OFFICE OF THE SECRETARY OF HIGHER EDUCATION

Higher Education Capital Facilities Programs
Summer 2022 Cycle

Question and Answer Documentation

Capitalized terms used herein shall have the meanings assigned to them in the Higher Education Capital Facilities Programs Joint Solicitation for Grant Applications for the Summer 2022 Cycle.

Q1)   Since an application may request funding under more than one of the four programs:

a.   Will more weight be given to an application that spans several categories as opposed to one that focuses on a single category? i.e. Will multiple-category applications score higher in the review process or not necessarily?

A1a)   No. The number of programs from which an application requests funding does not affect the application's score. All projects are scored based on both program-specific Project Criteria and the State Funding Criteria. Projects will receive a score for each program to which they apply. For instance, if one project requests funding under only the HETI program, and a second project requests funding from both the HETI and CIF programs, only the HETI scores for the projects will be compared to each other.

b.   For applications spanning multiple categories, will the likelihood of funding be diminished if it does not receive funding from one or more of the program buckets (e.g. CIF, HETI, etc.) but would have been eligible for the requested amount from a particular budget?

A1b)   No. If a multi-grant program project is only recommended for funding under one of the grant programs for which the application requested funding, then the likelihood of receiving funding under that one grant program is not diminished solely because the project was not eligible for/was not recommended for funding under the other grant program(s) for which it applied (See A1a).

However, if the Secretary utilizes his discretion to approve an amount of grant funding that is different from the amount requested by the institution in its application, the institution must verify that it will be able to move forward with the project or severable components of the project at the different funding level before funding can be recommended. See Section 1.4c of the Solicitation.

Q2)   Will the review panels be the same for all programs?

A2)   Yes. The review panels will be the same for all the programs.

Q3)   Are Indirect Costs permissible in the budget and, if so, at what rate?

A3)   In general, capitalizable costs are permitted in accordance with federal tax law and non-capitalizable costs are not permitted.

Q4)   What are the award ranges for each project?

A4)   The CIF, HETI, and HEFT grant programs do not have a minimum or maximum limit on the grant amount that may be requested in the application. The ELF grant program does not have a maximum request limit but requires a minimum request of $50,000, unless it is for the final portion of an institution's allocation, or the submission of an application for such smaller amount has been authorized by the Secretary. The Secretary has not authorized any smaller amount for the ELF grant program.

Q5)   What is the project period for each project?

A5)   The project period is dependent on several factors, including, among other things: the programs from which the project receives grant funds, the date on which the Secretary certifies the grants to the Legislature, and the date on which the bonds are issued. In all cases, institutions are expected to proceed with due diligence to complete their projects within an 18-month to two-year time frame.

Q6)   What are the matching requirements for the Higher Education Equipment Leasing Fund (ELF) and Higher Education Facilities Trust Fund (HEFT)?

A6)   The ELF grant program has an institutional funding requirement whereby the institution is required to pay twenty-five percent (25%) of the debt service on the bonds issued to purchase Equipment for the institution, but there is no "matching" requirement. The HEFT grant program does not have an institutional funding requirement (neither debt service, nor matching funds).

Q7)   We have a number of deferred maintenance projects that we would like to submit an application for CIF Funding. Is it allowable to group deferred maintenance projects into one application? Alternatively, can projects be grouped by building (one application per building)?

A7)   It is allowable to group deferred maintenance projects into one application.
It is also allowable to group projects by building and submit one application per building. See A19 for examples of how projects may be grouped.

Please note, there may be limitations and considerations relative to classifying the project as a single project. The institution's unique circumstance will determine whether the limitations and considerations relative to a single project are beneficial for that specific institution or not. See also A19 and A20.

Q8)   *Note that the following question was revised, solely to provide anonymity for the specific institution that asked this question:*

Can an institution of higher education apply for HEFT funds that will be used to renovate/expand the institution's existing academic building if it is owned by the County? The academic building is located on its Campus but is owned by the County. The institution of higher education leases the academic building, which is used exclusively by students and faculty.

A8)   Because the institution leases the building from a local government unit, it can use HEFT funds to renovate/expand the leased facility provided that the duration of the lease is at least as long as the useful life of the project to be financed.

Q9)   In Appendix H, I do not understand why "CIF Debt Service Funds" and "ELF Debt Service Funds" are referred to as "Funding Sources"; aren't those just a portion of the debt service that the institution would have to pay? Not funds that go towards paying a component of the project? I would expect the "Funding Sources" to match the columns in Appendix I.

