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Eric D. Brophy, Fsq.
Executive Director

**MINUTES OF THE MEETING OF THE
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
HELD AT 103 COLLEGE ROAD EAST, PRINCETON, NEW JERSEY
ON TUESDAY, FEBRUARY 25, 2020**

The meeting was called to order at 10:05 a.m. by board Chair Joshua Hodes. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via fax and email on June 17, 2019, to The Star Ledger, The Times of Trenton and the Secretary of State and by posting the notice at the offices of the Authority in Princeton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Educational Facilities Authority in order to hold a session from which the public is excluded.

AUTHORITY MEMBERS PRESENT:

Joshua Hodes, Chair
Ridgeley Hutchinson, Vice Chair
Louis Rodriguez
Elizabeth Maher Muoio, State Treasurer, Treasurer (represented by David Moore [via phone])
Zakiya Smith Ellis, Secretary of Higher Education

AUTHORITY MEMBERS ABSENT:

None

STAFF PRESENT:

Eric D. Brophy, Executive Director
Sheryl A. Stiff, Deputy Executive Director
Brian Sootkoos, Director of Finance-Controller
Ellen Yang, Director of Compliance Management
Zachary Barby, Communications-IT Coordinator
Rebecca Clark, Associate Project Manager
Matthew Curtis, Information Technology Manager
Carl MacDonald, Project Manager

Kristen Middleton, Assistant Controller
Jamie O'Donnell, Grant Program Manager
Sheila Toles, Human Resources Manager
Gary Vencius, Accounting Manager

ALSO PRESENT:

George Loeser, Esq., Deputy Attorney General
Victoria Nilsson, Esq., Deputy Attorney General
Craig Ambrose, Esq., Governor's Authorities Unit

ITEMS OF DISCUSSION

1. Approval of the Minutes of the Meeting of January 28, 2020

The minutes of the meeting of January 28, 2020 were hand delivered to Governor Philip Murphy under the date of January 28, 2020. Mr. Rodriguez moved the meeting minutes for approval as presented; the motion was seconded by Mr. Hutchinson and passed unanimously.

2. Executive Director's Report

Mr. Brophy provided the Executive Director's report for informational purposes only.

Mr. Brophy reported on various meetings attended by himself and/or Authority staff since the January Authority meeting.

Mr. Brophy reported that staff continued to work with the State Librarian to implement the Library Construction Bond Act. He reported that questions from the public regarding the application process had been received, answered and posted online and that receipt of applications were expected to begin in April.

Mr. Brophy reported that staff continued to work with the Department of Education and the Office of the Secretary of Higher Education on finalizing the Memorandums of Understanding. He reported that the MOU's are in final draft form and expected to be presented to the Members at the March meeting.

Mr. Brophy reported that staff had recently closed direct placement transactions for Stockton University and Stevens Institute of Technology, Series B, respectively. He reported that last week staff had priced the Stevens Institute of Technology, Series A bonds and that the bonds were well received in the market and resulted as a \$177 million issuance. Mr. MacDonald gave a brief report on the pricing.

Mr. Brophy reported that the Stevens Institute of Technology, Series A transaction was scheduled to close on March 11th and would be the Authority's largest single project transaction and the first green bonds issued by the Authority.

Mr. Brophy reported that the Authority had an active employment posting for a Public Information Officer/Manager and hoped to fill the position as soon as possible.

3. Presentation on Jobs NJ by Secretary Smith Ellis, Office of the Secretary of Higher Education

Secretary Smith Ellis provided an informative report on the State's Jobs NJ initiative.

4. Legislative Update

Ms. Stitt gave a legislative report, which included bills that were newly introduced or had seen legislative progress since the last report.

Ms. Stitt provided a legislative report on bills the Authority is tracking in the new 2020/2021 legislative session and provided details on two bills that saw legislative action on February 24, 2020; Assembly Bill 1296 (Mosquera/Murphy/Danielson) and Senate Bill 337 (Smith/Greenstein), respectively.

Ms. Stitt reported that A-1296 would require State departments, agencies and authorities to provide a link on their respective websites for members of the public to submit complaints to the State entity. The bill was reported out of the Assembly State and Local Government Committee on 2/4/20 and passed in the Assembly on 2/24/20.

Ms. Stitt further reported on Senate Bill 337 (Smith/Greenstein), which would establish the "Energy Efficiency and Renewable Energy Financing Program" in the New Jersey Infrastructure Bank (trust). The purpose of the program would be to provide up to \$20 million annually in direct loans and other forms of financial assistance for cost-effective energy efficiency improvements in State, Local, and school district buildings, including those at a State university or college.

Ms. Stitt noted that eligible projects for financing under the bill include capital projects that are regularly financed by the Authority for colleges and universities and are often financed as part of larger deferred maintenance or deferred modernization capital projects or campus-wide energy improvement projects. Finally, Ms. Stitt noted that the bill was released on 2/24/20 from the Senate Environment and Energy Committee with amendments.

5. **Resolution of the New Jersey Educational Facilities Authority Amending the Pools of Underwriters to Serve as Senior Managers and Co-Managers**

Mr. MacDonald reported that staff sought approval to amend the Authority's co-managing underwriter pool. He explained that the pool was created on July 1, 2018 and would expire on June 30, 2021, with the option to extend the term of the pools for two additional and successive 12-month periods at the discretion of the Authority.

Mr. MacDonald reported that following approval of the pools in 2018, the Authority was advised that certain senior bankers, with significant relevant experience and demonstrated abilities, had joined the firm of AmeriVet Securities, Inc. and that the firm was not currently included as a member of either of the Authority's pools. AmeriVet is a disabled veteran registered firm. He explained that the Authority's RFQ stated that the Authority reserved the right to review, revise and/or terminate either of the pools at any time during their term and that staff had advised the firm of the opportunity to submit a response to the RFQ. Mr. MacDonald reported that the firm submitted a proposal and the evaluation committee determined that with the recent addition of the senior bankers to its workforce, the firm met the criteria for serving as an underwriter for the Authority and determined that it would be in its best interests to designate AmeriVet as a member of the co-manager pool.

Mr. Hutchinson moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY AMENDING THE POOLS OF
UNDERWRITERS TO SERVE AS SENIOR MANAGERS
AND CO-MANAGERS

The motion was seconded by Mr. Rodriguez and passed unanimously.

The adopted resolution is appended as Exhibit I.

6. **Resolution of the New Jersey Educational Facilities Authority Authorizing the Execution and Delivery of an Escrow Deposit Agreement and Other Actions in Connection with the Refunding of Certain NJEFA Bonds Previously Issued on Behalf of the New Jersey Institute of Technology**

This item was tabled pending further review and discussion by the board members.

7. **Resolution of the New Jersey Educational Facilities Authority Approving a Memorandum of Understanding by and between The William Paterson University of New Jersey and the Authority and Relating to Certain Real Property Owned by the Authority**

Ms. Yang reported that in 1981, the Authority assisted William Paterson University in financing the construction of Overlook North, a dormitory in Wayne Township. As part of the financing structure, the property on which the dorm is located was conveyed to the Authority.

Ms. Yang reported that the University had advised that the dorm had exceeded its useful life and requested the Authority's consent to demolish the building when the spring semester ends. She reported that there were no outstanding Authority bonds allocable to the financing of the dorm. The lease agreement involving Overlook North dormitory as a leased facility was dated July 1, 2002.

Ms. Yang reported that the resolution authorizes and consents to the demolition and approves and authorizes the execution of a Memorandum of Understanding outlining the parties' obligations, in particular, setting forth insurance coverage requirements and indemnification provisions.

Kevin Garvey, Associate Vice President for Administration for William Paterson University and John Cavaliere, Esq., bond counsel from McManimon, Scotland & Bauman were available by phone to answer questions. Mr. Garvey explained the University's purpose for the demolition.

Secretary Smith Ellis moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY APPROVING A MEMORANDUM OF
UNDERSTANDING BY AND BETWEEN THE WILLIAM
PATERSON UNIVERSITY OF NEW JERSEY AND THE
AUTHORITY RELATING TO CERTAIN REAL PROPERTY
OWNED BY THE AUTHORITY

The motion was seconded by Mr. Hutchinson and passed unanimously.

The adopted resolution is appended as Exhibit II.

8. **Resolution of the New Jersey Educational Facilities Authority Approving the Appointment of Zions Bank as Trustee of the Authority's Other Post-Employment Benefits Trust**

Mr. Sootkoos reported that the Authority sought approval to appoint Zions Bancorporation, N.A. as the Authority's trustee for its Other Post-employment Benefits (OPEB) Trust. He explained that the Trust provided for payment of certain

post-employment benefits, other than pensions, to eligible employees, eligible retirees, and their eligible spouses, dependents and beneficiaries.

Mr. Sootkoos reported that the Authority's current trustee was appointed on December 12, 2007. Staff determined that the services offered by the current trustee for the associated costs are no longer sufficient and appropriate. He reported that the Authority solicited bids to the three firms listed in the Authority's established trustee pool and responses were reviewed for cost of services provided and other trustee requirements. Mr. Sootkoos reported that staff determined that based on the cost of services offered and other trustee services, it is in the best interests of the Authority to appoint Zions Bank as the Authority's trustee for the OPEB Trust.

Mr. Hutchinson moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY APPROVING THE
APPOINTMENT OF ZIONS BANCORPORATION,
NATIONAL ASSOCIATION AS TRUSTEE FOR THE
AUTHORITY'S OTHER POST-EMPLOYMENT BENEFITS
TRUST

The motion was seconded by Mr. Rodriguez and passed unanimously.

The adopted resolution is appended as Exhibit III.

