>A quarterly report to the Chief Executive Officer listing all Insurance Claim Settlements over \$25,000 or the deductible is required.</b>  <b>A monthly report to the Board of Directors listing all Grant offers is required.</b></p>							

**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**

<b>Operating Scope Project and Program Related Invoices</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>	<b>Level 6</b>
<b>Approval of Project-Related Real Estate Acquisition Invoice/Check Request</b> 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
<b>Approval of Relocation Benefit or Property Management Invoice/Check Request, Including Self Move Agreements, Pass-Throughs, Utility and Ancillary Costs</b> 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
<b>Approval of School Facilities Project Contract Invoices for Pre-Development, Design-Build, Construction, and Post-Construction Costs</b> (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
<b>Approval of School Facilities Project Invoices for Contractual Design Professional and Construction Management Services</b>	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
<b>Approval of Invoices Related to Task Order Consultant Contracts</b>	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
<b>Approval of FFTE School Facilities Project Invoices</b> 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
<b>Approval of Grant Project Requisitions</b>		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
<b>Approval of Invoices for Services Received Under a Program Wide Contract, an MOU/MOA or other Program-Related Contract</b>	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
<b>Approval of Invoices for School Facilities Project-Related Costs Incurred Without Formal Executed Contracts</b> (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**

<b>Operating Scope Project and Program Related Invoices</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>	<b>Level 6</b>
<b>Authorization for SIMS/EFT Payment Processing (Payments Completed by Disbursement Agent)</b>			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						
<b>Procurement of Goods and Services for Operational Needs Under Existing Competitively Procured State, GSA, Governmental or Cooperative Contracts</b>  <b>(With Process Approval from Managing Director -- Procurement)</b>		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
<b>Execution of Purchase Orders and/or Procurement of Goods and Services for Operational Use</b> <b>(With Process Approval from Managing Director -- Procurement)</b>		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
<b>Approval of SDA Leases of Equipment, Software, and other items (NJSDA as Lessee)</b>		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						
<b>Approval of Goods and Services Invoices and SDA Check Requests Pursuant to an Executed Contract or Purchase Order</b>	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	
<b>Approval of Goods and Services Invoices and SDA Check Requests Without an Executed Contract or Purchase Order</b> (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	
<b>Approval of Invoices and SDA Check Requests for Goods and Services Related to Administrative Personnel Functions</b> (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	
<b>Approval of Employee Expense Report Reimbursements</b> (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						
<b>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</b> (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	
<b>Approval of Sale, Trade or Disposal of School Facilities Project and/or Operational Personal Property</b> (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
<b>Authorization for Check Signing and GP/EFT Payment Processing</b>	<b>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.</b>						

**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
<b>Change Orders on SDA-Managed Emergent Projects</b>	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
<b>Credit Change Order (All Projects)</b>  <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	
<b>De-Obligation of Funds due to Unspent or Underspent Allowances</b>	Co-approval with Level 4	Co-approval with Level 4	Co-approval with Level 4	Co-approval required			
<b>Change Order which Singularly does not Exceed \$75,000</b>	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.			
<b>Change Order which Singularly does not Exceed \$250,000</b> <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
<b>Change Order which Singularly does not Exceed \$500,000</b> <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		
<b>Change Order which Singularly does not exceed \$1,000,000</b> <i>CMD review and approval required for requests exceeding \$150,000</i>				Recommendation required	Co-approval with Level 6 required	Co-approval required	
<b>Change Order which Singularly Exceeds \$1,000,000</b> <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
<b>Any Change Order Impacting Schedule</b>  <b>Inter-divisional approval required from both the Contract Management Division and the Office of Program and Construction Operations</b>				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	
<b>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</b>  <b>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</b>				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
<b>Change Order which Singularly or in the Aggregate Exceeds:</b> <ul style="list-style-type: none"> <li>• <b>Board-approved Project Charter contingency</b></li> <li>• <b>CEO-approved additional contingency</b></li> </ul>	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		<b>Board approval required</b>
<p><b>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:</b></p> <p><b>Projects that are projected to exceed their Board-approved Project Charter contingency amount;</b></p> <p><b>Projects indicating the possible compromise of an occupancy date, inclusive of recovery plan, as appropriate; and</b></p> <p><b>All approved Change Orders during the previous month.</b></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
<b>Change Order/Amendment Which Singularly does not Exceed \$25,000</b>		Recommendation required	Co-approval with Level 4 (or higher) required	Co-approval	Co-approval	Co-approval	Monthly report on activity required
<b>Change Order/Amendment which Singularly does not Exceed \$150,000</b>		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
<b>Change Order/Amendment which Singularly does not Exceed the Lesser of \$250,000 or 10% of the Contract Value</b>			Recommendation required	Recommendation required	Co-approval required	Co-approval required	Monthly report on activity required
<b>Change Order/Amendment which Exceeds \$250,000 or 10% of the Contract Value</b>			Recommendation required	Recommendation required	Recommendation required		Board approval required
<b>Changes to the Real Estate Relocation Budget</b>			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**

<b>Operating Scope Amendments to Professional Services and Construction Management Services Contracts</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>	<b>Level 6</b>	<b>Level 7</b>
<b>Credit Amendment</b>	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	
<b>De-Obligation of Funds due to Unspent or Underspent Allowance or Unspent or Underspent Task Order Contract Authorization</b>	Co-approval with Level 4	Co-approval with Level 4	Co-approval with Level 4	Co-approval required			
<b>Amendment which Singularly does not Exceed \$75,000</b>	Co-approval with Level 4	Co-approval with Level 4	Co-approval with Level 4	Co-approval required			
<b>Amendment which Singularly does not Exceed \$250,000</b>				Co-approval with Level 5 (or higher)	Co-approval with Level 4	Co-approval with Level 4 or 5	
<b>Amendment which Exceeds \$250,000</b>				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)**

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

**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						
<b>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)</b>			Co-approval with Level 5	Co-approval with Level 5	Co-approval	Co-approval	
<b>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)</b>							Board Approval Required
<b>Emergent Project Grant: Any Change Order impacting a delegated Emergent Project</b>				Co-approval	Co-approval	Co-approval required for grant amendments which exceed 10% of the grant value	
<b>Change Orders to Capital Maintenance Grants (13A)</b>		Co- approval with Level 4	Co-approval with Level 4	Co-approval	Co-approval		
<b>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.</b>							

**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							
<b>Issuance of a Zero Value Contract Change Directive</b>  (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.
<b>Issuance of a zero dollar value Contract Change Directive requires the concurrence of the Contract Management Division that the issuance is necessary</b> <b>All CCDs are issued with a zero dollar value</b> <b>The Levels of Approval required prior to issuance is determined based upon the anticipated value of the "resolving" Change Order for each CCD</b> <b>Prior to issuance of the CCD, notification to the Division of Chief Counsel is required</b> <b>The Contract Management Division is responsible for determining an anticipated value of the "resolving" Change Order for each CCD.</b>							

**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
<b>Approval of Land Acquisition Projects (including Site Identification, Initial Acquisition &amp; Relocation Budgets)</b>							<b>Board approval required</b>
<b>Settlement Authority for Board Approved Purchase Prices, Price Re-Certification, Updated Condemnation Values, or Relocation Benefits after Board-approved Acquisition and Relocation Budget Development</b>				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
<b>For properties with multiple rental units, the scopes described are intended to apply separately to each Protective Lease.</b>							
<b>Protective Lease* Value: not exceeding \$50,000 Term: not exceeding 1 year</b>			Co-approval with Level 4 (or higher)	Co-approval	Co-approval	Co-approval	
<b>Protective Lease* Value: not exceeding \$100,000 Term: not exceeding 1 year</b>			commendation required	Co-approval	Co-approval with Level 5 required	Co-approval	
<b>Protective Lease* Value: not exceeding \$250,000 Term: not exceeding 1 year</b>				Recommendation required	Co-approval with Level 5 (or higher) required	Co-approval required	
<b>Protective Lease* Value: exceeding \$250,000 Term: exceeding 1 year</b>					Recommendation required	Notification required prior to Board activity	Board approval required
<b>A monthly report to the Board of Directors listing all settlement activity relating to purchase and relocation actions is required.</b>							
<b>* 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.</b>							

**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
<b>Upon Approval from the Division of Chief Counsel, Settlement for an Amount not to exceed \$50,000</b>	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.
<b>Upon Approval from the Division of Chief Counsel, Settlement for an Amount not to exceed \$100,000</b>		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.
<b>Upon Approval from the Division of Chief Counsel, Settlement for an Amount not to exceed \$250,000</b>			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.
<b>Upon Approval from the Division of Chief Counsel, Settlement for and Amount not to exceed \$500,000</b>				Co-approval with Level 6	Co-Approval with Level 6	Co-approval required	Monthly report, including initial claim and settlement values, required.
<b>Upon Approval from the Division of Chief Counsel, Settlement for an Amount Exceeding \$500,000</b>				Recommendation required	Recommendation required	Recommendation required	Board approval required
<b>Upon Approval from the Division of Chief Counsel, Execution of Settlement Agreement</b>				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.**

## ***Resolution—5a.***

### Proposed Revisions to the SDA’s Policy Governing Operating Authority

**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 5.3 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 March 6, 2018; and

**WHEREAS**, additional revisions to the Operating Authority Policy are both necessary and appropriate in order to address significant changes in SDA staffing and organizational structure, changes in project delivery models, inflation, and other factors that have been identified or that have developed since the last such policy was adopted; and

**WHEREAS**, it is anticipated that under the proposed revisions the Board will continue to be responsible for direct approval of over 90% of all of the Authorities obligations and will continue to have direct oversight of the program through the approval of all Authority plans and project charters for all major capital projects advanced from those plans; and

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

**NOW THEREFORE, BE IT RESOLVED**, that, consistent with materials presented to the Board on this date, the Members of the Authority hereby authorize and approve revisions to the requisite Levels of Approval set forth in the SDA Operating Authority by Level.