A9)   Appendix H was revised on 7/8/22 and is available on OSHE's website. The revised Appendix H does not require input of debt service funds.

Q10)   In Appendix H, should the total for "Estimated Project Cost" equal "Total Institutional Funds"? Or is "Total Institutional Funds" just the columns on the right (i.e., the funds contributed by the university)?

A10)   The Estimated Project Cost will not match the Total Institutional Funds. Total Institutional Funds are the costs provided by the institution to complete the Project. These may include HETI matching funds and any additional funds above the grant amount which may be needed to complete the project. Appendix H was revised on 7/8/22 and is available on OSHE's website.

Q11)   In Appendix J, what is the difference between "Total Institutional Sources" and "Total Institutional Funds"?

A11)   It appears your question may be about Appendix H, the Sources of Funds template, not Appendix J, which is a Sample Resolution. Appendix H was revised on 7/8/22 and is available on OSHE's website. The revised Appendix H does not require input of Total Institutional Sources.

Q12)   Project Synopsis not in the Checklist (Appendix B), is the Synopsis required?

A12)   Yes, the Project Synopsis is a required item for all applications. The Project Synopsis is not included on the Checklist (Appendix B) because the Project Synopsis does not need to be uploaded to the application portal as a separate PDF. Instead, the Project Synopsis is typed

directly into the application portal. Applicants will not be able to submit an application without providing some response in the Project Synopsis section of the portal.

Q13)   Is there guidance on how much of a specific project to ask for as a grant (e.g., a certain percentage, etc.)? Or should we apply for full cost of project?

A13)   For HETI, the grant may only cover up to fifty percent (50%) of the eligible project costs. For ELF, CIF, and HEFT, the grant may cover up to one hundred percent (100%) of the eligible project costs, but note that for CIF and ELF the institution is required to pay a certain percentage of the debt service on the bonds issued for the project ("institutional funding requirement"). For more specific information on the institutional funding requirement of CIF and ELF, see Section 2.5 and Section 5.6 of the Solicitation, respectively.

Q14)   Regarding eligible projects for grant funding, it is emphasized that projects which advance workforce programs for students are a funding priority. Does this include degree, certificate and continuing education workforce focused programs?

A14)   Projects are reviewed and scored based on how well the project meets the State Funding Criteria and the program-specific Project Criteria. The State Funding Criteria will account for fifty-five percent (55%) of the overall score and the program-specific Project Criteria will account for forty-five percent (45%) of the overall score. Each of the program-specific Project Criteria includes the "promotion of academic research excellence, workforce readiness and the enhancement of the State's academic and economic competitiveness and prosperity by assisting in the production of a highly skilled workforce." This includes degree, certificate, and industry-valued credentialing programs.

Q15)   Are some of the four Grant Programs more competitive than others?

A15)   Applications will be reviewed and scored based on the program-specific Project Criteria and the State Funding Criteria articulated in the Solicitation. However, applicants should consider the total funding amounts available under each program. See A54.

Q16)   If we apply to HETI and there are more applications for funding than funds available, could the project then be funded by HEFT?

A16)   The Review Committee may recommend, and the Secretary may approve, grant funding from a program other than the program(s) specified in an institution's Application.   However, a recommendation to change the source of the grant from one program to another, if any, will require the project to meet the eligibility criteria of the recommended program.

Q17) While the application appears to indicate that the due date is Sept 7 at 4pm, there was language elsewhere (RULES & PROCEDURES) that appears to indicate that review/approval could be premised on earliest receipt (i.e. beginning on or around August 8) as well as or instead of qualitative indicators. When should an application be submitted to ensure the best possibility of potential funding for an institution?

A17)   The Application Submission Period for this Solicitation begins August 8, 2022 and will end September 7, 2022 at 4:00 p.m. Prevailing Eastern Time. Applications **must** be received at or before 4:00 p.m. Eastern Prevailing Time on September 7, 2022 (the "Submission Deadline") for consideration in the Summer 2022 Cycle. Applications received during the Summer 2022 Cycle will be reviewed based on a competitive application process whereby all applications must be received by the Submission Deadline in order to be evaluated.

No preference will be given to applications received earlier in the Application Submission Period.

Q18)   Does the grantor prefer a single project that crosses several programs?

A18)   See A1 and A20.

Q19)   The solicitation indicates that a higher education institution must chose a 'project' within which they may request funding across any one or multiple 'programs'. Does the grantor have an expectation as to the specificity of a project and if so, what is an example or please provide an example of sufficient specificity?

A19)   Institutions should submit only one application for each project. How few or many components may make up a singular project is at the discretion of the institution.