9. Executive Session

Mr. Hutchinson moved the adoption of a resolution of the Authority permitting an Executive Session for discussion of a legal matter concerning document production in pending litigation and contract negotiation related to Authority ownership of certain real property located at public institutions of higher education;

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY REGARDING THE APPROVAL TO
ENTER INTO EXECUTIVE SESSION TO RECEIVE LEGAL
ADVICE RELATING TO SUBPOENAS RECEIVED AND
ARISING OUT OF LITIGATION AND RELATING TO THE
AUTHORITY OF MEMBERS TO CONVEY AUTHORITY-
OWNED PROPERTIES

The motion was seconded by Secretary Smith Ellis and passed unanimously.

The board members and Authority staff discussed various litigation, contract and property negotiation matters with counsel from the Attorney General's Office.

Mr. Hutchinson moved that the public session be reconvened;

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY REGARDING THE APPROVAL TO
EXIT EXECUTIVE SESSION AND TO RE-ENTER INTO
PUBLIC SESSION

The motion was seconded by Secretary Smith Ellis and passed unanimously.

10. Report on Operating and Construction Fund Statements and Disbursements

Mr. Sootkoos reviewed the Results of Operations and Budget Variance Analysis and reported on the status of construction funds and related investments for January 2020.

Secretary Smith Ellis moved that the reports be accepted as presented; the motion was seconded by Mr. Rodriguez and passed unanimously.

The reports are appended as Exhibit IV.

11. Next Meeting Date

Mr. Hodes reminded everyone that the next meeting is scheduled for Tuesday, March 24th at 10:00 a.m. at the Authority offices and requested a motion to adjourn.

Mr. Hutchinson moved that the meeting be adjourned at 11:24 a.m. The motion was seconded by Secretary Smith Ellis and passed unanimously.

Respectfully submitted,



Eric D. Brophy
Secretary

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
AMENDING THE POOLS OF UNDERWRITERS TO SERVE AS SENIOR MANAGERS
AND CO-MANAGERS**

Adopted: February 25, 2020

- WHEREAS:** The New Jersey Educational Facilities Authority (the "Authority") was duly created and now exists under the New Jersey Educational Facilities Authority Law, Public Laws of 1967, Chapter 271, *N.J.S.A. 18A:72A-1 et seq.*, as amended (the "Act") for the purpose of issuing its obligations to obtain funds to finance eligible educational facilities as such may be required for the purposes of public and private institutions of higher education, private colleges and public libraries, and to sell such obligations at public or private sale at a price or prices and in a manner as the Authority shall determine; and
- WHEREAS:** By resolution adopted on May 16, 2018 (the "Prior Resolution", attached hereto as **EXHIBIT 1**), in accordance with Executive Order No. 26 (Whitman) ("EO 26") which took effect on January 1, 1995 and which supersedes Executive Orders No. 79 and 92, and Executive Order No. 37 (Corzine) ("EO 37") which took effect on November 25, 2006, the Authority authorized and established a Pool of Senior Managing Underwriters (the "Senior Pool") and a Pool of Co-Managing Underwriters (the "Co-Manager Pool" and, together with the Senior Pool, the "Pools") to serve respectively as Senior Managers and Co-Managers for Authority transactions for a thirty-six (36) month period commencing on July 1, 2018 and expiring on June 30, 2021, with the option to extend the term of the Pools for two (2) additional and successive twelve (12) month periods at the discretion of the Authority, but in any event until such time as successor Pools are approved; and
- WHEREAS:** The Authority has been advised, after the Prior Resolution was approved, that certain senior bankers, with significant, relevant experience and demonstrated abilities, have joined the firm of AmeriVet Securities, Inc. ("AmeriVet"); and
- WHEREAS:** The Authority's Request for Qualifications for the selection of Underwriters, which was distributed on March 28, 2018 (the "RFQ", attached to the Prior Resolution as **EXHIBIT A**), stated that the Authority reserves the right to review, revise and/or terminate either of the Pools at any time during the term of the Pools in accordance with EO 26 and EO 37 as deemed necessary with written notice; and
- WHEREAS:** The Staff of the Authority advised AmeriVet of the opportunity to submit a response to the RFQ and AmeriVet submitted a proposal (the "Proposal"); and

WHEREAS: The Staff of the Authority formed an Evaluation Committee consisting of the Authority's Director of Project Management, Project Manager, and Associate Project Manager and reviewed the Proposal based upon the criteria set forth in the RFQ and in conformity with EO 26 and EO 37; and

WHEREAS: The Evaluation Committee determined that AmeriVet, with the recent addition of the senior bankers to its workforce, meets the criteria for serving as an underwriter for the Authority and determined that it would be in the Authority's best interests to add AmeriVet to the Co-Manager Pool under the terms and conditions set forth in the Prior Resolution, this Resolution, and the RFQ, with ongoing participation in the Pools contingent upon compliance by AmeriVet with all requirements set forth in the RFQ; and

WHEREAS: The Authority desires to accept the Proposal of AmeriVet and designate AmeriVet as a member of the Pool; and

WHEREAS: Selection of a firm from the Pools for proposed Authority financings will be determined by the Authority and made on an as-needed basis.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:

SECTION 1. The Authority hereby accepts the Proposal of AmeriVet Securities, Inc. and authorizes and designates AmeriVet as a member of its Co-Manager Pool to serve for the term of the Pools as stated and in accordance with the terms set forth in the Prior Resolution, a copy of which is attached hereto and incorporated herein as **EXHIBIT 1**.

SECTION 2. The Authority hereby amends the list of firms designated as members of the Co-Manager Pool as set forth in **EXHIBIT 2**, which is attached hereto and incorporated herein.

SECTION 3. The Members hereby authorize the Executive Director, the Deputy Executive Director or the Director of Project Management, including any of the foregoing authorized officers serving in an interim or acting capacity, to take and do any and all acts and things as may be necessary or desirable in connection with the appointment of Underwriters from the Pools for Authority transactions in compliance with the provisions of this Resolution and Executive Order.

SECTION 4. This Resolution shall take effect immediately in accordance with the Act.

_____ Mr. Hutchinson _____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by _____ Mr. Rodriguez _____ and upon roll call the following members voted:

AYE: Joshua Hodes
Ridgeley Hutchinson
Louis Rodriguez
Elizabeth Maher Muoio (represented by David Moore)
Zakiya Smith Ellis

NAY: None

ABSTAIN: None

ABSENT: None

The Chair thereupon declared said motion carried and said resolution adopted.

EXHIBIT 1 TO RESOLUTION

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
AUTHORIZING THE APPOINTMENT OF POOLS OF UNDERWRITERS TO SERVE
AS SENIOR MANAGERS AND CO-MANAGERS**

Adopted: May 16, 2018

- WHEREAS:** The New Jersey Educational Facilities Authority (the "Authority") was duly created and now exists under the New Jersey Educational Facilities Authority Law, Public Laws of 1967, Chapter 271, *N.J.S.A.* 18A:72A-1 et seq., as amended (the "Act") for the purpose of issuing its obligations to obtain funds to finance eligible educational facilities as such may be required for the purposes of public and private institutions of higher education, private colleges and public libraries, and to sell such obligations at public or private sale at a price or prices and in a manner as the Authority shall determine; and
- WHEREAS:** In order for the Authority to publicly issue bonds, the bonds must generally be sold to an underwriting firm, which provides for the public distribution of the bonds; and
- WHEREAS:** The policies and procedures of the Authority with regard to the selection of professionals including Underwriters are governed, *inter alia*, by Executive Order No. 26 (Whitman) ("EO 26") which took effect on January 1, 1995 and which supersedes Executive Orders No. 79 and 92, and Executive Order No. 37 (Corzine) ("EO 37") which took effect on November 25, 2006; and
- WHEREAS:** The Authority believes that it is more efficient to form pools of qualified Underwriters from which to select one or more Underwriters for a particular transaction than to request proposals from all qualified Underwriters for each transaction; and
- WHEREAS:** The Authority, by resolution on September 27, 2016 appointed Pools of Underwriters to serve respectively as Senior Managers and Co-Managers for a term commencing on September 27, 2016, and expiring on June 30, 2018 (the "Prior Pools"); and
- WHEREAS:** With the Prior Pool expiring on June 30, 2018, Authority staff developed a Request for Qualifications (the "RFQ", attached hereto and made a part hereof as **EXHIBIT A**) in accordance with the terms and provisions of EO 26 and EO 37 for the selection of Underwriters for the Authority; and

WHEREAS: Authority staff formed an Evaluation Committee consisting of the Authority's Director of Project Management, Project Manager and Associate Project Manager in accordance with Paragraph 13 of EO 37; and

WHEREAS: On March 28, 2018, the staff of the Authority distributed the RFQ to a list of 44 underwriting firms, published a notice of availability of the RFQ in the *Bond Buyer*, and posted the RFQ on the Authority's and the State of New Jersey's websites; and

WHEREAS: The Authority received a total of 35 responses to the RFQ (the "Proposals"); and

WHEREAS: The Evaluation Committee reviewed the Proposals and determined, based upon the criteria set forth in the RFQ and in conformity with EO 26 and EO 37, that it would be in the best interests of the Authority to accept the Proposals of the Underwriters listed on the attached **EXHIBIT B** and appoint those firms to the Pool of Senior Managing Underwriters (the "Senior Pool") and to accept the Proposals of the Underwriters listed on the attached **EXHIBIT C** and appoint those firms to the Pool of Co-Managing Underwriters (the "Co-Manager Pool" and, together with the Senior Pool, the "Pools"), under the terms and conditions set forth in this resolution and the RFQ, with ongoing participation in the Pools contingent upon compliance by the Underwriter(s) with all requirements set forth in the RFQ; and

WHEREAS: The Authority desires to authorize the Pools for a thirty-six (36) month period commencing on July 1, 2018, and expiring on June 30, 2021, with the option to extend the term of the Pools for two (2) additional and successive twelve (12) month periods at the Authority's discretion, but in any event until such time as successor Pools are approved; and

WHEREAS: The term of the Pools for a 36 month period exceeds a period of two years due to anticipated volume during the term of the Pools established by this Resolution and was approved in accordance with EO 37; and

WHEREAS: Selection of a firm from the Pools for proposed Authority financings will be determined by the Authority and made on an as-needed basis.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:

SECTION 1. The Authority hereby authorizes and establishes Pools of Underwriters to serve respectively as Senior Managers and Co-Managers for Authority transactions for a thirty-six (36) month period commencing on July 1, 2018 and expiring on June 30, 2021, with the option to extend the term of the Pools for two (2) additional and successive twelve (12) month periods at the discretion of the

Authority, but in any event until such time as successor Pools are approved.