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

Attached: Memorandum, Operating Authority by Levels – Proposed Modification, dated  
January 8, 2025

Dated: January 8, 2025

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

**Credit Amendment No. 23 - Orange Cleveland Street Elementary School - Epic Management, Inc.**





MEMORANDUM

**TO:** Members of the Authority  
**FROM:** Joseph Lucarelli  
Director, Construction Operations  
**DATE:** January 8, 2025  
**SUBJECT:** Amendment No. 23 – Epic Management, Inc.

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COMPANY NAME:	Epic Management, Inc.
DISTRICT:	Orange
CONTRACT NO.:	ES-0043-M01
SCHOOL NAME:	Cleveland Street Elementary School
AMENDMENT NO.:	23
REASON:	Credit Balance of MEP Manager Position
AMOUNT:	(\$ 132,943.00)
ORIGINAL CONTRACT AMOUNT:	\$ 1,185,078.41
CONTRACT STATUS:	92.5% Paid to Date
ANTICIPATED OCCUPANCY DATE:	September, 2024

INTRODUCTION

The Members of the Authority are requested to approve a contract credit amendment to Epic Management, Inc. (Epic) for the unused balance of Amendment 11 for the addition of a MEP Manager position to the Construction Management (CM) Staff at the Orange Cleveland Street Elementary School project (Project). A credit amendment is the accounting mechanism by which the NJSDA deobligates a contract's unused funds. Execution of this amendment is necessary to advance contract close-out.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, an Amendment which singularly exceeds \$100,000.00 or 10% of the Contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.00 and 10% of the Contract value.

BACKGROUND

The Orange Cleveland Street Elementary School (School), built in 1898, is a 38,750 square foot facility educating 306 students in grades Kindergarten through 7. The project scope includes an 11,550 square foot addition and renovations to the existing facility to address overcrowding and will allow a change in grade alignment to grades Pre-K through 6 consistent with the District's approved Long Range Facilities Plan (LRFP) for the School.

On March 6, 2019 the Members of the Authority approved the award of a contract to Brockwell & Carrington Contractors, Inc. (B&C) for Construction Services and the Final Project Charter for the Project. On May 2, 2019, the NJSDA issued a Notice to Proceed (NTP) for the performance by B&C of a Constructability Review, consistent with the contract, to verify the following: Constructability of the

Work, Coordination of the Work, Elimination of Conflicts in the Work, and Completeness of the Work as detailed in the Contract Documents. After performance of the Constructability Review, B&C was issued a NTP for Construction Services on January 13, 2020, with a commencement date of January 15, 2020.

Concurrent with the NTP for Construction Services, Epic was issued a NTP to provide Construction Management Services for the Project with a commencement date of January 15, 2020.

Approximately two years after the construction NTP was issued to B&C, the NJSDA determined that termination of the Construction Services contract was in the best interest of the NJSDA and the State of New Jersey. Accordingly, the NJSDA issued a Notice of Termination for Convenience to B&C on January 20, 2022 in accordance with Section 11.3.2 of the contract. At the same time, SDA directed B&C to complete portions of the work and demobilize from the Project site by March 1, 2022.

Subsequently, the Project was bid with a construction duration of approximately 15 months based upon a May 2023 NTP and a substantial completion date of August of 2024. To assure the Project was properly staffed from the management side, SDA and Epic conducted a review and it was determined that one additional staff member was required to assure proper management coverage on site. The original RFP for CM Services did not require a Mechanical Electrical Plumbing (MEP) Manager position for the project, but did require a Project Manager and Office Engineer. Given the shortened duration for the new General Construction Services engagement and the complexities of the Project, the Project Team determined that engaging the services of a MEP Manager was critical to completing the work.

At the request of the NJSDA, Epic submitted a proposal for the addition of a full time MEP Manager for the partial duration of the new construction contract and part time during the close-out phase. Epic submitted a proposal and resume for the MEP Manager position at a cost of \$16,000.00 per month for a duration of 14 months (for a total cost \$224,000.00); and close-out at 2 months full time or 4 months part time in the amount of \$32,000.00, for a combined total cost of \$256,000.00 for Amendment #11, which was approved by the Board in April 2023.

#### REASON FOR CHANGE

The project has been completed and the school is occupied. The services for this position have been completed and all funds were not utilized. This amendment deobligates all unused funds from Amendment #11 in the contract.

#### SUMMARY OF CHANGE

Amendment #11 was issued for the MEP position in the value of \$256,000.00, based upon review of the contract and billings, a balance of \$132,943.00 remains. All work has been completed and this position is no longer required. This amendment deobligates the unused balance of Amendment #11 and allow the contract for Epic Management for Construction Management to be closed out.

All documents supporting this amendment have been reviewed by the associated NJSDA Project Team and Financial Operations for adherence to current NJSDA policy and procedures. All reviewing NJSDA

staff members have determined that the items included in the amendment are justified and that the amount is reasonable and appropriate.

CALCULATIONS

a. Original Contract Amount	\$ 1,185,078.41
b. Amendment(s) to Date	\$ 1,321,180.00
c. Proposed Amendment Amount	\$ (132,943.00)
d. Total Amendments to Date including this Amendment (Total of Line (b.) and Line (c.))	\$ 1,188,237.00
e. Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))	100.27%
f. Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$ 2,373,315.41

RECOMMENDATION

As detailed above, the Members of the Authority are requested to approve Credit Amendment #23 to Epic Management, Inc. in the amount of (\$132,943.00) to credit the balance of unused funds from Amendment #11 for the MEP Manager position for the Orange Cleveland Street Elementary School project.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, an Amendment which singularly exceeds \$100,000.00 or 10% of the Contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.00 and 10% of the Contract value.

Recommended by:

/s/ Joseph Lucarelli  
 Joseph Lucarelli, Program Director, Construction Operations

Reviewed and Recommended by: Ramy Kamel, Vice President Program and Construction Operations  
 Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer  
 Reviewed and Recommended by: Denise Petraglia, Deputy Program Director, Construction Operations  
 Reviewed and Recommended by: Felipe Marrero, Senior Program Officer, Construction Operations

***Resolution—6a.***

Company Name:	Epic Management, Inc.
District:	Orange
Contract No.:	ES-0043-M01
School Name:	Orange Cleveland Street Elementary School
Amendment No.:	23
Reason:	Credit Balance of MEP Manager Position
Amount:	(\$ 132,943.00)
Original Contract Amount:	\$ 1,185,078.41
Contract Status:	92.5% Paid to Date
Occupancy Date:	September 2024

**Resolution**

**WHEREAS**, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that a credit amendment that singularly exceeds \$100,000 or greater than 10% of the contract value requires approval by the Members of the Authority; and

**WHEREAS**, a credit amendment is the accounting mechanism whereby the SDA de-obligates unused contract funds; and

**WHEREAS**, the Orange Cleveland Street Elementary School (Project or School), built in 1898 was an approximately 38,750 square foot facility in the Orange Public School District (District) educating approximately 306 students in grades Pre-K through 7; and

**WHEREAS**, the project scope includes an 11,550 square foot addition and renovations to the existing facility to address overcrowding and allow a change in grade alignment to grades Pre-K through 6 consistent with the District’s approved Long Range Facilities Plan for the School; and

**WHEREAS**, on March 6, 2019 the Members of the Authority approved the award of the contract to Brockwell & Carrington Contractors, Inc. (B&C) for Construction Services and the Final Project Charter for the Project, and on May 2, 2019, the SDA issued a Notice to Proceed (NTP) for the performance by B&C of a Constructability Review, consistent with the contract; and

**WHEREAS**, concurrent with the NTP for Construction Services, Epic Management, Inc. (Epic) was issued a NTP to provide Construction Management Services for the Project with a commencement date of January 15, 2020; and

**WHEREAS**, for reasons set forth in detail in the memo accompanying this resolution, the SDA terminated the contract with B&C; and