Examples 1 and 2 below are from Slides 29 and 30 of the Technical Assistance Session. For information relative to the specificity of the project application, see A20 below.

Example 1
Applicants have the option of submitting a single application for a project that requests funding from multiple grant programs. In this example, the project is an Academic Building. If the applicant is seeking CIF funds to renovate research facilities on the 2nd floor and ELF funds to purchase scientific equipment for labs on the 3rd floor, the applicant can submit one application for the Academic Building project requesting both CIF and ELF funds.

In the alternate, the applicant may choose to break the Academic Building into two projects and submit two separate applications (multiple applications) – one for renovation of 2nd floor research facilities and one for purchase of lab equipment for the 3rd floor.

Example 2
Applicants also have the option of submitting a single application for a project that requests funding for multiple facilities under one grant program. In this example, the project is deferred

maintenance for 2 different facilities - replacing windows in the North Building and replacing the roof on the South Building. The applicant can submit a single application for both of these facilities, grouping them into one project.

In the alternate, the applicant may choose to separate the North Building and South Building into two separate projects and submit an application for deferred maintenance for each facility (multiple applications) – one for the North Building's window replacement and one for the South Building's roof replacement.

Q20)   If an institution of higher education's approach to funding is a single application that includes funding requests across more than one grant funding program, are there any limitations or considerations relative to presenting a single application? For example, is an overarching statement allowable that articulates the projects' integration? Would the reviewers be assisted by having a diagrammatic representation of the projects' relationship?

A20)   Institutions should submit only one application for each project. However, as discussed in A19 above, there may be instances where a particular project can be classified either as a single project (perhaps with severable component parts), or as multiple projects. It is at the discretion of the institution to classify its project as a single project (and submit one application for the project), or as multiple projects (and submit multiple applications – one per project).

There may be limitations and considerations relative to classifying the project as a single project. The institution's unique circumstance will determine whether the limitations and considerations relative to a single project are beneficial for that specific institution or not.

Projects submitted as multiple applications are not permitted to cross reference information or documentation from other applications. Each application must be able to stand on its own. For example:

- (a) The Executive Summary, a 4-page summary. If the institution classifies its project as a single project, the application must include a single summary that is likely to include an overarching statement articulating the integration of the project's component parts/programs, because the summary must describe the project, as a whole, *and must address each of the programs for which that one project application requests funding*. If the institution classifies its project as multiple projects, then *the review committee will not cross-reference project applications* in order to understand the integration of the individual projects' component parts/programs. (See Section 6.3.5 of the Solicitation)
- (b) The institution's priority ranking. If submitting more than one application, applicants must rank ALL grant applications in order of need and importance to the institution. If the institution is only submitting one application for grant funding, ranking is not required. (See Section 6.1 of the Solicitation).
- (c) The Project Selection Criteria Narrative, a narrative describing how the project satisfies the program-specific Project Selection Criteria. If the institution classifies its project as a single project, then the Project Selection Criteria narratives may cross-

reference each other where the program-specific Project Criteria overlap; additionally, a Project Selection Criteria narrative may reference any other material submitted with the project application (such as design plans, schematics, etc.). However, if the institution classifies its project as multiple projects and submits multiple applications, the Review Committee will not consider any cross references or materials submitted as part of a separate project application. (See Section 6.4.13; Section 6.5.9; Section 6.6.5; and Section 6.7.6 of the Solicitation).

The applicant may submit a diagrammatic representation of the project(s) relationship as part of the Executive Summary (and it will count toward the 4-page limit), or as a separate upload included in the Detailed Project Description. (See Section 6.3.6 and Section 6.3.5 of the Solicitation).

Q21) Schematics and graphics, should these be included inline or as an appendices?

A21) Graphics, such as Site Plans, Elevations and Schematics, will be uploaded separately as part of the Detailed Project Description. (See Section 6.3.6 of the Solicitation). Other graphics may be included in the Detailed Project Description at the discretion of the institution.

Q22) The application indicates that review shall be based upon both 'project criteria' and "state funding criteria.' Our interpretation is that the project criteria are used for scoring / ranking by the reviewers and the state criteria appear to serve as a minimum bar (as in you must successfully address all to qualify) – is that correct?

A22) No, that is not correct. For each grant program under which the project application requests funding: the application will be reviewed and scored based on the State Funding Criteria and the program-specific Project Criteria; the State Funding Criteria will account for 55% of the overall score and the program-specific Project Criteria will account for 45% of the overall score.

Q23) If an institution is applying to all four programs, should there be a Board resolution for each program or can we provide a single resolution? If a single resolution is allowable, what guidance do you have?