- SECTION 2.** The Authority hereby accepts the proposal of each firm listed in **EXHIBIT B** and designates each such firm as a member of the Senior Pool.
- SECTION 3.** The Authority hereby accepts the proposal of each firm listed in **EXHIBIT C** and designates each such firm as a member of its Co-Manager Pool.
- SECTION 4.** The Authority hereby authorizes that firms designated as members of the Senior Pool may be designated as Sole Manager, Senior Manager, Co-Senior Manager or Co-Manager, at the Authority's sole discretion, on a per transaction basis.
- SECTION 5.** The Authority hereby authorizes that firms designated as members of the Co-Manager Pool may be designated as Co-Managers only, at the Authority's discretion, on a per transaction basis.
- SECTION 6.** The Members hereby authorize the Executive Director, the Deputy Executive Director or the Director of Project Management, including any of the foregoing authorized officers serving in an interim or acting capacity, to take and do any and all acts and things as may be necessary or desirable in connection with the appointment of Underwriters from the Pools for Authority transactions in compliance with the provisions of this resolution and Executive Order.
- SECTION 7.** This Resolution shall take effect immediately in accordance with the Act.

_____ Mr. Rodriguez _____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by _____ Mr. Hutchinson _____ and upon roll call the following members voted:

AYE: Ridgeley Hutchinson
Louis Rodriguez
Zakiya Smith Ellis (represented by Diana Gonzalez)
Elizabeth Maher Muoio (represented by David Moore)

NAY: None

ABSTAIN: None

ABSENT: None

Joshua Hodes recused himself from the vote.

The Treasurer thereupon declared said motion carried and said resolution adopted.

EXHIBIT A TO RESOLUTION

Request for Qualifications for Underwriting Services

REQUEST FOR QUALIFICATIONS

FOR UNDERWRITING SERVICES



New Jersey Educational Facilities Authority

103 College Road East, 2nd Floor
Princeton, NJ 08540

March 28, 2018



103 COLLEGE ROAD EAST • PRINCETON, NEW JERSEY 08540
PHONE 609-987-0880 • FAX 609-987-0850 • WWW.NJEDA.COM

REQUEST FOR QUALIFICATIONS FOR UNDERWRITING SERVICES

March 28, 2018

1.0 BACKGROUND

The New Jersey Educational Facilities Authority (“NJEDA” or “Authority”), an independent and self-supporting state entity, was created as a public body corporate and politic of the State of New Jersey (the “State”) pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), *N.J.S.A. 18A:72A-1 et seq.* (the “Act”), to provide a means for New Jersey public and private colleges and universities (the “Institutions”) to construct educational facilities through the financial resources of a public authority empowered to sell tax-exempt and taxable bonds, notes and other obligations. NJEDA is New Jersey’s primary issuer of municipal bonds to finance and refinance the construction and development of academic facilities at the Institutions.

The Authority finances and refinances various types of projects for approximately 50 public and private institutions of higher education in the State. Projects include, but are not limited to: the construction, renovation and acquisition of residential, academic, and research facilities; libraries; technology infrastructures; student life and athletic facilities; parking structures; utilities-related projects; and refinancing of existing debt. The Authority also, from time to time, issues bonds for various purposes that are secured by a contract with the State Treasurer to pay principal of and interest on such bonds subject to appropriations being made, from time to time, by the New Jersey State Legislature (the “Legislature”).

The obligations issued by the Authority are special and limited obligations of the Authority and are not a debt or liability of the State or of any political subdivision thereof other than the Authority, and are not a pledge of the full faith and credit of the State or of any such political subdivision thereof. The Authority has no taxing power. The obligations issued by the Authority are payable solely from amounts received by the Authority under the transaction documents and amounts on deposit in certain funds established under the transaction documents. Certain State-backed bond programs for higher education and public library facilities provide that debt service will be paid by the State Treasurer pursuant to a contract between the Authority and the State Treasurer, subject to annual appropriation by the Legislature.

This solicitation of responses is being conducted pursuant to State laws, regulations and executive orders, specifically Executive Order No. 26 (Whitman, 1994) (“EO 26”) and Executive Order No. 37 (Corzine, 2006) (“EO 37”), and the policies and procedures of the Authority with regard to the procurement of professional services.

2.0 PURPOSE AND INTENT OF REQUEST FOR QUALIFICATIONS

The Authority is seeking proposals from qualified firms to serve as Senior Managing Underwriters and Co-Managing Underwriters (collectively the "Underwriters") in connection with the proposed future issuance of bonds by the Authority. The purpose of this Request for Qualifications for Underwriting Services (the "RFQ") is to select qualified underwriting firms for inclusion in the Authority's underwriting pools for Senior Managing Underwriters (the "Senior Manager Pool") and Co-Managing Underwriters (the "Co-Manager Pool" and, together with the Senior Manager Pool, the "Pools") for transactions that may be sold on a negotiated basis. The Authority will then select Underwriters for a specific bond transaction through an additional Request for Proposals (the "RFP") process among Underwriters in the Pools. Underwriters selected for inclusion in a Pool are not being qualified to serve as Underwriters on any bond transaction that is secured by a contract with the State Treasurer.

Those firms that are selected for the Senior Manager Pool will not be included in the Co-Manager Pool. Firms selected for the Senior Manager Pool may be designated as Sole Manager, Senior Manager, Co-Senior Manager or Co-Manager, at the Authority's sole discretion, on a per transaction basis. Firms selected for the Co-Manager Pool may be designated as Co-Managers only, at the Authority's discretion, on a per transaction basis.

Appointment to either Pool does not guarantee that a firm participating in the Pool will be assigned to a particular transaction and the Authority further reserves the right to change firms on a particular transaction at any time. Firms appointed to an Underwriter Pool will not be eligible to serve as the Authority's Financial Advisor in any Authority transaction.

This RFQ is being distributed to firms to provide services for a thirty-six (36) month period with two (2) additional successive twelve (12) month periods at the Authority's discretion. The Authority anticipates that it will seek approval of the Pools at its May 2018 Board Meeting. The veto period expiration and confirmation of Pools will be on or about June 8, 2018. This schedule is subject to change upon notice of the Authority. Schedule changes and/or other RFQ revisions, if any, will be posted on the Authority's website at: www.njefa.nj.gov.

The Authority reserves the right to review, revise and/or terminate either of the Pools at any time during the term of the Pools in accordance with EO 26 and EO 37 as deemed necessary with written notice.

Respondents are required to comply with the requirements of *N.J.S.A. 10:5-31 et seq.* and *N.J.A.C. 17:27 et seq.* relating to the Mandatory Equal Employment Opportunity Language as set forth in Exhibit A-1.

3.0 MINIMUM REQUIREMENTS

A firm must meet the following minimum requirement to be given further consideration to be selected for inclusion in the Authority's Pools. Failure of a firm to meet the minimum requirement will result in a proposal's immediate rejection.

- Firm must hold and maintain all necessary licenses required by the NASD, MSRB, SEC or any other regulatory agency necessary to perform the services required by the Authority.

4.0 SCOPE OF SERVICES

Senior and Co-Senior Managers will be required to provide some or all of the services identified below, at the request of the Authority:

- 4.1.1 Prepare financing schedules and distribution lists;
- 4.1.2 Schedule and conduct working group calls;
- 4.1.3 Structure and size bond issues in order to minimize overall debt service costs;
- 4.1.4 Prepare and update cash flows for individual transactions;
- 4.1.5 Assist in drafting and reviewing relevant documents, including, but not limited to, preliminary and final official statements, purchase agreements, resolutions and indentures, contracts, and other agreements;
- 4.1.6 Assist in the preparation of materials or presentations, discussions and meetings or other communications with rating agencies, swap consultants, counterparties, insurers, credit enhancers and investors;
- 4.1.7 Obtain bids for credit enhancement and recommend efficient utilization of available credit enhancement, including but not limited to bank facilities and bond insurance;
- 4.1.8 Identify investment opportunities that provide savings and improve the efficiency or execution of a transaction;
- 4.1.9 Prepare pricing memos discussing market conditions and preliminary pricing scales, syndicate rules, syndicate price views and proposed underwriter compensation;
- 4.1.10 Manage the underwriting process and provide information on market timing, trends and investor demand;
- 4.1.11 Market and distribute bonds;
- 4.1.12 Commit capital as required in underwriting the Authority's bonds;
- 4.1.13 Provide post-closing analysis of debt issuances including pricing results, orders, allotments, designations, etc., and all information required by EO 26;
- 4.1.14 Provide support for the Authority's bonds in the secondary market;
- 4.1.15 Work cooperatively with other finance team members, including but not limited to bond counsel, co-managers, financial advisors, rating agencies, auditors, etc.
- 4.1.16 Participate in Board meetings and other related meetings as needed; and,

4.1.17 Provide other services as requested.

Co-Managers will be required to provide some or all of the services identified below, at the request of the Authority:

- 4.2.1** Assist in the marketing and distribution of bonds;
- 4.2.2** Commit capital as required in underwriting the Authority's bonds;
- 4.2.3** Provide support for the Authority's bonds in the secondary market; and,
- 4.2.4** Provide other services as requested.