**WHEREAS**, to assure the Project was properly staffed from the management side, SDA and Epic determined that one additional staff member was required to assure proper management coverage on site; given the shortened duration for the new General Construction Services engagement and the complexities of the Project, the Project Team determined that engaging the services of a Mechanical Electrical Plumbing (MEP) Manager was critical to completing the work; and

**WHEREAS**, at the request of SDA, Epic submitted a proposal and resume for the MEP Manager position at a cost of \$16,000.00 per month for a duration of 14 months (for a total cost \$224,000.00); and close-out at 2 months full time or 4 months part time in the amount of \$32,000.00, for a combined total cost of \$256,000.00 for Amendment #11, which was approved by the Board in April 2023; and

**WHEREAS**, all work within the scope of Amendment #11 has been completed and this position is no longer required, and a balance of \$132,943.00 remains; and

**WHEREAS**, this amendment de-obligates the unused balance of Amendment #11 and allow the contract for Epic Management for Construction Management to be closed out; and

**WHEREAS**, all documents supporting this amendment have been reviewed by the associated SDA Project Team and Financial Operations for adherence to current SDA policy and procedures, and staff members have determined that the items included in the amendment are justified and that the amount is reasonable and appropriate; and

**WHEREAS**, for all of the foregoing reasons, the Members of the Authority are requested to approve Credit Amendment #23 to Epic Management, Inc. in the amount of (\$132,943.00) to credit the balance of unused funds from Amendment #11 for the MEP Manager position for the Project; and

**WHEREAS**, this credit amendment singularly exceeds 10% of the contract value and thus its issuance requires approval by the Members of the Authority; and

**WHEREAS**, the Project's background along with details as to the reason for the credit change order and the associated calculations are fully 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 Credit Amendment #23 to Epic Management, Inc. in the amount of (\$132,943.00) to credit the balance of unused funds from Amendment #11 for the Mechanical Electrical Plumbing Manager position for the Orange Cleveland Street Elementary School project.

**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 his approval, unless during such 10-day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Credit Amendment No. 23, Epic Management, Inc., Contract No. ES-0043-M01, Orange Public School District, Cleveland Street Elementary School, dated January 8, 2025

Dated: January 8, 2025

**Credit Amendment No. 3 - Perth Amboy High School - Anser Advisory**



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**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Joseph Lucarelli  
Director, Construction Operations  
**DATE:** January 8, 2025  
**SUBJECT:** Amendment No. 3 – Anser Advisory.

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COMPANY NAME:	Anser Advisory
DISTRICT:	Perth Amboy
CONTRACT NO.:	ET-0099-M01
ORIGINAL CONTRACT AMOUNT:	\$4,180,920.00
SCHOOL NAME:	New Perth Amboy High School
AMENDMENT NO.:	3
REASON:	Credit Balance of Construction Management Services Funds
AMOUNT:	(\$162,751.27)
CONTRACT STATUS:	91.45% Paid to Date against the Current Contract Value
OCCUPANCY:	September 2024

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**INTRODUCTION**

I am writing to request approval by the Members of the Authority of a contract credit amendment in the value of (\$162,751.27) to Anser Advisory (Anser) for the credit of unused basic construction management services. A credit amendment is the accounting mechanism by which the NJSDA deobligates a contract's unused funds. Execution of this amendment is necessary to advance contract close-out.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, an Amendment which singularly exceeds \$100,000.00 or 10% of the Contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.00.

**BACKGROUND**

The New Perth Amboy High School project consists of the construction of an approximately 576,000 SF building to educate approximately 2,800 students in grades 9 through 12.

On November 6, 2019, the Members of the Authority approved the Final Project Charter and the award of a Design-Build Construction contract to Terminal Construction Corporation and Dinallo Construction Corporation, a Joint Venture ("Terminal/Dinallo JV"). On November 26, 2019, Terminal/Dinallo JV was issued a Notice of Award for the construction of the New High School facility, and on January 6, 2020, Terminal/Dinallo JV received the Notice to Proceed for the design phase of the project.

On May 1, 2020, Cambridge Construction Management (Cambridge), now known as Anser Advisory (Anser), was issued a Notice to Proceed for the construction management services for the new Perth Amboy High School.

**REASON FOR AMENDMENT:**

Amendment #3 is to credit the balance of unused construction management services funds. The project has reached substantial completion and is in close out. All construction management services are complete and all billings will now be from the close out portion of the contract.

**SUMMARY OF AMENDMENT:**

Based upon review of the project and contract, the construction portion of the contract has been completed and all services from Anser are now in close out for the project.

Anser provided a final billing for construction services and acknowledged the commencement of closeout services. A review of the contract was conducted by the Project Team and Financial Operations and the following is the status of the construction services portion of the contract:

<b>Basic Services</b>	<b>Original Contract</b>	<b>Expended Funds</b>	<b>Unused Funds</b>
Schedule Review	\$97,500.00	\$74,100.00	(\$23,400.00)
Asst Project Manager	\$734,650.00	\$661,185.00	(\$73,465.00)
MEP Manager	\$780,550.00	\$722,229.63	(\$58,320.37)
Office Engineer	\$596,900.00	\$590,334.10	(\$6,565.90)
Schedule/Resource	\$1,000.00	\$0.00	(\$1,000.00)
<b>Totals</b>	<b>\$2,210,600.00</b>	<b>\$2,047,848.73</b>	<b>(\$162,751.27)</b>

**CALCULATIONS**

a. Original Contract Amount	\$ 4,180,920.00
b. Amendment(s) to Date	\$ (71,692.44)
c. Proposed Amendment Amount	\$ (162,751.27)
d. Total Amendments to Date including this Amendment (Total of Line (b.) and Line (c.))	\$ (234,443.71)
e. Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))	-5.61%
f. Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$ 3,946,476.29



RECOMMENDATION:

As detailed above, the Members of the Authority are requested to approve a contract credit amendment to Anser for the amount of (\$162,751.27) for the credit of unused construction management services funds for the New Perth Amboy High School project

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, an Amendment which singularly exceeds \$100,000.00 or 10% of the Contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.00.

Recommended by:

/s/ Joseph Lucarelli  
Joseph Lucarelli, Director, Construction Operations

Reviewed and Recommended by: Ramy Kamel, Vice President of Program and Construction Operations  
Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer  
Reviewed and Recommended by: Janice Venables, Vice President of Corporate Governance  
Reviewed and Recommended by: Denise Petraglia, Deputy Director, Construction Operations  
Reviewed and Recommended by: George Kloutis, Senior Program Officer, Construction Operations

## ***Resolution—6b.***

Company Name:	Anser Advisory
District:	Perth Amboy
Contract No.:	ET-0099-M01
Original Contract Amount	\$4,180,920.00
School Name:	New Perth Amboy High School
Amendment No.:	3
Reason:	Credit Balance of Construction Services Funds
Amount:	(\$162,751.27)
Contract Status:	91.45% Paid to Date against the Current Contract Value
Occupancy Date:	September 2024

### **Resolution**

**WHEREAS**, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that a credit amendment that singularly exceeds \$100,000 or greater than 10% of the contract value requires approval by the Members of the Authority; and

**WHEREAS**, a credit amendment is the accounting mechanism whereby the SDA de-obligates unused contract funds; and

**WHEREAS**, the New Perth Amboy High School project (School or Project) consists of the construction of an approximately 576,000 SF building to educate approximately 2,800 students in grades 9 through 12; and

**WHEREAS**, on November 6, 2019, the Members of the Authority approved the Final Project Charter and the award of a Design-Build Construction contract to Terminal Construction Corporation and Dinallo Construction Corporation, a Joint Venture (Terminal/Dinallo JV) to construct the Project; and

**WHEREAS**, on November 26, 2019, Terminal/Dinallo JV was issued a Notice of Award for the construction of the New High School facility, and on January 6, 2020, Terminal/Dinallo JV received the Notice to Proceed for the design phase of the Project; and

**WHEREAS**, on May 1, 2020, Cambridge Construction Management, now known as Anser Advisory (Anser), was issued a Notice to Proceed for the construction management services for the School; and

**WHEREAS**, the Project has reached substantial completion and is in close out, all construction management services are complete and all billings will now be from the close out portion of the contract; and

**WHEREAS**, Anser provided a final billing for construction services and acknowledged the commencement of closeout services; and

**WHEREAS**, a review of the contract was conducted by the Project Team and Financial Operation of SDA and it was determined that Amendment #3 is necessary to credit the balance of unused construction management services funds.

**WHEREAS**, all documents supporting these credit change orders have been reviewed by the SDA Project Team for adherence to current SDA policy and procedures, and have been determined to be justified, reasonable and appropriate; and

**WHEREAS**, for all of the foregoing reasons, the Members of the Authority are requested to approve Credit Amendment No. 3 to Anser for the amount of (\$162,751.27) for the credit of unused construction management services funds for Project; and

**WHEREAS**, this credit amendment singularly exceeds 10% of the contract value and thus its issuance requires approval by the Members of the Authority; and

**WHEREAS**, the Project's background along with details as to the reason for the credit change order and the associated calculations are fully 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 Amendment No. 3 to Anser in the amount of (\$162,751.27) for the credit of unused construction management services funds for the New Perth Amboy High School project.