A23) A sample resolution is provided in Appendix J of the Solicitation. The sample resolution is intended to provide a guideline for institutions to utilize in drafting a resolution or resolutions to authorize applications for funds pursuant to CIF, HEFT, HETI and/or ELF. The sample resolution assumes that the institution will be authorizing one project which will be described fully in the resolution by describing various aspects of the project. If the institution will be submitting applications for more than one project, the institution may either make appropriate changes to the resolution to reflect that or use a separate resolution.

For additional guidance, please read the footnotes in the Sample Resolution (Appendix J of the Solicitation). In addition, institutions should consult with their own legal counsel regarding the content of their board resolutions.

Q24)   For institutions applying across several programs, should diagrams be included one time as part of the global app or within each application for the separate programs?

A24)   Institutions should submit <u>only one application for each project,</u> even if the project application requests funding under *multiple grant programs*.

It is at the discretion of the institution to classify its project as a single project (with a single project application); or as multiple projects (with multiple project applications). See A19 for examples of how projects may be classified.

During the review and scoring process, *separate project applications will not be cross-referenced* to review diagrams, so a single diagram may be re-used and submitted with multiple applications.

Within a single project application, diagrams such as site plans, elevations and schematics may be uploaded as part of the Detailed Project Description. The Detailed Project Description is a project description that incorporates all programs for which an application is applying. See Section 6.3.6 of the Solicitation.

Q25)   Will proposals be uploaded as a PDF document or documents or other format?

A25)   All documents that need to be uploaded should be uploaded as a PDF file with the exception of Appendix H and Appendix I, which should be uploaded as Excel files. In addition to uploads, a few responses will be typed directly into the online application portal.

Q26)   The application requires an articulation of 'previously provided grants from the State'. How far back does an institution need to go (e.g. 5 years)?

A26)   Ten (10) years. See Section 6.4.4; Section 6.5.4; Section 6.6.3; and Section 6.7.3 of the Solicitation.

Q27)   Will there be any overall page limitation or page limitation by funding program and section?

A27)   There is no overall page limitation or page limitation by grant program but there are word/page limits in two sections of the application. The Project Synopsis must not exceed 100 words (see Section 6.3.3 of the Solicitation) and the Executive Summary must not exceed 4 pages (see Section 6.3.5 of the Solicitation).

Q28)   If an application cuts across multiple programs, do we need to further prioritize by each program funding source?

A28)   If submitting more than one application, applicants will be asked to rank ALL grant applications in order of need and importance to the institution. If the institution is only submitting one application for grant funding, ranking of applications is not required. (See Section 6.1 of the Solicitation)

Although further prioritization by program is not required, nor is it part of the evaluation criteria, if an institution wishes to include discussion of the need and importance of particular components of the project for depth, that is up to the institution. Any additional comment will need to fit within the word count of the Project Synopsis and the document length of the Executive Summary, as discussed in the Solicitation.

Q29)   How far can we go back to capture cost share items?

A29)   The only grant program that has a Matching Funds requirement is the HETI grant program. Under the HETI grant program, institutions shall not use as Matching Funds, and grant funds may not be used, to reimburse any expenditures that were made before the approval of a grant award by the Legislature's Joint Budget Oversight Committee, except in the discretion and upon approval by the Secretary. See N.J.A.C 9A:13-1.4(b).

Q30)   What is the expected start date for projects?

A30)   A project's start date is at the institution's discretion, provided, however, that (i) in general, grant funds may not be used to reimburse any expenditures made before the approval of a grant award by the Legislature's Joint Budget Oversight Committee, and (ii) in all cases, institutions are expected to proceed with due diligence to complete their projects within an 18 month to two-year time frame.

Q31)   When do you anticipate announcing awards?

A31)   OSHE anticipates announcing projects approved for funding in Spring 2023.

Q32)   When do you anticipate making award amounts available?

A32)   The exact date is unknown at this time; however, after projects are approved for funding, award amounts will be contingent upon among other things, issuance of bonds by NJEFA, satisfaction of program requirements, and execution of grant agreements.

Q33)   When do you anticipate projects must be completed by?

A33)   See A5, above.

Q34)   Under CIF, Is the amount available for state colleges' collectively $175M (NJSA 18A:72A-76(a))?

A34)   The total amount available to eligible institutions under the CIF Program is $190,925,000.   There are currently no specific amounts or allocations by sector for the CIF Program. However, the Secretary has discretion to consider sector allocations in his final determination of recommendations for grant awards.