Note: Documentation

All bond financing documents and contractual arrangements will be governed by New Jersey law and the form and substance of any agreements must be satisfactory to both Bond Counsel and the Office of the Attorney General.

5.0 REQUIRED COMPONENTS OF THE PROPOSAL

Each firm submitting a statement of qualifications must follow the instructions contained in this RFQ in preparing and submitting its statement of qualifications. Proposals should be completed in the most concise manner possible and must contain all of the information requested in the order and format requested. All terms and conditions set forth in this RFQ will be deemed to be incorporated by reference in their entirety into any proposal submitted by each firm.

In responding to this Request for Qualifications, please address the following areas:

5.1 Mandatory Cover Letter

- 5.1.1** Each submission must be accompanied by a cover letter. An individual who is authorized to bind the firm contractually shall sign the letter, which will be considered an integral part of the submission. The letter must certify that all of the information contained in the submission is accurate and complete insofar as information that might affect the submission adversely. The letter shall also state that the submission was prepared solely by the firm and prior to the time at which all matters regarding selection and compensation are determined, was not discussed with any individual outside of the firm, other than as specifically disclosed in such letter or contemplated by this RFQ. Submissions not containing a cover letter in accordance with this paragraph will not be accepted.

5.2 Firm Experience and Key Personnel

- 5.2.1** Please provide a brief description of your firm including its overall scope of banking services and recent history. Describe any major restructuring(s), reorganization(s), or acquisition(s) since January 1, 2014.
- 5.2.2** Identify the key personnel who will be serving the Authority. Please provide their contact information, resumes and relevant experience. Resumes may be included in the Appendix.

5.2.3 Describe your firm's qualifications, knowledge and experience as both senior manager and co-manager on College and University transactions. Describe any unique or innovative structures you have utilized for higher education clients or any execution challenges and how they were mitigated. In the Appendix, provide a list of all negotiated higher education transactions completed nationally since July 1, 2016.

5.2.4 Describe your firm's qualifications, knowledge and experience serving as senior managing underwriter or co-managing underwriter to the Authority since January 1, 2014*. Proposals should include the following:

5.2.4.1 A list of transactions your firm has completed for the Authority since July 1, 2014 with your firm's sales performance including your orders placed (retail, professional retail, institutional, and member) and allotments received; and,

5.2.4.2 Your firm's support of the Authority's bond issues in the secondary market.

**If your firm has not served as a senior managing or co-managing underwriter on a transaction for the Authority, discuss the issues noted above with respect to similar credits for other issuers and how these experiences relate to the Authority's bonds.*

5.2.5 Discuss your firm's experience and presence within the State of New Jersey, including the number of offices, the number of employees and the type of business conducted in the State.

5.3 Capital Commitment

Describe your firm's capital commitment to public finance.

5.3.1 Provide the amount of uncommitted excess net capital your firm has allocated to public finance;

5.3.2 List the three (3) largest positions your firm has taken down into inventory since January 1, 2017 when your firm served as senior manager (or co-manager, if not applicable) on a transaction. Please include the issuer, the type of bonds, total par amount, credit rating, the total amount of unsold bonds, and the amount of bonds your firm took into inventory.

5.3.3 Provide two (2) case study examples where your firm used its capital to support the sale and distribution of bonds since January 1, 2016.

5.4 Credit Ratings

Provide your firm's credit ratings (if available) and any rating or outlook changes since January 1, 2014.

5.5 Syndicate Structure Statistics

Provide a summary of your firm's last ten (10) senior managed transactions, highlighting the issuer, the size of the issue, whether the transaction was group net or net designated, the number of co-managers (if any) and the economic split structure as detailed in the AAU (i.e. "No firm may receive more than 60% of any designation"). This information may be included in the Appendix.

5.6 Ideas, Services and Coverage

- 5.6.1 Specifically describe the ideas, services and coverage your firm has provided to the Authority since July 1, 2016.
- 5.6.2 Please detail your firm's outreach to the Authority with respect to Congressional tax reform matters in November and December of 2017.
- 5.6.3 Describe any valuable ideas regarding new trends, products and structures in financing college and university facilities.

5.7 Marketing Strategy

Describe your firm's marketing strategy with respect to retail, professional retail, and institutional buyers as well as your distribution capabilities in relation to your firm's ability to distribute New Jersey and higher education securities. Would your firm recommend the use of "net roadshows" or other investor outreach on transactions?

5.8 Distressed Credits

Provide two (2) detailed case studies describing your firm's qualifications, knowledge and experience serving as a managing underwriter to higher education entities rated Baa1/BBB+ and below and/or non-rated since July 1, 2016.

5.9 G-37/38

Please provide copies of the firm's most recent filing of G-37/38 Reports pursuant to Rules G-37 and G-38 of the Municipal Securities Rulemaking Board.

5.10 Annual Report and Financial Statements

Provide one (1) copy of your firm's most recent annual report and audited financial statements.

5.11 Litigation

Describe any pending, concluded or threatened litigation, administrative proceedings or federal or state investigations or audits, subpoenas or other information requests of or involving your firm or the owners, principals or employees. Describe the nature and status of the matter and the resolution, if any.

5.12 Sanctions or Penalties

List any sanctions or penalties brought against your firm or any of its personnel (including suspension or disbarment) by any regulatory or licensing agencies since July 1, 2016. Include a description of the reasons for the sanctions or penalties and whether such sanctions or penalties are subject to appeal.

5.13 Conflict of Interest

Describe any material agreements, relationships, retainers or other employment that your firm or any employee of your firm has with any other investment banking firm, financial advisory firm, law firm, institution of higher education or 501(c)(3) organization or other person or entity that may create a conflict of interest or the

appearance of a conflict of interest with the Authority or a New Jersey public or private higher education institution. If a conflict does or might exist, please describe how your firm would eliminate or prevent it.

5.14 Required Documents and Forms

In addition to all Required Components of the Proposal as listed above, all documents and forms listed in the Checklist referenced in Section 9.0 must be timely submitted in order for a Proposal to be considered responsive to this RFQ.

6.0 SUBMISSION OF THE PROPOSAL

In order to be considered for appointment, your firm must submit one (1) original and three (3) copies of your proposal addressing the specific requirements outlined herein by no later than **3:00 PM EDT on Wednesday, April 18, 2018** at the following location:

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
Attention: Steven Nelson, Director of Project Management
103 College Road East, 2nd Floor
Princeton, NJ 08540

Proposals received after this time and date will not be considered. E-mailed and/or faxed proposals will not be accepted under any circumstances. Joint proposals are not permitted. Proposals must be limited to **fifteen (15)** pages, not including materials in the Appendices.

No firm submitting a proposal may make any inquiries concerning this RFQ, except as expressly set forth herein, to any other NJEFA or Institution employee, Board member, or other state official until final selections have been determined. The Authority asks respondents not to contact rating officials or other outside parties in connection with preparing a response. No telephone inquiries will be accepted, except as expressly set forth herein concerning P.L. 2005, c. 51/Executive Order No. 117. All inquiries related to this RFQ must be directed in writing via email or fax to:

Steven Nelson, Director of Project Management
Steven.Nelson@njefa.nj.gov
(609) 987-0850

All inquiries must be received by **Wednesday, April 4, 2018**. If the Authority determines that any answers to such questions should receive the attention of all RFQ recipients, the responses will be posted on www.njefa.nj.gov on or about **Wednesday, April 11, 2018**. It is the responsibility of the respondents to check our website regularly for updates, if any. All such answers to questions or addenda shall be incorporated into and made part of this RFQ.

The Authority reserves the right to request additional information if necessary or to request an interview with firm(s) in which the evaluation committee will participate. The Authority also

reserves the right to reject any and all proposals with or without cause, and waive any irregularities or informalities in the proposals submitted. The Authority further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all firms submitting proposals. The Authority also reserves the right to reject any and all submitted proposals. In the event that all proposals are rejected, the Authority reserves the right to resolicit proposals.

The Authority assumes no responsibility and bears no liability for costs incurred by a firm in the preparation and submittal of a proposal, or interviews, if any, in response to this RFQ. The Authority assumes no responsibility and bears no liability for the disclosure of any information or material received in connection with the solicitation, whether by negligence or otherwise.

All documents and information submitted shall be available to the general public as required by EO 26 and applicable law, including New Jersey Open Public Records Act, *N.J.S.A. 47:1A et seq.*

7.0 SELECTION PROCESS

The responses to the RFQ will be reviewed by Authority staff and recommendations for inclusion in the Authority's Pools will be made to the Authority's Board. In accordance with EO 26, the criteria used to evaluate responsive proposals shall include, but are not limited to:

- Ideas, expertise, capacity, experience and personnel;
- Overall underwriting experience and experience with higher education issuing authorities and college and university clients;
- Understanding of the Institutions' financing needs and objectives;
- Development of innovative ideas;
- Capital adequacy and underwriting commitment;
- Analytical capabilities, including sophisticated cash flow analysis;
- Experience and availability of professionals working on Authority transactions;
- New Jersey presence;
- Demonstrated ability to distribute Authority securities; and,
- Overall quality of response to this RFQ.

All proposals will be reviewed to determine responsiveness. Non-responsive proposals will be rejected without evaluation. Responsive proposals will be reviewed and scored by an evaluation committee pursuant to the grading scale it creates. The Authority reserves the right to request clarifying information subsequent to the submission of the proposal if necessary.

Once the Pools are established, at the sole discretion of the Authority, future RFP processes for a specific bond transaction may be open to all or some of the participating members of the Pools dependent on the needs of the transaction, the type and quality of the credit or other factors.