**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 his approval, unless during such 10-day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Credit Amendment No. 3, Anser Advisory, Contract No. ET-0099-M01,  
Perth Amboy Public School District, Perth Amboy High, School, dated January 8, 2025  
Dated: January 8, 2025

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

## **ACTIVE PROJECTS STATUS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director

DATE: January 8, 2025

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

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

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

**Portfolio Projects Activities Summary**

as of 12/18/24

**2022 Portfolio Projects - sorted by District, Project**

District	Project	1				Delivery Method	Advancement Status	School Opening	Comments
		Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)				
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	326	384	\$49.2	Design-Build	Preliminary Charter approved Nov-22 Board.	TBD	
Bridgeton	PK, 6-8	PK, 6-8	TBD	TBD	TBD	Design-Build	Project phased with advancement of High School Add/Reno Project.	TBD	
Camden	New High School (East Side HS Replacement)	9 - 12	800	941	\$115.1	Design-Build	Planning Charter approved Feb-24 Board.	TBD	Capital Plan included 2 replacement ES projects however District has requested advancement of a replacement HS project instead.
Elizabeth	New ES (Battin Replacement)	PK-8	973	1,068	\$96.2	Design-Build	Preliminary Charter approved Nov-22 Board.	TBD	ESP Ongoing.
Garfield	New ES (No. 5 Replacement)	PK-5	767	852	\$87.6	Design-Build	Award for D-B approved Dec. 2024 Board. (Dobco, Inc.)	3 QTR 27	ESP ongoing.
Garfield	PK-5	PK-5	TBD	TBD	TBD	Design-Build	Project phased with advancement of the New ES (No. 5 Replacement) Project	TBD	
Jersey City	PK	PK	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing	TBD	
New Brunswick	MS Addition	6 - 8	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing. Note: Need beyond acquisition of Middle School Annex under review with NJDOE.	TBD	
New Brunswick	Pathways MS & P-Tech Academy (Middle School Annex, 40 Van Dyke Ave.)	6-8, 9-12	765	859	\$42.0	Alternative Delivery	Building Acquisition Complete.	n/a	Facility acquired in March-2024.
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	\$129.2	Design-Build	Planning Charter approved Feb-24 Board.	TBD	Replacement HS will leverage prior SDA site acquisition and allow existing aged Hawthorne School to occupy existing University HS.
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.	TBD	
Paterson	New STEAM & STARS HS	9-12	1,200	1,532	\$160.3	Design-Build	Preliminary Charter approved Jul-23 Board.	TBD	
Perth Amboy	K-5	K - 5	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing	TBD	
Pleasantville	New Decatur Ave ES	PK-5	601	658	\$65.8	Design-Build	Preliminary Charter approved Jan-24 Board.	TBD	
Salem City	PK-8	PK-8	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing.	TBD	
Trenton	ES at Dunn MS	K-6	753	837	\$83.8	Design-Build	Preliminary Charter approved Jul-23 Board.	TBD	
West New York	New Middle School	6 - 8	788	876	\$110.1	Design-Build	Planning Charter approved Mar-24 Board.	TBD	Capital Plan included new PK - 5 school. Identified project will allow 6th grade students to move to MS and alleviate overcrowding in existing elementary schools.

**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.

**Portfolio Projects Activities Summary**

as of 12/18/24

**2012 Portfolio Projects (Active) - sorted by District**

		1							
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Delivery Method	Advancement Status	School Occupied	Comments
Orange	Cleveland St. ES	PK-6	316	348	\$51.7	Design-Bid-Build	Award for GC approved Apr. 2023. (Terminal).	Sep-24	Previous GC Terminated for convenience 3/1/22. (B&C)
Perth Amboy	High School	HS	2,800	3,295	\$283.8	Design-Build	Award for D-B approved Nov. 2019 Board. (Terminal)	Sep-24	
Union City	New Grade 7 to 9 School	7-9	827	936	\$93.7	Design-Build	Award for D-B approved Jun. 2022 Board. (Dobco, Inc.)	Sep-25	

**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.



**Portfolio Projects Activities Summary**

as of 12/18/24

**2012 Portfolio Projects (Completed) - sorted by District**

District	Project	1				Delivery Method	Advancement Status	School Occupied	Comments
		Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)				
Camden	High School	9-12	1,244	1,468	\$132.6	Design-Build	School occupied Sep. 2021. (Bock)	Sep-21	
East Orange	Sheila Y. Oliver Academy (GW Carver ES)	PK-5	470	512	\$41.2	Design-Build	School occupied Sep. 2020. (Dobco)	Sep-20	
Elizabeth	New ES @ Halloran PS #22 ES Site	2-8	860	956	\$55.3	Design-Build	School occupied Sep. 2017. (Torcon)	Sep-17	
Garfield	James Madison ES	K-5	275	305	\$29.7	Design-Bid-Build	School occupied Sep. 2018. (Brockwell & Carrington)	Sep-18	
Gloucester City	Elementary/Middle School	4-8	687	763	\$65.3	Design-Build	School occupied Sep. 2017. (Terminal)	Sep-17	
Harrison	New ES	PK - 1	392	432	\$36.1	Design-Build	School delivered Nov. 2020. (Bock)	Nov-20	
Irvington	Madison Avenue ES	PK-5	463	504	\$38.6	Design-Build	School occupied Sep. 2019. (Bock)	Sep-19	
Keansburg	Caruso ES	K-4	758	842	\$50.9	Design-Build	School occupied Sep. 2016. (Hall Construction)	Sep-16	
Keansburg	Port Monmouth Road School	PK	318	318	\$28.4	Design-Bid-Build	School occupied Sep. 2023 (Niram)	Sep-23	
Millville	Senior HS Addition/Renovation	HS	2,026	2,384	\$149.2	Design-Build	School occupied Sep. 2023 (Hall Construction)	May-23	
New Brunswick	Robeson ES	PK-5	823	893	\$48.5	Design-Build	School occupied Sep. 2018. (Hall Construction)	Sep-18	
Newark	Elliot Street ES	PK-8	848	932	\$46.7	Design-Build	School occupied Jan. 2016. (Hall Construction)	Jan-16	
Newark	South Street ES	PK-8	597	657	\$69.9	Design-Build	School occupied Sep. 2018. (Bock)	Sep-18	
Orange	High School	9-12	1,440	1,694	\$59.8	Design-Bid-Build	School occupied Sep. 2023. (Terminal)	Sep-23	
Passaic	Dayton Ave. Campus	PK-8	2,760	3,020	\$240.9	Design-Build	Sub. Comp. achieved Nov. 2021. (Terminal)	Nov-21	
Passaic	Sonia Sotomayor ES (New ES @ Leonard Place)	K-5	628	698	\$55.9	Design-Build	School occupied Sep. 2019. (Dobco, Inc.)	May-19	
Paterson	Joseph A. Taub MS (New MS @ Union Ave.)	6-8	996	1,107	\$113.9	Design-Build	School Delivered 1 QTR 2022. (Epic Management)	1 QTR 22	
Pemberton	Denbo-Crichton ES	K-5	846	930	\$58.7	Design-Build	School occupied Sep. 2020. (Bock)	Sep-20	
Perth Amboy	Rose M. Lopez ES (Seaman Avenue ES)	K-5	724	804	\$56.4	Design-Build	School occupied Sep. 2019. (Epic Management)	Sep-19	
Phillipsburg	High School	9-12	1,846	2,172	\$127.5	Design-Bid-Build	School occupied Sep. 2016. (Epic Management)	Sep-16	
Plainfield	New Woodland ES	K-5	756	840	\$59.4	Design-Build	School occupied Sep. 2023. (Epic Management)	Sep-23	
Trenton	Central HS	10-12	1,850	2,176	\$155.4	Design-Build	School occupied Sep. 2019. (Terminal)	Sep-19	
Vineland	Lincoln Ave. MS (New MS)	6-8	562	624	\$49.8	Design-Build	School occupied Sep. 2018. (Bock)	Sep-18	
West New York	Memorial HS	9-12	1,859	2,194	\$16.0	Alternative Delivery	Acquisition of Existing St. Joseph's HS complete.	n/a	Renovation work delegated to District via Grant.