Q35)   Under HEFT, Is the amount available for state colleges' collectively $48M (NJSA 18A:72A-53)?

A35)   The total amount available to eligible institutions under the HEFT Program is $89,695,000. There are currently no specific amounts or allocations by sector for the HEFT Program. However, the Secretary has discretion to consider sector allocations in his final determination of recommendations for grant awards.

Q36)   Under HETI, Is the amount available for state colleges' collectively $12.6M (NJSA 18A:72A-63(a))?

A36)   The total amount available to eligible institutions under the HETI Program is $32,525,000. There are currently no specific amounts or allocations by sector for the HETI Program. However, the Secretary has discretion to consider sector allocations in his final determination of recommendations for grant awards.

Q37)   Will the additional $7.5M in ELF 'emergent needs' be considered in the larger or broader pool of funding or should an institution submit a separate app for such needs?

A37)   There is no specific allocation for individual sectors or for "emergent needs" during this grant cycle. However, the Secretary has discretion to consider sector allocations in his final determination of recommendations for grant awards.

The sector allocations and allocations for emerging needs identified in N.J.S.A. 18A:72A-43 applied only to the original issuances of bonds to fund grants. For future grant cycles, including this Summer 2022 Cycle, the statute sets forth in N.J.S.A.18A:72A-43 that, "The Secretary of Higher Education shall determine the allocation of moneys deposited into the fund resulting from the issuance by the authority of new bonds because of the retirement of bonds previously issued by the authority."

Q38)   Under ELF, Is the amount available for state colleges' collectively $24M (NJSA 8A:72A-43)?

A38)   The total amount available to eligible institutions under the ELF Program is $86,855,000. There are currently no specific amounts or allocations by sector for the ELF Program. However, the Secretary has discretion to consider sector allocations in his final determination of recommendations for grant awards.

Q39)

Page	Item Number	Description	Question
7	2.4.1 2.4.3 2.4.3.a	**CIF Project Eligibility** 2.4.1 For existing <mark>renewal or renovations</mark> needs at instructional, laboratory, communication, research and administrative facilities. 2.4.3 For <mark>improvement</mark>, expansion, construction, and reconstruction of instructional, laboratory, communication and research facilities, or technology infrastructure provided, that: a) The institution establishes that all renewal and renovation is completed at instructional, laboratory, communication, research and administrative facilities or is accounted for through other funding sources;	Please clarify the meaning of the word "improvement" in item 2.4.3 versus "renewal and renovation" noted in 2.4.1 as it relates to item 2.4.3.a.

A39)   Improvement, renewal and renovation are types of eligible projects under the CIF Program. "Renewal and renovation" is statutorily defined as "making the changes necessary to address deferred capital maintenance needs, to meet all State and federal health, safety, fire, and building code standards, or to provide a safe and appropriate educational or working environment." N.J.S.A. 18A:72A-75. "Improvements" are eligible even if the "improvement" is not necessary to address deferred capital maintenance needs, to meet all State and federal health, safety, fire, and building code standards, or to provide a safe and appropriate educational or working environment.

Q40)   In the General Provisions for the Higher Education Technology Infrastructure Act, 9A:13-1.4 Grant application, #3 requests "A summary of the institution's long-range facilities plan for technology and how the proposed project advances that plan."

Our plan for technology is part of the long-range facilities plan. Is a summary of the technology portion of the long-range facilities plan sufficient for the application, or do you want a separate, board-approved plan for technology?

A40)   Yes. A summary of the technology portion of the plan is acceptable.

Q41)   Is the Capital Improvement Fund (CIF) program specifically for use in existing facilities/buildings?

A41)   No. CIF can be used for new construction if: (i) all renewal and renovation is completed (or is accounted for through other funding sources) at instructional, laboratory, communication, research, and administrative facilities; or (ii) if an institution is granted an exemption by the Secretary for the purpose of maximizing federal grant fund recoveries; or (iii) if an institution is granted an exemption by the Secretary for the purpose of replacing a building when projected renewal and renovation costs exceed the projected cost of replacement. N.J.S.A. 18A:72A-75. See also, Section 2.4 of the Solicitation.

Q42)   Is the Higher Education Facilities Trust (HEFT) Fund program specifically for use in new buildings or new constructions?

A42)   No. Grant funds from the HEFT program may be used for existing facilities. See N.J.A.C. 9A:15-1.3(a).

Q43)   Regarding the Appendix H, Sources of Funds. You mentioned that we should include under column H. Additional Institutional Funds, any other funds needed to complete the project. Are you referring to the costs going forward, related to the project, noted under 6.3.6. Detailed Project Description, No.3 If there are incremental operating costs to the institution, the institution's project operating budgets and identification of the sources of revenue to be used for such costs. ?