8.0 STATUTORY REQUIREMENTS

8.1 STATUTORY REQUIREMENTS

8.1.1 Chapter 51 and Executive Order No. 117. Pursuant to P.L. 2005, c. 51 (“Chapter 51”) and Executive Order No. 117 (Corzine 2008) (“Executive Order 117”), State departments, agencies and independent authorities, such as the Authority, are precluded from awarding contracts exceeding \$17,500 to vendors who make certain political contributions on and after October 15, 2004, to avoid any appearance that the selection of contracts is based on the contractors’ political contributions. The firms selected pursuant to this RFQ shall be required to maintain compliance with Chapter 51 and Executive Order 117 during the term of their engagement. If your firm has questions regarding the requirements of P.L. 2005, c. 51/Executive Order No. 117, please contact Jacqueline McFadyen, Associate Project Manager, at 609-987-0880.

8.1.2 Chapter 271. Pursuant to P.L. 2005, c. 271 (“Chapter 271”), at least ten (10) days prior to entering into any agreement or contract with a value over \$17,500 with the Authority, business entities are required to submit a disclosure of certain political contributions.

Firms are also advised of their responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (ELEC) pursuant to *N.J.S.A.* 19:44A-20.13 (P.L. 2005, c. 271, section 3) if your firm receives contracts with public entities, such as the Authority, in excess of \$50,000 or more in the aggregate in a calendar year. It is the firm’s responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or www.elec.state.nj.us.

8.1.3 Executive Order No. 9. Pursuant to Executive Order No. 9 (Codey 2004), dated and effective as of December 6, 2004, it is the policy of the State that in all cases where bond underwriting services are or may be required by the State or any of its departments, agencies or independent authorities, such department, agency or independent authority shall deal directly with the principals of the underwriting firms or their registered lobbyists. The department, agency or independent authority shall not discuss, negotiate or otherwise interact with any third-party consultant, other than principals of the underwriting firms and their registered lobbyists, with respect to the possible engagement of the firm to provide bond underwriting services. Compliance with Executive Order No. 9 shall be a material term and

condition of any bond purchase contract entered into by underwriters selected for this assignment.

- 8.1.4 Chapter 92.** In accordance with P.L. 2005, c. 92, all service performed pursuant to this RFQ shall be performed within the United States.
- 8.1.5 Certification of Non-Involvement in Prohibited Activities in Iran.** Pursuant to *N.J.S.A. 52:32-58*, firms must certify that neither the bidder, nor any of its parents, subsidiaries, and/or affiliates (as defined in *N.J.S.A. 52:32 – 56(e) (3)*), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither is involved in any of the investment activities set forth in *N.J.S.A. 52:32 – 56(f)*. If the bidder is unable to so certify, the bidder shall provide a detailed and precise description of such activities.
- 8.1.6 Mandatory EEO Language and State Policy Prohibiting Discrimination in the Workplace.** If awarded a contract, your firm shall be required to comply with the requirements of *N.J.S.A. 10:5-31 et seq.* and *N.J.A.C. 17:27 et seq.* and the terms set forth in **EXHIBITS A-1 and A-2**.
- 8.1.7 New Jersey Business Registration.** Pursuant to the terms of *N.J.S.A. 52:32-44*, entities providing goods or services to the Authority must be registered with the New Jersey Department of the Treasury, Division of Revenue. Effective September 1, 2004, pursuant to an amendment to *N.J.S.A. 52:32-44*, State and local entities, including the Authority, are prohibited from entering into a contract with an entity unless the firm has provided a copy of its business registration certificate (or interim registration) as a part of its response.

To verify the registration status of your business and obtain a Business Registration Certificate visit the Division of Revenue website at: https://www1.state.nj.us/TYTR_BRC/jsp/BRCLLoginJsp.jsp. If your firm is not already registered with the New Jersey Division of Revenue, the form should be completed online at the Division of Revenue website at: www.state.nj.us/treasury/revenue/index.html.

8.2 STATUTORILY REQUIRED FORMS

The following statutorily-required forms can be downloaded from the Department of the Treasury website at: <http://www.state.nj.us/treasury/purchase/forms.shtml>.

- State of New Jersey Standard Terms and Conditions
- Ownership Disclosure Form
- Disclosure of Investigations and Other Actions Involving Vendor

- Disclosure of Investment Activities in Iran Form
- Affirmative Action Compliance (submit one of the following):
 - New Jersey Certificate of Employee Information Report
 - Federal Letter of Approval Verifying a Federally Approved or Sanctioned Affirmative Action Program (*dated within one (1) year of submission*)
 - Affirmative Action Employee Information Report (AA-302)
- Two-Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions
- Chapter 271 Vendor Certification and Political Disclosure Form
- MacBride Principles Form
- Proof of New Jersey Business Registration
- Source Disclosure Form

9.0 CHECKLIST, ATTACHMENTS AND EXHIBITS

The Checklist on the following page is to be executed by an authorized signer, and all required forms and documents listed therein must be included and submitted with your Proposal.

RFQ CHECKLIST			DOCUMENT INCLUDED	
PROPOSAL	1	Written Proposal	<input type="checkbox"/>	
	2	Copies of the firm's most recent filing of G-37/38 Reports pursuant to Rules G-37 and G-38 of the Municipal Securities Rulemaking Board	<input type="checkbox"/>	
	3	One copy of your firm's most recent annual report and audited financial statements	<input type="checkbox"/>	
EXHIBITS	4	EXHIBIT A-1 - Mandatory Equal Employment Opportunity Language - <i>Signed Acceptance and Acknowledgment</i>	<input type="checkbox"/>	
		EXHIBIT A-2 - State Policy Prohibiting Discrimination in the Workplace and Vendor/Contractor Acknowledgment of Receipt	<input type="checkbox"/>	
	5	EXHIBIT B - Certification of No Change (<i>only for firms who have previously submitted the certification and disclosure forms pursuant to P.L. 2005, c. 51/Executive Order No. 117</i>)	<input type="checkbox"/>	
DIVISION OF PURCHASE & PROPERTY FORMS	6	State of New Jersey Terms and Conditions (<i>Signed Acceptance of Terms & Conditions</i>)	<input type="checkbox"/>	
	7	<u>Ownership Disclosure Form</u>	<input type="checkbox"/>	
	8	<u>Disclosure of Investigations and Other Actions Involving Vendor</u>	<input type="checkbox"/>	
	9	<u>Disclosure of Investment Activities in Iran</u>	<input type="checkbox"/>	
	10	Affirmative Action Compliance (submit one of the following)	<input type="checkbox"/>	
		a. New Jersey Certificate of Employee Information Report		
		b. Federal Letter of Approval Verifying a Federally Approved or Sanctioned Affirmative Action Program (dated within one (1) year of submission of Proposal)		
		c. <u>Affirmative Action Employee Information Report (AA-302)</u>		
	11	<u>Two-Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions OR Certification of No Change (EXHIBIT B)</u>	<input type="checkbox"/>	
	12	<u>Chapter 271 Vendor Certification and Political Disclosure Form</u>	<input type="checkbox"/>	
	13	<u>MacBride Principles Form</u>	<input type="checkbox"/>	
	14	<u>Proof of New Jersey Business Registration</u>	<input type="checkbox"/>	
	15	<u>Source Disclosure Form</u>	<input type="checkbox"/>	
	MISCELLANEOUS	16	Small, Minority and/or Women-Owned Business Enterprise Certification or Documentation (if applicable)	<input type="checkbox"/>
		17	NJSTART Registration NJSTART is a system which provides a "one-stop shop" for vendors to submit proposals, maintain required forms and certifications, and present purchase orders and invoices for payment. Visit www.njstart.gov and click on "Register" to start the process.	<input type="checkbox"/>

I hereby acknowledge that I have read and attached all the necessary documents that are required in response to this RFQ.

Firm Name: _____

Submitted By: _____

Title: _____

Date: _____

EXHIBIT A-1

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, C. 127)

N.J.A.C. 17:27

GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to employ minority and women workers consistent with the applicable county employment goals established in accordance with N.J.A.C. 17:27-5.2, or a binding determination of the applicable county employment goals determined by the Division, pursuant to N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the applicable employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval

Certificate of Employee Information Report

Employee Information Report Form AA302

The contractor and its subcontractors shall furnish such reports or other documents to the Div. of Contract Compliance & EEO as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Div. of Contract Compliance & EEO for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code at N.J.A.C. 17:27.

Firm Name: _____

Submitted By: _____

Title: _____

Date: _____

EXHIBIT A-2

VENDOR/CONTRACTOR ACKNOWLEDGMENT OF RECEIPT

New Jersey Educational Facilities Authority is committed to establishing and maintaining a workplace environment that is free from discrimination or harassment.

Attached for your review is the New Jersey State Policy Prohibiting Discrimination in the Workplace, which must be distributed to all vendors/contractors with whom New Jersey Educational Facilities Authority has a direct relationship.

Please sign and return this Acknowledgment of Receipt to confirm you have received a copy of the New Jersey State Policy Prohibiting Discrimination in the Workplace.

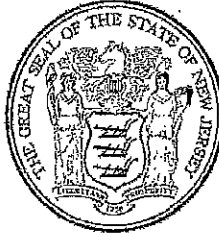
Firm Name: _____

Authorized Signer: _____

Printed Name: _____

Title: _____

Date: _____



***NEW JERSEY STATE
POLICY PROHIBITING DISCRIMINATION IN THE WORKPLACE***

I. POLICY

a. Protected Categories

The State of New Jersey is committed to providing every State employee and prospective State employee with a work environment free from prohibited discrimination or harassment. Under this policy, forms of employment discrimination or harassment based upon the following protected categories are prohibited and will not be tolerated: race, creed, color, national origin, nationality, ancestry, age, sex/gender (including pregnancy), marital status, civil union status, domestic partnership status, familial status, religion, affectional or sexual orientation, gender identity or expression, atypical hereditary cellular or blood trait, genetic information, liability for service in the Armed Forces of the United States, or disability.