**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.

**Portfolio Projects Activities Summary**

as of 12/18/24

**2011 Portfolio Projects (Completed) - sorted by District**

		1							
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Delivery Method	Advancement Status	School Occupied	Comments
Bridgeton	Buckshutem ES	K-8	581	645	\$23.3	Design-Build	School occupied Sep. 2016. (Bock)	Sep-16	
Bridgeton	Quarter Mile Lane ES	PK-8	731	795	\$39.0	Design-Build	School occupied Sep. 2017. (Bock)	Sep-17	
Elizabeth	Frank J. Cicarell Academy (Academic HS)	9-12	1,091	1,284	\$64.1	Design-Bid-Build	School occupied Sep. 2016. (Patock)	Sep-16	
Jersey City	Patricia M. Noonan ES (ES 3)	PK-5	778	848	\$54.0	Design-Build	School occupied Sep. 2017. (Dobco, Inc.)	Sep-17	
Jersey City	Dr. Maya Angelou PS #20	K-5	628	698	\$49.3	Design-Bid-Build	School occupied Sep. 2016. (Dobco, Inc.)	Sep-16	
Long Branch	Catrambone ES	PK-5	794	867	\$40.0	Design-Bid-Build	School occupied Sep. 2014. (Terminal Construction)	Sep-14	
New Brunswick	Redshaw ES	PK-5	906	990	\$51.2	Design-Build	School occupied Jan. 2015. (Hall Construction)	Jan-15	
Newark	Oliver St. ES	PK-8	848	932	\$73.6	Design-Build	School occupied May 2016. (Epic Management)	May-16	
Paterson	Dr. Hani Awadallah ES (Marshall St. ES)	K-8	650	722	\$55.2	Design-Bid-Build	School occupied Sep. 2016. (Dobco, Inc.)	Sep-16	
Paterson	PS 16	PK-8	641	705	\$62.4	Design-Build	School occupied Sep. 2016. (Hall Construction)	Sep-16	
West New York	Harry L. Bain PS 6	PK-6	736	814	\$16.8	Design-Bid-Build	School occupied Sep. 2017. (Paul Otto)	Aug-17	

**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.

## Active Project Status Report

### Status as of 12/1/2024

#### 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	Union City	New Grade 7 to 9 School	New Construction	Design-Build Construction	3Q 2025	On-target	Sep-25	On-target	\$ 93,696,300

## Active Project Status Report Status as of 12/1/2024

### Emergent Projects - With Contract for Construction Awarded

#	District	Project Name	Project Scope	Project Phase	Substantial Completion	Status Substantial Completion	Final Completion	Status of Final Completion	Total Estimated Project Cost
1	Burlington City	Samuel Smith ES	Windows Repair/Replacement Partial Roof Replacement	Construction	4Q 2024	Achieved	4Q 2024	On-Target	\$ 3,920,500
2	Camden City	Veteran's Memorial School	Exterior Masonry, Windows, Roofing & Site Work	Substantial Completion	3Q 2024	Achieved	4Q 2024	On-Target	\$ 6,588,900
3	East Orange	Fresh Start Academy	Building Envelope Repairs	Construction	2Q 2025	On Target	2Q 2025	On-Target	\$ 3,909,963
4	Irvington	Grove Street School	Boiler Replacement	Construction	4Q 2024	Achieved	4Q 2024	On-Target	\$ 3,968,782
5	Newark	Branch Brook School	Building Envelope Repairs	Construction	4Q 2024	Achieved	4Q 2024	On-Target	\$ 1,064,542
6	Newark	Technology High School	Structural Vault Repairs and Façade Repairs	Construction	1Q 2025	On Target	1Q 2025	On-Target	\$ 2,867,680
7	Newark	University High School	Building Envelope Repairs	Substantial Completion	3Q 2024	Achieved	4Q 2024	On-Target	\$ 2,269,484
8	Trenton	Franklin ES	Exterior Structural Repairs	Substantial Completion	3Q 2024	Achieved	4Q 2024	On-Target	\$ 476,424
9	Union City	Emerson Middle School	Roof, Masonry & Stucco Repairs	Construction	4Q 2024	Achieved	4Q 2024	On-Target	\$ 4,599,273
10	Union City	Union Hill Middle School	Roof, Masonry, Stucco & Chimney Repairs	Construction	4Q 2024	Achieved	4Q 2024	On-Target	\$ 4,685,783

## **PROJECT STATUS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director – Planning and Program Operations

DATE: January 8, 2025

SUBJECT: Executive Summary – Monthly Project Status Reports

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**MONTHLY PROJECT STATUS REPORT**

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

No activity during the reporting period

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

No activity during the reporting period

**Revisions to Project Charters:**

No activity during the reporting period

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

Reporting Period: January 2008 to November 2024

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

No 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

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



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

Reporting Period: November 2024

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



**Revisions to Project Charters**

Reporting Period: November 2024

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
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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: January 8, 2025

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

**Contracts Executed Report**

This report contains the activity of Contracts executed during the period November 1, 2024 through November 30, 2024.

**Noteworthy Items during the reporting period:**

- No activity during the reporting period.

**Amendments & Change Orders Report**

This report contains the activity of Amendments and Change Orders executed during the November 1, 2024 through November 30, 2024.

**Noteworthy Items during the reporting period:**

- 5 Professional Services Amendments were executed during the reporting period totaling a credit of \$278k, none of the executed amendments required Board approval.
- 18 Construction Services Change Orders were executed during the reporting period totaling a credit of \$551k, none of the executed change orders required Board approval.

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

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

- No Activity to Report

## Amendments & Change Orders Report

Reporting Period: 11/1/2024 through: 11/30/2024

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %
<b>Professional Services</b>													
<b>Design Consultant</b>													
Newark	Roberto Clemente E.S.	EP-0110-A01	10/31/2018	5	SSP Architectural Group, Inc.	11/21/2024	\$197,480	\$44,558	(\$90,474)			\$151,564	-23.25%
<b>Construction Management</b>													
City Of Orange Township	Cleveland Street E.S.	ES-0043-M01	1/9/2019	19	Epic Management, Inc.	11/14/2024	\$1,185,078	\$1,612,332	(\$184,731)			\$2,612,680	120.46%
City Of Orange Township	Cleveland Street E.S.	ES-0043-M01	1/9/2019	20	Epic Management, Inc.	11/19/2024	\$1,185,078	\$1,427,601	(\$79,401)			\$2,533,278	113.76%
City Of Orange Township	Cleveland Street E.S.	ES-0043-M01	1/9/2019	21	Epic Management, Inc.	11/29/2024	\$1,185,078	\$1,348,200	(\$20,000)			\$2,513,278	112.07%
Union City (Hudson Co.)	New Grade 7 to 9 School	HU-0029-M01	11/1/2022	2	Anser Advisory Management LLC	11/7/2024	\$2,282,336	\$0	\$96,750			\$2,379,086	4.23%
<b>Professional Services</b>									<b>(\$277,856)</b>				
<b>Construction Services</b>													
<b>Contractor</b>													
Camden City	Veterans Memorial M.S.	EP-0116-C01	9/26/2023	4	Imperial Construction & Electric Inc.	11/25/2024	\$3,811,000	(\$192,001)	(\$200,000)			\$3,418,999	-10.28%
Camden City	Veterans Memorial M.S.	EP-0116-C01	9/26/2023	5	Imperial Construction & Electric Inc.	11/25/2024	\$3,811,000	(\$392,001)	(\$50,000)			\$3,368,999	-11.59%
Camden City	Veterans Memorial M.S.	EP-0116-C01	9/26/2023	6	Imperial Construction & Electric Inc.	11/25/2024	\$3,811,000	(\$442,001)	(\$35,000)			\$3,333,999	-12.51%
Camden City	Veterans Memorial M.S.	EP-0116-C01	9/26/2023	7	Imperial Construction & Electric Inc.	11/25/2024	\$3,811,000	(\$477,001)	(\$20,000)			\$3,313,999	-13.04%
City Of Orange Township	Cleveland Street E.S.	ES-0043-C02	5/2/2023	40	Terminal Construction Corp.	11/25/2024	\$19,434,958	\$153,912	\$8,721			\$19,597,591	0.83%
City Of Orange Township	Cleveland Street E.S.	ES-0043-C02	5/2/2023	50	Terminal Construction Corp.	11/25/2024	\$19,434,958	\$162,633	\$6,406			\$19,603,997	0.86%
Newark	Cleveland E.S.	EP-0109-C02	6/28/2022	1	Epic Management, Inc.	11/7/2024	\$1,042,507	\$0	(\$100,000)			\$942,507	-9.59%
Newark	Cleveland E.S.	EP-0109-C02	6/28/2022	2	Epic Management, Inc.	11/7/2024	\$1,042,507	(\$100,000)	(\$50,000)			\$892,507	-14.38%
Newark	Cleveland E.S.	EP-0109-C02	6/28/2022	3	Epic Management, Inc.	11/7/2024	\$1,042,507	(\$150,000)	(\$15,000)			\$877,507	-15.82%
Newark	Cleveland E.S.	EP-0109-C02	6/28/2022	4	Epic Management, Inc.	11/7/2024	\$1,042,507	(\$165,000)	(\$50,000)			\$827,507	-20.62%
Newark	Cleveland E.S.	EP-0109-C02	6/28/2022	5	Epic Management, Inc.	11/7/2024	\$1,042,507	(\$215,000)	(\$25,000)			\$802,507	-23.02%
Newark	Branch Brook E.S.	EP-0124-C01	6/7/2023	2	Epic Management, Inc.	11/7/2024	\$246,635	\$342,088	(\$4,138)			\$584,585	137.02%
Newark	Branch Brook E.S.	EP-0124-C01	6/7/2023	3	Epic Management, Inc.	11/7/2024	\$246,635	\$337,950	(\$11,314)			\$573,271	132.43%
Newark	Branch Brook E.S.	EP-0124-C01	6/7/2023	4	Epic Management, Inc.	11/7/2024	\$246,635	\$326,636	(\$5,000)			\$568,271	130.40%
Newark	University H.S.	EP-0126-C01	5/10/2023	3	Hall Building Corporation	11/13/2024	\$1,172,180	\$231,173	(\$662)			\$1,402,691	19.66%
Newark	University H.S.	EP-0126-C01	5/10/2023	4	Hall Building Corporation	11/13/2024	\$1,172,180	\$230,511	(\$15,000)			\$1,387,691	18.38%
Newark	University H.S.	EP-0126-C01	5/10/2023	5	Hall Building Corporation	11/13/2024	\$1,172,180	\$215,511	(\$5,000)			\$1,382,691	17.95%
Union City (Hudson Co.)	Union Hill MS	EP-0127-C01	11/20/2023	4	Integrated Construction Enterprises, Inc.	11/7/2024	\$2,580,894	\$1,250,921	\$19,886			\$3,851,701	49.23%