A43)   No. The institutional funds listed in Appendix H are not referring to costs moving forward related to the Project. "Additional Institutional Funds" are any funds required to cover the cost of the project above the requested grant amount and applicable match amount to be provided by the institution.

Q44)   Just to confirm, the only two Apply Portal pages that require typed in responses are the 100-word Synopsis and the last Signature, Title and Date page? All others are uploaded documents.

A44)   No. In addition to the 100-word Project Synopsis and the signature page, all the information requested under "Application Information" (Appendix A of the Solicitation) will be typed directly into the online application portal.

Q45)   Is there an average or maximum amount that a Community College can request through the HETI program?

A45)   No.

Q46)   Is HEFT just for the construction costs ("bricks and mortar" only)? Or also the respective furniture/ technology for the construction/ renovated structure? What about fixtures like whiteboards/ lockers?

A46) No, HEFT is not restricted to construction costs. Whiteboards and lockers that are part of a project to construct, reconstruct, develop, extend, or improve instructional, laboratory, communication, or research facilities are an eligible cost for HEFT. (See definition of "Project" under N.J.A.C. 9A:15-1.2).

Q47)   Can more than one project be submitted for each grant? (Alternates for HEFT?)

A47)   Yes. Institutions may submit multiple project applications under a grant program and are not limited on the number of applications they submit.

If the second part of the question, "(Alternates for HEFT?)", is asking whether multiple applications may be submitted for the same project but under different grant programs, the answer is "no." Institutions should submit only one application for each project; however, each application can seek funding under multiple programs.

Q48)   At the Technical Assistance meeting this morning, the presenter mentioned that if a project was including both HEFT and HETI funds, that the project could be submitted together.

Our question is if 75% of the HETI monies from that joint HEFT/HETI project submission will apply to one project, but the remaining 25% of HETI funds are on a 2nd project how do we submit the application for HETI?   All 100% in the one proposal or the 75% included in the joint HEFT/HETI proposal and the remaining as a separate HETI project?

A48)   Here, this institution's submission can be either one project application that requests HETI funds for the two facilities (with one of the two facilities requesting both HETI and HEFT funds); or, the institution's submission can be two separate project applications: one application for the facility requesting HETI and HEFT funds, and the other application for the facility requesting HETI funds. See also A19.

Q49)   Is it sufficient for a proposed project to be listed as a priority in a board-approved addendum to a Master Facilities Plan, or must the project be reflected in a fully-revised Master Facilities Plan?

A49)   Under the CIF regulations (N.J.A.C. 9A:12-1.3(e)(1)) and the HEFT regulations (N.J.A.C. 9A:15-1.3(b)(2)), for a project to be eligible to receive a grant, the institution must have an up-to-date long-range facilities plan approved by the institution's governing board that includes provisions to address deferred maintenance and other capital renewal requirements and pledges to use the grant to advance that plan. The proposed project can be listed as a priority in a board-approved addendum to a Master Facilities Plan or reflected in a fully-revised Master Facilities Plan as long as it is up-to-date and was approved by the institution's governing board.

Q50)   *Note that the following question was revised solely to provide anonymity for the specific institution that asked this question:*

Can qualifying Applicants for any of the four Capital Programs use a third party financial institution as part of the applicants' "Matching Funds"?

A50)   Yes, but note only HETI requires matching funds. Decisions about utilizing types of permitted sources of matching funds are solely at the discretion of the institution.

Q51)   What falls under the umbrella of "communication facility" for the HEFT funding?

A51)   "Communication facility" is not defined in the statute or regulations. Project applications will be reviewed and scored based on the criteria set forth in the Solicitation.

Q52)   Are student support services eligible for the HEFT fund capital project?

A52)   Generally, student support facilities are not eligible unless such facilities are part of instructional, laboratory, communication, or research facilities.   (See definition of "Project" under N.J.A.C. 9A:15-1.2).

If a cost is not a capital construction cost, it is not an eligible project cost.

Q53)   Can you please provide specifics for project eligibility for HEFT, HETI and ELF?

A53)   See Solicitation Sections 3.4 for HEFT Project Eligibility, 4.4 for HETI Project Eligibility, and 5.4 for ELF Project Eligibility.

Q54)   What are the award ceilings for ELF, HEFT, and HETI?

A54)   There are no award ceilings for ELF, HEFT, and HETI except as limited by the maximum amounts available for all grants under the respective grant programs.