To achieve the goal of maintaining a work environment free from discrimination and harassment, the State of New Jersey strictly prohibits the conduct that is described in this policy. This is a zero tolerance policy. This means that the state and its agencies reserve the right to take either disciplinary action, if appropriate, or other corrective action, to address any unacceptable conduct that violates this policy, regardless of whether the conduct satisfies the legal definition of discrimination or harassment.

b. Applicability

Prohibited discrimination/harassment undermines the integrity of the employment relationship, compromises equal employment opportunity, debilitates morale and interferes with work productivity. Thus, this policy applies to all employees and applicants for employment in State departments, commissions, State colleges or universities, agencies, and authorities (hereafter referred to in this section as "State agencies" or "State agency"). The State of New Jersey will not tolerate harassment or

discrimination by anyone in the workplace including supervisors, co-workers, or persons doing business with the State. This policy also applies to both conduct that occurs in the workplace and conduct that occurs at any location which can be reasonably regarded as an extension of the workplace (any field location, any off-site business-related social function, or any facility where State business is being conducted and discussed).

This policy also applies to third party harassment. Third party harassment is unwelcome behavior involving any of the protected categories referred to in (a) above that is not directed at an individual but exists in the workplace and interferes with an individual's ability to do his or her job. Third party harassment based upon any of the aforementioned protected categories is prohibited by this policy.

II. PROHIBITED CONDUCT

a. Defined

It is a violation of this policy to engage in any employment practice or procedure that treats an individual less favorably based upon any of the protected categories referred to in I (a) above. This policy pertains to all employment practices such as recruitment, selection, hiring, training, promotion, transfer, assignment, layoff, return from layoff, termination, demotion, discipline, compensation, fringe benefits, working conditions and career development.

It is also a violation of this policy to use derogatory or demeaning references regarding a person's race, gender, age, religion, disability, affectional or sexual orientation, ethnic background, or any other protected category set forth in I(a) above. A violation of this policy can occur even if there was no intent on the part of an individual to harass or demean another.

Examples of behaviors that may constitute a violation of this policy include, but are not limited to:

- Discriminating against an individual with regard to terms and conditions of employment because of being in one or more of the protected categories referred to in I(a) above;
- Treating an individual differently because of the individual's race, color, national origin or other protected category, or because an individual has the physical, cultural or linguistic characteristics of a racial, religious, or other protected category;

- Treating an individual differently because of marriage to, civil union to, domestic partnership with, or association with persons of a racial, religious or other protected category; or due to the individual's membership in or association with an organization identified with the interests of a certain racial, religious or other protected category; or because an individual's name, domestic partner's name, or spouse's name is associated with a certain racial, religious or other protected category;
- Calling an individual by an unwanted nickname that refers to one or more of the above protected categories, or telling jokes pertaining to one or more protected categories;
- Using derogatory references with regard to any of the protected categories in any communication;
- Engaging in threatening, intimidating, or hostile acts toward another individual in the workplace because that individual belongs to, or is associated with, any of the protected categories; or
- Displaying or distributing material (including electronic communications) in the workplace that contains derogatory or demeaning language or images pertaining to any of the protected categories.

b. Sexual Harassment

It is a violation of this policy to engage in sexual (or gender-based) harassment of any kind, including hostile work environment harassment, quid pro quo harassment, or same-sex harassment. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when, for example:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of prohibited behaviors that may constitute sexual harassment and are therefore a violation of this policy include, but are not limited to:

- Generalized gender-based remarks and comments;
- Unwanted physical contact such as intentional touching, grabbing, pinching, brushing against another's body or impeding or blocking movement;
- Verbal, written or electronic sexually suggestive or obscene comments, jokes or propositions including letters, notes, e-mail, text messages, invitations, gestures or inappropriate comments about a person's clothing;
- Visual contact, such as leering or staring at another's body; gesturing; displaying sexually suggestive objects, cartoons, posters, magazines or pictures of scantily-clad individuals; or displaying sexually suggestive material on a bulletin board, on a locker room wall, or on a screen saver;
- Explicit or implicit suggestions of sex by a supervisor or manager in return for a favorable employment action such as hiring, compensation, promotion, or retention;
- Suggesting or implying that failure to accept a request for a date or sex would result in an adverse employment consequence with respect to any employment practice such as performance evaluation or promotional opportunity; or
- Continuing to engage in certain behaviors of a sexual nature after an objection has been raised by the target of such inappropriate behavior.

III. EMPLOYEE RESPONSIBILITIES

Any employee who believes that she or he has been subjected to any form of prohibited discrimination/harassment, or who witnesses others being subjected to such discrimination/harassment is encouraged to promptly report the incident(s) to a supervisor or directly to the State agency's Equal Employment Opportunity/Affirmative Action Officer or to any other persons designated by the State agency to receive workplace discrimination complaints.

All employees are expected to cooperate with investigations undertaken pursuant to VI below. Failure to cooperate in an investigation may result in

administrative and/or disciplinary action, up to and including termination of employment.

IV. SUPERVISOR RESPONSIBILITIES

Supervisors shall make every effort to maintain a work environment that is free from any form of prohibited discrimination/harassment. Supervisors shall immediately refer allegations of prohibited discrimination/harassment to the State agency's Equal Employment Opportunity/Affirmative Action Officer, or any other individual designated by the State agency to receive complaints of workplace discrimination/harassment. A supervisor's failure to comply with these requirements may result in administrative and/or disciplinary action, up to and including termination of employment. For purposes of this section and in the State of New Jersey Model Procedures for Processing Internal Complaints Alleging Discrimination in the Workplace (Model Procedures), a supervisor is defined broadly to include any manager or other individual who has authority to control the work environment of any other staff member (for example, a project leader).

V. DISSEMINATION

Each State agency shall annually distribute the policy described in this section, or a summarized notice of it, to all of its employees, including part-time and seasonal employees. The policy, or summarized notice of it, shall also be posted in conspicuous locations throughout the buildings and grounds of each State agency (that is, on bulletin boards or on the State agency's intranet site). The Department of the Treasury shall distribute the policy to State-wide vendors/contractors, whereas each State agency shall distribute the policy to vendors/contractors with whom the State agency has a direct relationship.

VI. COMPLAINT PROCESS

Each State agency shall follow the Model Procedures with regard to reporting, investigating, and where appropriate, remediating claims of discrimination/harassment. See N.J.A.C. 4A:7-3.2. Each State agency is responsible for designating an individual or individuals to receive complaints of discrimination/harassment, investigating such complaints, and recommending appropriate remediation of such complaints. In addition to the Equal Employment Opportunity/Affirmative Action Officer, each State agency shall designate an alternate person to receive claims of discrimination/harassment.

All investigations of discrimination/harassment claims shall be conducted in a way that respects, to the extent possible, the privacy of all the persons involved. The investigations shall be conducted in a prompt, thorough and

impartial manner. The results of the investigation shall be forwarded to the respective State agency head to make a final decision as to whether a violation of the policy has been substantiated.

Where a violation of this policy is found to have occurred, the State agency shall take prompt and appropriate remedial action to stop the behavior and deter its reoccurrence. The State agency shall also have the authority to take prompt and appropriate remedial action, such as moving two employees apart, before a final determination has been made regarding whether a violation of this policy has occurred.

The remedial action taken may include counseling, training, intervention, mediation, and/or the initiation of disciplinary action up to and including termination of employment.

Each State agency shall maintain a written record of the discrimination/harassment complaints received. Written records shall be maintained as confidential records to the extent practicable and appropriate.

VII. PROHIBITION AGAINST RETALIATION

Retaliation against any employee who alleges that she or he was the victim of discrimination/harassment, provides information in the course of an investigation into claims of discrimination/harassment in the workplace, or opposes a discriminatory practice, is prohibited by this policy. No employee bringing a complaint, providing information for an investigation, or testifying in any proceeding under this policy shall be subjected to adverse employment consequences based upon such involvement or be the subject of other retaliation.

Following are examples of prohibited actions taken against an employee because the employee has engaged in activity protected by this subsection:

- Termination of an employee;
- Failing to promote an employee;
- Altering an employee's work assignment for reasons other than legitimate business reasons;
- Imposing or threatening to impose disciplinary action on an employee for reasons other than legitimate business reasons; or
- Ostracizing an employee (for example, excluding an employee from an activity or privilege offered or provided to all other employees).

VIII. FALSE ACCUSATIONS AND INFORMATION

An employee who knowingly makes a false accusation of prohibited discrimination/harassment or knowingly provides false information in the course of an investigation of a complaint, may be subjected to administrative and/or disciplinary action, up to and including termination of employment. Complaints made in good faith, however, even if found to be unsubstantiated, shall not be considered a false accusation.

IX. CONFIDENTIALITY

All complaints and investigations shall be handled, to the extent possible, in a manner that will protect the privacy interests of those involved. To the extent practical and appropriate under the circumstances, confidentiality shall be maintained throughout the investigatory process. In the course of an investigation, it may be necessary to discuss the claims with the person(s) against whom the complaint was filed and other persons who may have relevant knowledge or who have a legitimate need to know about the matter. All persons interviewed, including witnesses, shall be directed not to discuss any aspect of the investigation with others in light of the important privacy interests of all concerned. Failure to comply with this confidentiality directive may result in administrative and/or disciplinary action, up to and including termination of employment.

X. ADMINISTRATIVE AND/OR DISCIPLINARY ACTION

Any employee found to have violated any portion or portions of this policy may be subject to appropriate administrative and/or disciplinary action which may include, but which shall not be limited to: referral for training, referral for counseling, written or verbal reprimand, suspension, reassignment, demotion or termination of employment. Referral to another appropriate authority for review for possible violation of State and Federal statutes may also be appropriate.

XI. TRAINING

All State agencies shall provide all new employees with training on the policy and procedures set forth in this section within a reasonable period of time after each new employee's appointment date. Refresher training shall be provided to all employees, including supervisors, within a reasonable period of time. All State agencies shall also provide supervisors with training on a regular basis regarding their obligations and duties under the policy and regarding procedures set forth in this section.