## Amendments & Change Orders Report

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 %
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<b>Contractor</b>													
<b>Construction Services</b>										<b>(\$551,101)</b>			

<b>Total Change Order Summary</b>	<b>Total Change Orders</b>
<b>(\$828,957)</b>	<b>23</b>

**Grand Totals**

**Column Description Legend**

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

## **DIVERSITY AND WORKFORCE PARTICIPATION REPORT**



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** J Manuel Castillo, Director – EEO, Affirmative Action and Contracting Accountability  
**DATE:** January 8, 2025  
**RE:** Diversity and Workforce Participation Monthly Update for October 2024

The EEO, Affirmative Action & Contracting Accountability Team consistently participates in mandatory pre-bid and pre-construction meetings to inform and provide guidance to vendors regarding SDA’s Small Business Enterprise and Workforce goals, policies and procedures. The guidance provided in such meetings is on, among other things, the following:

- Expectation to delegate 25% of value of contract to NJ Division of Revenue certified Small Business Enterprises (“SBEs”) and efforts to award 3% of contract value to disabled veteran-owned businesses.
- Local county workforce participation goals for minorities and females.
- Post-bid advertisement Subcontractor Approval Process and Certified Payroll Records 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 provides vendors outreach strategies to support their efforts in reaching the above-mentioned goals.

**SMALL BUSINESS ENTERPRISE ATTAINMENT**

SDA contracts regularly exceeds the State-mandated 25% SBE participation goal. The total SDA-awarded fully-contracted dollars in October 2024 was \$1,237,195. Thus far, the overall fully-contracted dollars associated with SDA contracts in 2024 is \$11,619,620. Of that total, \$7,137,360 was awarded to SBEs, including any minority, female and disabled veteran-owned SBEs. This represents an SBE current participation of 61.43% in all NTP-issued SDA contracts awarded in calendar year 2024. SBE participation will remain above the State-mandated 25% as prime contractors/consultants with 2024-issued contracts continue to hire subcontractors/subconsultants throughout the lifecycle of their construction projects.

**Diversity Breakdown for 2024 thus far**

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
SBEs	\$ 7,137,360	61.43%
Minority Business Enterprises*	\$ -0-	0.00%
Women Business Enterprises*	\$ -0-	0.00%
Minority/Women-Owned Business Enterprises*	\$ -0-	0.00%
Disabled Veteran-Owned Business Enterprises*	\$ -0-	0.00%
<b>TOTAL DIVERSITY CONTRACTS</b>	<b>\$ 7,137,360</b>	<b>61.43%</b>

\*non-SBE

**WORKFORCE PARTICIPATION**

For the month of October 2024, there was a contractor trade workforce of 225 on SDA projects. This workforce amassed a total of 19,146 contractor workforce hours in October 2024. This is explained in more detail below:

<b>Contractor Workforce Breakdown for October 2024 (All Trades/Districts/Counties)</b>			
<b>Ethnicity</b>	<b>Total Workforce</b>	<b>Total Workforce Hours</b>	<b>Workforce Hours Percentage</b>
Black	17	1,205	6.29%
Hispanic	67	7,191	37.56%
Indigenous American	0	0	0.00%
Asian	1	28	0.15%
<b>Total Minority Participation</b>	<b>85</b>	<b>8,424</b>	<b>44.00%</b>
Total Non-Minority Participation	140	10,722	56.00%
Total Contractor Workforce	225	19,146	100.00%

The collective contractor workforce hours on SDA projects for the period of January 1, 2024 through October 31, 2024 amounted to 198,428. That amount includes a total of 5,919 workforce hours performed by female workers in 2024 thus far.

The following table highlights the *Local County Contractor Workforce* participation in 2024 thus far:

<b>Contractor Workforce Participation</b>	<b>Workforce Hours</b>	<b>Percentage</b>
*Total Contractor Workforce Hours	198,428	100.00%
<b>*Total Local County Workforce Hours</b>	<b>1,214</b>	<b>0.61%</b>
<b>Total Local County Non-Minority Workforce Hours</b>	<b>798</b>	<b>0.40%</b>
<b>Total Local County Female Workforce Hours</b>	<b>112</b>	<b>0.06%</b>
<b>Total Local County Minority Workforce Hours</b>	<b>304</b>	<b>0.15%</b>
<b>**Local County Workforce Hours by Race/Ethnicity:</b>		
Black	304	0.15%
Hispanic	0	0.00%
Indigenous American	0	0.00%
Asian	0	0.00%

\*Total contractor workforce and total local county workforce represent all 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 above. Therefore, for the purposes of this memorandum, hours worked by female minority laborers **are not** included in the minority breakdown.



The following table represents contractor minority and female workforce for all SDA active Capital Projects and all active and completed Emergent Projects for the period of January 1, 2024 through October 31, 2024.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Female Workforce Hours and Percentage		Local County Workforce Hours & Percentage	
		Hours	Percentage	Hours	Percentage	Hours	Percentage
Millville HS	6,763	712	10.53%	112	1.66%	800	11.83%
Perth Amboy HS	33,841	9,763	28.85%	3,258	9.63%	0	0.00%
Cleveland St ES	37,947	10,836	28.56%	1,122	2.96%	134	0.35%
Union City MS	82,380	33,889	41.14%	72	0.09%	0	0.00%
Orange HS	32	32	100.00%	0	0%	0	0.00%
Emergent Projects	37,465	19,661	52.48%	1,355	3.62%	280	0.75%

Reviewed and recommended 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: January 8, 2025

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

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This report summarizes the Regular Operating District Grant activity from inception to date and for the month of November 2024. 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.
- 10 grants impacting 6 Districts were executed during the reporting period representing total project costs of \$8.5 million and state share of \$3.6 million.
- 2 grants impacting 2 Districts were closed out during the reporting period representing total project costs of \$1.8 million and state share of \$0.7 million.
- Since inception, over \$2.96 billion has been disbursed to over 520 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.

**Monthly Regular Operating District Grant Report - Summary  
November 2024**

<b>ROD Grant Summary Since Program Inception</b>				
	<b>Offered<sup>1</sup></b>	<b>Executed</b>	<b>Closed-Out</b>	<b>Active</b>
<b>Districts Impacted</b>	99	527	522	201
<b>Number of Grant Projects</b>	256	5,793	5,272	521
<b>Total Project Cost Estimate</b>	\$ 446,729,042	\$ 9,540,698,840	\$ 8,843,836,671	\$ 696,862,168
<b>Grant Amount</b>	\$ 183,791,928	\$ 3,267,944,565	\$ 2,952,489,607	\$ 315,454,958
<b>Amount Disbursed</b>	NA	\$ 2,969,739,325	\$ 2,952,489,607	\$ 17,249,719

Total Funding Offered to School Districts via Grant Program	\$ 3,798,198,700
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Total ROD Grant Funding remaining for new Grant Projects	\$ 24,571,203
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1. Includes grants that have been offered to District's but have not yet been executed.

<b>Monthly Activity ROD Grant Summary</b>		
	<b>Executed</b>	<b>Closed-Out</b>
<b>Districts Impacted</b>	6	2
<b>Number of Grant Projects</b>	10	2
<b>Total Project Cost Estimate</b>	\$ 8,522,875	\$ 1,775,226
<b>Grant Amount</b>	\$ 3,638,029	\$ 700,809
<b>Amount Disbursed</b>	NA	\$ 700,809

\* 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.

**Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail  
November 2024**

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Bergen	Bogota	E. Roy Bixby E.S.	\$ 46,000	\$ 19,823	Boilers and Domestic HW Heaters. See DOE Approval for Detailed Project Scope.
Bergen	Cresskill	Edward H. Bryan E.S.	\$ 975,000	\$ 390,000	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Bergen	Cresskill	Merritt Memorial E.S.	\$ 975,000	\$ 390,000	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Bergen	Cresskill	Merritt Memorial E.S.	\$ 145,000	\$ 58,000	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Morris	Chathams, Sch Dist Of The	Chatham H.S.	\$ 1,126,950	\$ 450,780	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Morris	Chathams, Sch Dist Of The	Chatham M.S.	\$ 1,185,100	\$ 474,040	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Morris	Chathams, Sch Dist Of The	Lafayette E.S.	\$ 795,700	\$ 318,280	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Sussex	Hampton Township	Marian McKeown E.S.	\$ 856,000	\$ 342,400	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Sussex	Newton	Halsted Street M.S.	\$ 1,825,625	\$ 957,706	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Warren	Great Meadows Regional	Great Meadows Regional M.S.	\$ 592,500	\$ 237,000	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
<b>Grand Total</b>			<b>\$ 8,522,875</b>	<b>\$ 3,638,029</b>	

## **COMMUNICATIONS MONTHLY REPORT**



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** /s/ Edye Maier, Director of Communications

**DATE:** January 8, 2025

**RE:** Monthly Communications Report

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### **SDA Concludes Annual Contractor Training Program**



The SDA held its 2024 Contractor Training Program on December 10<sup>th</sup> and 11<sup>th</sup>. This year, 22 small, minority-owned, veteran-owned, and women-owned business enterprises successfully completed the SDA-sponsored program. Since the creation of this in-house training program in 2011, hundreds of firms have successfully completed the program.

The Contractor Training Program enables small, minority-owned, veteran-owned, and women-owned businesses to gain valuable knowledge on how to do business with the SDA. Participants receive instruction from SDA staff and subject matter experts on bidding, estimating, scheduling, budgeting, accounting, project management, and marketing. Representatives from NJEDA, NJDOL, and DPMC also provided information and resources to those in attendance. On the second day of the program, the firms have an opportunity to participate in a networking session with prime contractors that have previously worked on SDA projects.

Graduates of this year's program included companies specializing in general construction, HVAC, electrical work, tile and flooring, engineering, architecture, and other construction-related services.

## **MONTHLY FINANCIAL REPORT**





**MEMORANDUM**

**TO:** The Members of the Authority

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

**DATE:** January 8, 2025

**RE:** Monthly Financial Report – November 2024

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

For November 2024 year to date, Authority operating expenses, **\$11.4M**, are **\$3.2M** lower than budget for the corresponding period. This variance is attributable to lower spending activity for personnel costs **\$2.3M**, information systems **\$664K**, professional and other contracted services **\$620K**, SDA owned automobiles **\$138K**, facilities and general office expenses, **\$109K**. This variance is offset by a lower payroll and benefits expense allocation to project costs, **\$847K**.

The full time employee (FTE) headcount is 126 as of November 30, 2024. This total represents a 24 FTE decrease in comparison to the year to date budgeted headcount.

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

For November 2024 year to date, Authority operating expenses, **\$11.4M**, are **\$113K** lower when compared to the corresponding prior year. This variance is primarily attributable to a year-over-year decrease in facilities and general office expenses **\$232K**, personnel costs **\$51K**, SDA owned automobiles **\$33K**, and other contracted services **\$28K** offset by an increase in information systems costs **\$169K**, property & casualty insurance **\$63K**.

The current number of FTEs 126, a decrease of 4 when compared to the corresponding prior year headcount.

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

For November 2024 year to date, project costs, **\$241.2M**, are **\$62.2M** lower than the capital spending forecast for the corresponding period. This variance is attributable to decreased spending for grant agreements **\$24.0M**, construction work **\$18.6M**, project insurance **\$8.0M**, property acquisitions, relocation, and environmental expenses **\$4.4M** (net from the offset of the \$1.2M sale of Westside (Newark) Properties), and construction management services **\$1.8M**.

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

For November 2024 year to date, project expenditures, **\$241.2M**, are higher by **\$9.0M** when compared to the corresponding prior year. This variance is attributable to increases in spending for property acquisitions, relocation, and environmental expenses **\$23.3M**, grant agreements **\$15.4M**, school furniture, fixtures and equipment **\$10.1M** and design services **\$1.2M**. This variance is partially offset by a spending decrease for construction work **\$36.9M**.

**Other**

Since program inception, 82.5% of the funds authorized for the SDA Districts have been disbursed. Additionally, since program inception, 96% of all SDA disbursements relate to school facility projects and 4% relate to operating expense.

The estimated value of active school facilities, capital, emergent and ROD grant projects is approximately \$1.2B.

Attachment

**New Jersey Schools Development Authority**  
**Monthly Financial Report**  
**November 2024**  
**(Unaudited)**

# New Jersey Schools Development Authority

## Overview of Financial Position

### November 30, 2024

**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, November 30, 2024.

► Overall **Cash and Cash Equivalents** have decreased by \$137.9 million to \$348.6 million, as follows:

■ Appropriation from State	\$ 100,665,000
■ Investment earnings	17,212,950
■ Miscellaneous revenue	5,357
■ Project costs	(241,218,271)
■ SDA operating expenses	(11,392,690)
■ SDA capital expenditures	(65,355)
■ Deposits (primarily district local shares)	(3,141,740)
Net Change in Cash	\$ (137,934,749)

► **Prepaid Expenses** total \$182,462 as follows:

- Prepaid insurance of \$55,159.
- Prepaid security deposit of \$53,848 for the Authority's leased swing space.
- Prepaid MIS maintenance service contracts of \$58,910.
- Other prepaids of \$14,545.

► **Capital Assets** total \$4,055,422 (net of accumulated depreciation of \$8,110,959), 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 \$65,355 and **Depreciation Expense** is \$493,719.

► **Accrued Liabilities** total \$273.4 million, as follows:

- Accrued project costs of \$8.2 million consisting of unpaid invoices (\$1.7 million) and retainage (\$6.5 million). Project-related lease liabilities are \$0.1 million.
- Net pension liability of \$23.2 million.
- Unearned grant revenues of \$213.1 million.
- Other post-employment benefits obligation of \$17.4 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$1.9 million (PRO liability \$2.0 million, offset by expected cost recoveries of \$0.1 million).
- Estimated liability for loss contingencies totaling \$3.8 million.
- Payroll related liabilities of \$1.7 million.
- Other accrued liabilities of \$4.0 million, including non-project lease liabilities of \$3.7 million.

► **Deposits** total \$2.4 million, as follows:

- \$2.4 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is \$52.7 million.

# New Jersey Schools Development Authority

## School Facilities Project Expenditures & Funding Allocation

### November 30, 2024

► **School Facilities Construction Bond/Note Proceeds/Appropriations & Project Expenditures**

- During the current year to date, the SDA has received \$0.0 million in bond/note proceeds & \$100.6 million in appropriations. The total amount received since program inception is \$12.6 billion.
- Project expenditures for the month and year-to-date periods total \$10.3 million and \$241.2 million, respectively, as follows:

<b>Category</b>	<b>Current Month</b>	<b>Year-To-Date</b>	<b>Since Inception</b>
Construction	\$ 7,389,002	\$ 89,632,764	\$ 5,889,666,684
Design Services	20,906	2,552,665	416,894,983
PMF/CM Services	251,779	2,813,656	485,239,636
SDA Project Management	840,683	9,276,464	150,223,371
Property Acquisition, Relocation & Enviro	(745,658)	40,170,995	644,162,368
School Furniture, Fixtures & Equipment	137,645	15,220,577	259,838,652
Project Insurance	-	438,227	116,159,213
NJ State Inter-Agency Transfers	2,948	465,388	54,185,717
SDA District Grant & Funding Agreements	-	50,015,000	1,030,319,987
Regular Operating District Grant Agreements	2,220,591	33,284,218	3,045,457,856
Real-Time Project Audits	43,914	194,513	1,444,038
Property Management, Maintenance & Utils	13,500	202,185	19,612,344
Outside Legal & Claims Resolution Services	30,289	358,095	12,389,613
Temporary Staffing	1,140	18,003	10,779,497
Other Project Costs	203,220	483,689	63,199,078
Project Credits	-	-	(54,902,944)
<b>Total Project Expenditures</b>	<b>10,409,959</b>	<b>245,126,439</b>	<b>12,144,670,093</b>
Less: Local Share Contributions	(61,587)	(3,908,168)	(192,106,798)
<b>Project Expenditures (State Share)</b>	<b>\$ 10,348,372</b>	<b>\$ 241,218,271</b>	<b>\$ 11,952,563,295</b>
2024 Capital Spending Forecast	\$ 14,597,073	\$ 303,404,982	

#### Allocations Since Program Inception

► **All Funding Sources & Expenditures**

	<b>All Sources</b> <sup>1</sup>	<b>Total Funding</b> <sup>2</sup>	<b>Paid to Date</b> <sup>3</sup>
■ SDA Districts	\$ 10,800,000,000	\$ 10,959,287,712	\$ 9,044,377,787
■ RODs Incl Vo-Tech Schools	4,025,000,000	4,086,321,752	3,453,645,986
Total - State Share	\$ 14,825,000,000	\$ 15,045,609,464	\$ 12,498,023,773

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

■ SDA Districts	82.5%
■ RODs Incl Vo-Tech Schools	84.5%
Total - State Share	83.1%

1 Of the \$14.8 billion authorized for the school construction program (including bond funds & appropriations), \$12,623,367,648 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 \$545,460,479.