The maximum amounts available for all grants for ELF, HEFT, and HETI are below:

$86,855,000 – ELF
$89,695,000 – HEFT
$32,525,000 – HETI

Q55)   What is the project period for this grant?

A55)   See A5.

Q56)   Technology upgrades are not in our long-range facilities plan. Please provide guidance on the expectations for upgrading technology.

A56)   For guidance on technology upgrade expectations, please refer to the State Funding Criteria and the Project Criteria specific to the grant program from which the institution is seeking grant funds.

Q57)   For ELF - What is the maximum amount of money awarded per project?

A57)   See A54 and A4.

Q58)   Is it possible to get an advanced copy of the lease agreement to assist us in making a decision about whether to apply for the ELF grant?

A58)   No.

Q59)   Can we assign existing lease agreements to the ELF grant?
A59)   No.

Q60)   Who is the lessor under the ELF grant?
A60)   NJEFA is the lessor under the ELF grant.

Q61)   Who owns the lease under the ELF grant?

A61)   During the term of the lease agreement, the Authority shall hold title to the Project.

Q62)   Who manages the lease under the ELF grant?

A62)   The institution will manage the lease. The lease agreement shall be deemed to be and construed to be a net lease; neither NJEFA nor OSHE shall be required to expend any money or

do any acts or take any steps affecting or respecting the maintenance, preservation, repair, restoration, reconstruction, or protection of the ELF project.

Q63)   Who owns the equipment when the lease is up under the ELF grant?

A63)   Provided that the institution complies with all terms and conditions of the lease agreement, title to the project shall be transferred to the institution.

Q64)   For HEFT - What is the maximum amount of money awarded per project?

A64)   See A54 and A4.

Q65)   Can we use HEFT to fund HVAC (Heating, Ventilation, and Air Conditioning) equipment?

A65)   Yes, the cost of an HVAC system is eligible for HEFT Program grant funds if it is a capital construction project to construct, reconstruct, develop, extend, or improve instructional, laboratory, communication, or research facilities. (See definition of "Project" under N.J.A.C. 9A:15-1.2). In addition, the project being financed needs to comply with federal tax requirements regarding the useful life of the completed project. In general, the useful life of the project as a whole should be at least as long as the term of the bonds.

A66)   Can we use HEFT to fund safety/security projects such as CCTV (Closed Captioning TV), Call Boxes, and Access Control/Swipe card access, etc.?

A66)   Yes, such costs are eligible for HEFT Program grant funds if they are for a capital construction project to construct, reconstruct, develop, extend, or improve instructional, laboratory, communication, or research facilities. (See definition of "Project" under N.J.A.C. 9A:15-1.2). In addition, the project being financed needs to comply with federal tax requirements regarding the useful life of the completed project. In general, the useful life of the project as a whole should be at least as long as the term of the bonds.

Q67)   Can we apply for HEFT to fund IT equipment?

A67) See A66.

Q68)   For HETI, what is the maximum amount of money awarded per project?

A68)   See A54 and A4.

Q69) Can Chapter 12 funds be used as matching funds under the HETI grant?

A69) No.

Q70) I had registered for but was unable to attend the July 13 technical assistance webinar regarding the Capital Facilities Programs. If the slides and/or recording are available, how may we access those?

A70) The Summer 2022 Solicitation Technical Assistance Session Recording and Presentation are available on OSHE's website at this link:

https://www.state.nj.us/highereducation/jointsolicitation2022.shtml

Q71) Hello, I am interested in knowing what the timeline will be for preliminary grant approval for all Higher Education Capital Facilities Programs. I am also interested in knowing what the timeline will be for when NJEFA expects to submit certifications/ approved applications to the Legislature and Joint Budget Oversight Committee for review. Thank you for any insight you can provide!

A71) The exact date of approval is unknown as each grant program has a different legislative review and approval process. The best estimate that can be given at this time considering the varying processes would be in Winter/Spring 2023.

Q72) Regarding equipment purchases, can a project for an auditorium include the purchase of 200+ auditorium chairs, along with replacement and upgrade of all electrical, IT, audio and visual, plus new signage and interior fixtures?

A72) For CIF, HEFT, and HETI, equipment that is a part of a project that meets the project eligibility requirements for each program is an eligible cost. See Solicitation Sections 2.4 for CIF Project Eligibility, 3.4 for HEFT Project Eligibility, and 4.4 for HETI Project Eligibility.

For ELF, "equipment" is defined as "property consisting of, or relating to, scientific, engineering, technical, computer, communications, or instructional equipment for use by institutions." See Section 5.4 of the Solicitation for ELF Project Eligibility.