Issued: December 16, 1999
Revised: June 3, 2005
Revised: September 5, 2013
See N.J.A.C. 4A:7-3.1

EXHIBIT B

P.L. 2005, c. 51 / Executive Order No. 117
Certification of No Change

I, _____ the _____ of _____ (the
“Underwriting Firm”) in connection with the Request for Qualifications for Underwriting Services
(the “RFQ”) issued by the New Jersey Educational Facilities Authority (the “Authority”) do hereby
certify that all information, certifications and disclosure statements previously provided in
connection with P.L. 2005, c. 51, which codified Executive Order No. 134 (McGreevey 2004), as
amended by Executive Order No. 117 (Corzine 2008), are true and correct as of the date hereof
and that all such statements have been made with full knowledge that the Authority and the State
of New Jersey shall rely upon the truth of the statements contained therein and herein in connection
with the RFQ.

IN WITNESS WHEREOF, we have executed this Certification as of this _____ day of
_____, 2018.

[NAME OF FIRM]

Submitted By: _____

Title: _____

Date: _____

EXHIBIT B TO RESOLUTION

Senior Manager Pool

Senior Manager Pool

Bank of America Merrill Lynch
Barclays Capital, Inc.
Citigroup Global Markets Inc.
Goldman, Sachs & Co.
Janney Montgomery Scott LLC
Jefferies LLC
J.P. Morgan Securities LLC
Morgan Stanley & Co. LLC
Ramirez & Co., Inc.
Raymond James & Associates, Inc.
RBC Capital Markets, LLC
Siebert Cisneros Shank & Co., LLC
Stifel, Nicolaus & Company, Incorporated
UBS Financial Services Inc.
Wells Fargo Bank, N.A.

EXHIBIT C TO RESOLUTION

Co-Manager Pool

Co-Manager Pool

Academy Securities, Inc.
BNY Mellon Capital Markets, LLC
FTN Financial Capital Markets
Drexel Hamilton LLC
Fidelity Capital Markets
Loop Capital Markets LLC
M&T Securities, Inc.
NW Capital Markets Inc.
PNC Capital Markets LLC
Rice Securities, LLC
Stem Brothers & Co.
TD Securities (USA) LLC
The Williams Capital Group, L.P.

EXHIBIT 2 TO RESOLUTION

Academy Securities, Inc.
AmeriVet Securities, Inc.
BNY Mellon Capital Markets, LLC
Drexel Hamilton LLC
Fidelity Capital Markets
FTN Financial Capital Markets
Loop Capital Markets LLC
M&T Securities, Inc.
PNC Capital Markets LLC
Rice Securities, LLC
Stern Brothers & Co.
TD Securities (USA) LLC

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
APPROVING A MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE
WILLIAM PATERSON UNIVERSITY OF NEW JERSEY AND THE AUTHORITY
RELATING TO CERTAIN REAL PROPERTY OWNED BY THE AUTHORITY**

Adopted: February 25, 2020

WHEREAS: The New Jersey Educational Facilities Authority (the "Authority") is a public body corporate and politic of the State of New Jersey (the "State") and was duly created and now exists under the New Jersey Educational Facilities Authority Law, Public Laws of 1967, Chapter 271, *N.J.S.A. 18A:72A-1 et seq.*, as amended and supplemented (the "Act"); and

WHEREAS: As authorized by the Act and pursuant to the terms of a resolution adopted by the Authority on February 4, 1981, the Authority assisted The William Paterson University of New Jersey (the "University") in financing the construction of a dormitory facility, now known as Overlook North and Overlook South and previously known as the Towers (the "Financed Project") through the issuance of the Authority's Revenue Bonds, William Paterson College of New Jersey Issue, Series 1981 A and 1981 B (the "1981 Bonds"); and

WHEREAS: As part of the transaction and in connection with the issuance of the 1981 Bonds, the parcel of real property on which the Financed Project was located (Lot 1, Block 602 in the Township of Wayne, County of Passaic, and State of New Jersey) (the "Project Site") was conveyed from the New Jersey Board of Higher Education and the Board of Trustees of the University to the Authority; and

WHEREAS: Prior to the 1981 transfer, the Project Site was transferred to the State in 1948 as part of a larger sale of property; and

WHEREAS: The Financed Project and the Project Site were leased to the University pursuant to the provisions of a Lease and Agreement by and among the Authority, the New Jersey Board of Higher Education and the University dated as of February 1, 1981; and

WHEREAS: The transaction was refinanced through the issuance of various series of bonds, the most recent of which involving the lease of the Project Site and the Financed Project to the University was the Lease and Agreement by and among the Authority and the Board of Trustees of the University, dated July 1, 2002 (the "2002E Lease and Agreement"), in connection with the issuance of the Authority's Revenue Bonds, The William Paterson University of New Jersey Issue, Series 2002 E; and

WHEREAS: There are no Authority bonds outstanding with respect to the Financed Project and the Project Site; and

WHEREAS: The University has advised the Authority that Overlook North is a dormitory facility that has exceeded its useful life and has requested that the Authority consent to its demolition (the "Demolition"); and

WHEREAS: University representatives have advised the Authority that the University has approved the Demolition of Overlook North; and

WHEREAS: The Members of the Authority have determined that it is necessary and advisable for the Authority to consent to the Demolition in accordance with the 2002E Lease and Agreement including Section 9.1 thereof; and

WHEREAS: The Members of the Authority have determined that it is necessary and advisable for the Authority to enter into a Memorandum of Understanding (the "MOU") with the University as to the parties' respective obligations with regard to the Demolition.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, AS FOLLOWS:

SECTION 1. The above recitals are incorporated into and are made a part of this Resolution.

SECTION 2. The Authority hereby authorizes and consents to the Demolition and authorizes the execution and delivery of any and all other agreements, documents, certificates, discharges and notices that are necessary to effect the consent; provided that the Authority shall have received such certificates, opinions or other documents in form satisfactory to the Authorized Officer, as such Authorized Officer shall deem necessary and appropriate, with the advice of bond counsel and the Office of the Attorney General.

SECTION 3. The Authority hereby authorizes and directs the Chair, Vice Chair, Secretary, any Assistant Secretary, Executive Director, Deputy Executive Director or Director of Compliance Management of the Authority and any such officers designated as "acting" or "interim" (each an "Authorized Officer") to take any and all such other actions as may be necessary or appropriate to effect the consent, including the execution and delivery of any certificates, agreements, instruments and notices to be in the form approved by the Authorized Officer executing same with the advice of bond counsel and/or the Office of the Attorney General, such execution to be conclusive evidence of the approval thereof by such Authorized Officer. The Secretary and any Assistant Secretary are authorized to execute, attest and affix the official common seal of the Authority, as applicable, to any and all other necessary documents.

SECTION 4. The Members of the Authority hereby approve the form of MOU presented at this meeting and which form of is attached hereto and incorporated herein as **EXHIBIT 1**, with such changes therein and any supplements thereto as such

Authorized Officer (as hereinafter defined) executing the same may approve, in consultation with the Attorney General's Office.

SECTION 5. Any of the Authorized Officers are hereby authorized and directed to execute, acknowledge and deliver the MOU in such form as approved at this meeting, with such changes as may be approved by the Authorized Officer executing the same, in consultation with the Attorney General's Office, such approval to be evidenced conclusively by such Authorized Officer's execution thereof.

SECTION 6. Any of the Authorized Officers are hereby authorized to take all appropriate and necessary actions to implement the MOU consistent with reporting obligations to the Members of the Authority.

SECTION 7. This Resolution shall take effect in accordance with the provisions of the Act.

____ Secretary Smith Ellis ____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by ____ Mr. Hutchinson ____ and upon roll call the following members voted:

AYE: Joshua Hodes
Ridgeley Hutchinson
Louis Rodriguez
Elizabeth Maher Muoio (represented by David Moore)
Zakiya Smith Ellis

NAY: None

ABSTAIN: None

ABSENT: None

The Chair thereupon declared said motion carried and said resolution adopted.

EXHIBIT 1

**MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE WILLIAM
PATERSON UNIVERSITY OF NEW JERSEY AND THE NEW JERSEY
EDUCATIONAL FACILITIES AUTHORITY
RELATING TO AN AUTHORITY-OWNED PROPERTY**

This Memorandum of Understanding (the "MOU") made as of the Effective Date as hereinafter defined by and between, The William Paterson University of New Jersey (the "University") and the New Jersey Educational Facilities Authority (the "Authority" or "NJEFA"), will confirm the mutual understanding and intention of the parties hereto as to the following:

WHEREAS, pursuant to *N.J.S.A. 52:14-1 et seq.*, departments are authorized to work collaboratively in matters germane to the duties of said departments through a memorandum of understanding; and

WHEREAS, the New Jersey Educational Facilities Authority (the "Authority"), was created as a public body corporate and politic of the State of New Jersey pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), *N.J.S.A. 18A:72A-1 et seq.* (the "Act"); and

WHEREAS, as authorized by the Act and pursuant to the terms of a resolution adopted by the Authority on February 4, 1981, the Authority assisted the University in financing the construction of a dormitory facility, now known as Overlook North and Overlook South and previously known as the Towers (the "Financed Project") through the issuance of the Authority's Revenue Bonds, William Paterson College of New Jersey Issue, Series 1981 A and 1981 B (the "1981 Bonds"); and

WHEREAS, as part of the transaction and in connection with the issuance of the 1981 Bonds, the parcel of real property on which the Financed Project was located (Lot 1, Block 602 in the Township of Wayne, County of Passaic, and State of New Jersey) (the "Project Site") was conveyed from the New Jersey Board of Higher Education and the Board of Trustees of the University to the Authority; and; and

WHEREAS, prior to the 1981 transfer, the Project Site was transferred to the State of New Jersey in 1948 as part of a larger sale of property; and