**New Jersey Schools Development Authority**  
**Fund Reporting Operating Expenses vs Budget**  
**November 30, 2024**

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 11,886,480	\$ 13,326,847	\$ (1,440,367)
Employee Benefits	5,236,860	6,061,542	(824,682)
Direct Hire Temporary Employee Costs	31,553	45,837	(14,284)
Total Employee Salaries & Benefits Costs	17,154,893	19,434,226	(2,279,333)
<b>Less: Employee Salaries &amp; Benefits Costs</b>			
Charged to Projects	9,276,464	10,123,474	(847,010)
Salaries & Benefits Charged to Operating Expense	7,878,429	9,310,752	(1,432,323)
Temporary Staffing Services	-	91,663	(91,663)
Travel & Expense Reimbursements	20,858	27,973	(7,115)
Training & Professional Development	22,816	88,660	(65,844)
Total Personnel Expenses	7,922,103	9,519,048	(1,596,945)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	1,744,542	1,853,907	(109,365)
Information Systems	904,212	1,568,040	(663,828)
Professional & Other Contracted Services	188,872	808,463	(619,591)
Property & Casualty Insurance	533,760	544,489	(10,729)
SDA-Owned Automobiles	54,433	192,500	(138,067)
Communications & Outreach	2,242	3,663	(1,421)
Reserve for Unforeseen Events & New Initiatives	-	22,913	(22,913)
<b>Total Authority Operating Expenses</b>	<b>\$ 11,350,164</b>	<b>\$ 14,513,023</b>	<b>\$ (3,162,859)</b>
 <b>2024 Annual Operating Budget</b>		 <b>\$ 15,617,984</b>	

# New Jersey Schools Development Authority

## Fund Reporting Operating Expenses vs Prior Year

### November 30, 2024

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>2023</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 11,886,480	\$ 11,520,916	\$ 365,564
Employee Benefits	5,236,860	5,469,079	(232,219)
Direct Hire Temporary Employee Costs	31,553	8,071	23,482
Total Employee Salaries & Benefits Costs	17,154,893	16,998,066	156,827
<b>Less:</b> Employee Salaries & Benefits Costs Charged to Projects	9,276,464	9,064,603	211,861
Salaries & Benefits Charged to Operating Expense	7,878,429	7,933,463	(55,034)
Temporary Staffing Services	-	-	-
Travel & Expense Reimbursements	20,858	14,804	6,054
Training & Professional Development	22,816	25,210	(2,394)
Total Personnel Expenses	7,922,103	7,973,477	(51,374)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	1,744,542	1,976,567	(232,025)
Information Systems	904,212	735,285	168,927
Professional & Other Contracted Services	188,872	216,523	(27,651)
Property & Casualty Insurance	533,760	470,561	63,199
SDA-Owned Automobiles	54,433	87,877	(33,444)
Communications & Outreach	2,242	2,420	(178)
Reserve for Unforeseen Events & New Initiatives	-	-	-
<b>Total Authority Operating Expenses</b>	<b>\$ 11,350,164</b>	<b>\$ 11,462,710</b>	<b>\$ (112,546)</b>

# New Jersey Schools Development Authority

## Employee Headcount

### November 30, 2024

	<u>Current Month End</u>	<u>Budget</u>	<u>Over/ (Under)</u>
<b>Office of Chief Executive Officer</b>	2	2	-
Human Resources	4	4	-
Vacant Positions	0	13	(13)
Communications	3	3	-
Legislative Affairs	1	1	-
EEO/AA & Vendor Services	4	4	-
<b>Office of Program Operations &amp; Strategic Planning</b>	1	0	1
Capital Planning & Program Operations	9	10	(1)
Design Studio	12	13	(1)
Grants Administration	7	7	-
Real Estate Services & Predevelopment	3	3	-
<b>Office of Construction Operations</b>	0	1	(1)
Project Teams	16	20	(4)
<b>Office of Corporate Governance &amp; Legal Affairs</b>	3	4	(1)
Chief Counsel	8	8	-
Information Systems	11	11	-
Central Records Management	3	3	-
Safety	4	4	-
Internal Audit	3	3	-
<b>Office of Chief Financial Officer</b>	1	1	-
Financial Operations	7	7	-
Financial Accounting & Disbursements	10	11	(1)
Procurement	9	10	(1)
Risk Management	1	2	(1)
Facilities	4	5	(1)
<b>Total Full-Time Employees at Month End</b>	<b><u>126</u></b>	<b><u>150</u></b>	<b><u>(24)</u></b>
 <b>Total Full-Time Employees at Year End</b>		<b><u>150</u></b>	



# New Jersey Schools Development Authority

## Statement of Net Position

### November 30, 2024

	<u>Current Month End</u>	<u>2023 Year End</u>	<u>Over/ (Under)</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 348,621,090	\$ 486,555,839	\$ (137,934,749)
Receivables	906	22,534,092	(22,533,186)
Prepaid expenses	182,462	83,476	98,986
Capital assets, net of accumulated depreciation	4,055,422	5,669,810	(1,614,388)
<b>Total Assets</b>	<b>352,859,880</b>	<b>514,843,217</b>	<b>(161,983,337)</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount for pensions and OPEB	5,212,653	7,357,357	(2,144,704)
<b>Total Deferred Outflows of Resources</b>	<b>5,212,653</b>	<b>7,357,357</b>	<b>(2,144,704)</b>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>			
	<b>\$ 358,072,533</b>	<b>\$ 522,200,574</b>	<b>\$ (164,128,041)</b>
<b>LIABILITIES</b>			
Accrued school facilities project costs	\$ 14,160,424	\$ 34,482,145	\$ (20,321,721)
Unearned revenue	213,121,559	250,000,000	(36,878,441)
Net pension liability	23,242,844	23,242,844	-
Total other postemployment benefits liability	17,390,714	17,611,947	(221,233)
Other accrued liabilities	5,472,662	8,187,435	(2,714,773)
Deposits	2,370,968	5,512,708	(3,141,740)
<b>Total Liabilities</b>	<b>275,759,171</b>	<b>339,037,079</b>	<b>(63,277,908)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred amount for pensions and OPEB	29,638,347	29,638,347	-
Deferred amount for Federal CPF grant	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>29,638,347</b>	<b>29,638,347</b>	<b>-</b>
<b>NET POSITION</b>			
Net investment in capital assets	83,873	596,392	(512,519)
Restricted for schools construction:			
Federal CPF grant	296,783	22,533,531	(22,236,748)
Special revenue fund	63,717,761	190,411,884	(126,694,123)
Unassigned/(Unrestricted)	(11,423,402)	(60,016,659)	48,593,257
<b>Total Fund Balance/Net Position</b>	<b>52,675,015</b>	<b>153,525,148</b>	<b>(100,850,133)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>			
	<b>\$ 358,072,533</b>	<b>\$ 522,200,574</b>	<b>\$ (164,128,041)</b>

**New Jersey Schools Development Authority**  
**Statement of Activities**  
**November 30, 2024**

	<u>Current</u> <u>Year-To Date</u>	<u>2023</u> <u>Year-To Date</u>	<u>Over/</u> <u>(Under)</u>
<b>REVENUES</b>			
School Construction Program:			
Appropriation from State	\$ 94,385,316	\$ 325,000,000	\$ (230,614,684)
Federal CPF grant	20,624,594	-	20,624,594
General:			
Investment earnings	17,212,950	15,724,487	1,488,463
Rental property income	-	5,000	(5,000)
Other revenue	5,357	18,638	(13,281)
Total Revenues	132,228,217	340,748,125	(208,519,908)
<b>EXPENSES</b>			
Administrative and general expenses	11,733,801	12,271,649	(537,848)
School facilities project costs	221,344,549	209,149,451	12,195,098
Total Expenditures/Expenses	233,078,350	221,421,100	11,657,250
<b>CHANGE IN NET POSITION</b>	<b>(100,850,133)</b>	<b>119,327,025</b>	<b>(220,177,158)</b>
Beginning of Period Net Position	153,525,148	273,468,663	(119,943,515)
<b>NET POSITION END OF PERIOD</b>	<b>\$ 52,675,015</b>	<b>\$ 392,795,688</b>	<b>\$ (340,120,673)</b>

**NO EXECUTIVE SESSION**