In addition, the project being financed needs to comply with federal tax requirements regarding the useful life of the completed project. In general, the useful life of the project as a whole should be at least as long as the term of the bonds.

Q73) Does equipment have to be stationary or can movable equipment be purchased?

A73) Equipment can be stationary or movable.

Q74) What are the guidelines for capital versus maintenance projects?

A74)   Under CIF, deferred capital maintenance is an eligible cost. CIF funds may be used for "renewal and renovation," which is statutorily defined as, "making the changes necessary to address deferred capital maintenance needs, to meet all State and federal health, safety, fire, and building code standards, or to provide a safe and appropriate educational or working environment." N.J.S.A. 18A:72A-75.   An institution must use the CIF grant funds for existing renewal and renovation needs at instructional, laboratory, communication, research, and administrative facilities, unless it meets one of the exceptions in Section 2.4 of the Solicitation.

In addition, the project being financed needs to comply with federal tax requirements regarding the useful life of the completed project. In general, the useful life of the project as a whole should be at least as long as the term of the bonds.

See A53 for more information on project eligibility.

Q75) Can a "project" contain multiple parts for campus-wide initiative, e.g., IT infrastructure, deferred maintenance, renovations and/or expansion in several buildings, or should these be separated into separate applications?

A75)   Applicants have the option of submitting a single application for a project that requests funding from multiple grant programs. Applicants also have the option of submitting a single application for a project that requests funding for multiple facilities under one grant program. How few or many components may make up a singular project is at the discretion of the institution. See A19 and A48.

Q76) Please provide a reference for "industry-valued credential programs."

A76)   More information on the State's definition of "industry-valued credential programs," including a list of all such credentials, can be found here: https://www.nj.gov/labor/career-services/assets/PDFs/NJ_Industry_Valued_Credential_List_January_2018.pdf

Q77) What level of detail for budget(s) is required?

A77)   Section 6.3.6 of the Solicitation provides information on the budget that must be submitted with an application.

Q78)   For the match, what is the time period before the award and after that can be eligible for inclusion in the dollar calculation?

A78)   The only grant program that has a Matching Funds requirement is the HETI grant program. Under the HETI grant program, institutions shall not use as Matching Funds, and grant

funds may not be used to reimburse, any expenditures that were made before the approval of a grant award by the Legislature's Joint Budget Oversight Committee, except in the discretion and upon approval by the Secretary. See N.J.A.C 9A:13-1.4(b).

Institutions are expected to proceed with due diligence to complete their projects within an 18-month to two-year time frame.

Q79)   Is debt service another name for the interest to be paid on the bond?

A79)   No. Debt service is the cash that is required to cover the repayment of interest <u>and principal</u> on the bond.

Q80)   There seems to be an option to submit one or two grant applications for sub components of the same project. What advantage is there to submit two separate grant applications?

A80)   See A1 and A20.

Q81)   Non-CIF projects - can funding be used for student services with no limits?

A81)   For HEFT, see A52.

For HETI, generally, student support facilities are not eligible unless such facilities are part of a project to develop technology infrastructure within or among institutions of higher education or between such institutions and libraries or elementary/secondary schools. If a cost is not a capital construction cost, it is not an eligible project cost. (See definition of "Project" under N.J.A.C. 9A:13-1.2).

For ELF, generally, student support facilities are not eligible as the ELF program is for "equipment," defined as "any property consisting of, or relating to, scientific, engineering, technical, computer, communications, or instructional equipment for use by institutions." (See N.J.A.C. 9A:14-1.2).

Q82)   Could a proposal be funded in part?

A82)   Yes. The Secretary will give consideration to the Review Committee's recommendations and in the instance of an Application that contains severable components, approve in part and/or disapprove in part an Application. The Secretary has discretion to approve amounts of grant funding that are different from the amount provided by the Institution in the Application, upon verification from the Institution that it will be able to move forward with a Project or severable components of a Project at the different funding level.

Q83) What is the definition of "renewal"?

A83)   Under the CIF Program "renewal and renovation" means making the changes necessary to address deferred capital maintenance needs, to meet all State and federal health, safety, fire, and building code standards, or to provide a safe and appropriate educational or working environment. N.J.S.A. 18A:72A-75. "Renewal" is not statutorily defined under the HEFT, HETI, and ELF Programs.

Q84) For a colleague to work with the grant writer, do they need a separate id and password?

A84)   Yes, the grant writer will need a separate ID and password. However, the application must be submitted by an authorized representative of the institution.