WHEREAS, the Financed Project and the Project Site were leased to the University pursuant to the provisions of the Lease and Agreement by and among the Authority, the New Jersey Board of Higher Education and the University dated as of February 1, 1981; and

WHEREAS, the transaction was refinanced through the issuance of various series of bonds, the most recent of which involving the lease of the Project Site and the Financed Project to the University was the Lease and Agreement by and among the Authority and the Board of Trustees of the University, dated July 1, 2002 (the "2002E Lease and Agreement"), in connection with the

issuance of the Authority's Revenue Bonds, The William Paterson University of New Jersey Issue, Series 2002 E; and

WHEREAS, there are no Authority bonds outstanding with respect to the Financed Project and the Project Site; and

WHEREAS, University representatives have advised the Authority that the University has approved the demolition (the "Demolition") of Overlook North; and

WHEREAS, the Members of the Authority have adopted a resolution authorizing the consent to said Demolition;

NOW THEREFORE, the University and the Authority agree as follows:

Section 1. Responsibilities of the University

1.1 Insurance.

1.1.1 In addition to the requirements in the 2002E Lease and Agreement, the University shall, at the times specified in the following subparagraphs, procure and maintain or cause to be procured and maintained, to the extent reasonably obtainable in the opinion of an authorized officer of the Authority, the following insurance:

(a) The inclusion of Overlook North under a blanket insurance policy or policies of the University during the Demolition process and until the University complies with all applicable laws, rules, regulations, and permits regarding said Demolition. Any such policy shall provide that the insurance company shall give at least sixty (60) days' notice in writing to the Authority of the cancellation or non-renewal of the policy, except in the event of nonpayment of premiums, in which case ten (10) days' notice, or current industry standard notice, shall be provided; provided, however, notwithstanding the foregoing, in the event that the insurance company is no longer required by law to provide such notices to the Authority, the University shall at all times give the Authority notice in writing within two (2) business days of receipt of notice from the insurer of any cancellation or non-renewal of the policy. In any event each such policy shall be in an amount sufficient to prevent such University and the Authority from becoming co-insurers under the applicable terms of such policy.

i. The Authority shall be named as an additional insured under the certificate of insurance for any contractor hired by the University for the Demolition.

(b) At all times, workmen's compensation insurance, disability benefits insurance and each other form of employee insurance covering loss resulting from injury, sickness, disability or death of employees which the Authority or the University is required by law to provide.

(c) At all times, insurance protecting the Authority and the University against loss or losses from liabilities imposed by law or assumed in any insured written contract and arising from bodily injury of persons or damage to the property of others caused by accident or occurrence, with limits of not less than one million dollars (\$1,000,000) combined single limit for bodily injury and property damage. The University's coverage status under the New Jersey Tort Claims Act may, in the sole judgment of an authorized officer of the Authority, be deemed to be compliance with the requirements of this subparagraph with respect to the University.

1.1.2 If any of such insurance provided for in paragraphs (a), (b) and (c) of this Section is under a blanket insurance policy or policies of the University, then the University shall deliver to the Authority in lieu of the original policy or policies a Certificate thereof. All policies of insurance shall be payable to the University and the Authority as their interests may appear.

1.1.3 Nothing in this Section shall be deemed to limit the University from obtaining insurance in excess of the requirements set forth herein.

1.2 Limitation of Liability

The ownership of the Financed Project, the Project Site, and/or Overlook North shall not impose any other liability on the Authority, whether contractual or otherwise. Neither the carrying out of the Demolition nor the ownership of the Financed Project, the Project Site and/or Overlook North by the Authority shall impose any liability on the members, officers, employees, consultants or agents of the Authority.

1.3 Indemnification

1.3.1 The University agrees to indemnify the Authority and all such other parties and save them harmless against any liability intended to be precluded herein.

1.3.2 The University shall indemnify the Authority as follows:

(a) The University shall protect, exonerate, defend, indemnify and save the Authority and its members, directors, officers, employees, agents, consultants and attorneys (collectively, the "Indemnified Parties") harmless from and against any and all losses, including, but not limited to personal injury, death, loss or damage to property suffered or incurred by any person, entity, firm or corporation arising out of or attributable to the Demolition by the University, its agents, contractors, servants, employees, licensees, invitees or sublessees, if any; and from and against any and all losses incurred in or about the defense of any such claims, actions or proceedings brought thereon.

(b) The Indemnified Parties, respectively, will give prompt written notice to the University of any claim asserted against it or them, as the case may be, which claim, if sustained, may result in liability on the part of an Indemnified Party which is indemnified hereunder; provided, however, that the failure on the part of the Indemnified Party to give such notice shall not relieve the University from its obligation under this Section. Upon receipt of such notification, the University shall assume the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion, but with the

Indemnified Party's consent, all without cost to the Indemnified Parties, including any costs incurred by any Indemnified Party prior to such notification. Any Indemnified Party shall have the right to employ separate counsel in any such claim and to participate in the defense thereof.

1.4 Liens

1.4.1 Until the Authority is no longer the owner of the Project Site, the University shall keep the Project Site free and clear of mechanics' liens and other liens of like nature, and the University shall at all times duly protect the Authority against any and all attorneys' fees, costs and expenses which may accrue, grow out of or be incurred by reason of or on account of any such liens or claims.

Section 2. Responsibilities of the Authority.

2.1 The Authority shall not be responsible for any matters relating to the Demolition.

Section 3. Administrative Matters.

3.1 This MOU is being entered into for the sole purpose of evidencing the mutual understanding and intention of the parties for the Demolition.

3.2 All applicable terms and conditions of the 2002E Lease and Agreement remain in full force and effect.

3.3 This MOU shall become effective on the date this MOU is fully executed by all of the authorized signatories ("Effective Date") and shall remain in effect until February 24, 2021, unless it is terminated by any party upon sixty (60) days written notice to the other party or until the Authority is no longer the owner of the Project Site, whichever is earlier. Upon the mutual consent of the parties as provided for in Section 3.5 below, the term of the MOU may be extended. Notwithstanding anything to the contrary, Sections 1.2 and 1.3 of this MOU shall survive the termination of this MOU

3.4 The parties agree that the Authority shall not be liable for any costs or expenses not agreed to in writing between the parties in advance of any such expense.

3.5 This MOU may be amended from time to time with the mutual consent of the parties provided such amendment is in writing and signed by all parties.

3.6 The parties acknowledge that they are public entities of the State. Therefore, the parties agree that each entity shall be liable for its own conduct and any claims against it without indemnification from the other parties with regard to this MOU except as stated herein.

3.7 This MOU may be executed in counterparts, each of which shall be an original and all of which together shall be one instrument.

IN WITNESS WHEREOF, the University and the Authority have executed this MOU relating to an Authority-owned property as of the dates written below.

THE WILLIAM PATERSON UNIVERSITY OF NEW JERSEY

BY: _____

Name:
Title:
Date:

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

BY: _____

Name: Eric D. Brophy, Esq.
Title: Executive Director
Date:

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY APPROVING THE APPOINTMENT OF ZIONS
BANCORPORATION, NATIONAL ASSOCIATION AS TRUSTEE FOR
THE AUTHORITY'S OTHER POST-EMPLOYMENT BENEFITS TRUST**

Adopted: February 25, 2020

WHEREAS: The New Jersey Educational Facilities Authority (the "Authority") was duly created and now exists under the New Jersey Educational Facilities Authority Law, Public Laws of 1967, Chapter 271, *N.J.S.A.* 18A:72A-1 et seq., as amended (the "Act") for the purpose of issuing its obligations to obtain funds to finance eligible educational facilities as such may be required for the purposes of public and private institutions of higher education, private colleges and public libraries, and to sell such obligations at public or private sale at a price or prices and in a manner as the Authority shall determine; and

WHEREAS: The policies and procedures of the Authority with regard to the selection of professionals including trustees are governed, *inter alia*, by Executive Order No. 26 (Whitman) ("EO 26") which took effect on January 1, 1995 and which supersedes Executive Orders No. 79 and 92, and Executive Order No. 37 (Corzine) ("EO 37") which took effect on November 25, 2006; and

WHEREAS: The Authority participates in the New Jersey State Health Benefits Program (the "Plan") for the benefit of its eligible employees, eligible retirees, and their eligible spouses, dependents and beneficiaries (the "Covered Individuals"); and

WHEREAS: The Plan provides certain postemployment benefits other than pensions to the Authority's Covered Individuals (referred to herein as the "Authority's Other Postemployment Benefits"); and

WHEREAS: By a resolution adopted on December 12, 2007, the Authority authorized the establishment of a trust to fund the Authority's Other Postemployment Benefits (the "OPEB Trust"), authorized the Executive Director to select a trustee for the OPEB Trust, and approved the form of and authorized the execution of an OPEB Trust Agreement by the Executive Director; and authorized that contributions to the OPEB Trust will be irrevocably made in necessary amounts to be held in such OPEB Trust; and

WHEREAS: The Authority has determined that it is advisable to appoint a new trustee ("Trustee") for the OPEB Trust to increase the Authority's level of satisfaction with services and associated fees; and

WHEREAS: EO 37 established that public advertisement is not required where the contract price is below the bid threshold set forth by the State Treasurer pursuant to *N.J.S.A.* 52:34-7(b); and

WHEREAS: As the amount of the contract price with a Trustee for services was anticipated to be and is below the public bid threshold as set forth by the State Treasurer pursuant to N.J.S.A. 52:34-7(b), Authority staff, in accordance with EO 26 and EO 37 for the selection of trustees for the Authority, solicited bids by obtaining fee quotations from the three firms in the Authority's Trustee pool; and

WHEREAS: The Authority has determined that it would be in the best interests of the Authority to appoint Zions Bancorporation, National Association ("Zions Bank" or "Trustee") as the Authority's Trustee for its other OPEB Trust commencing on the effective date of this Resolution; and

WHEREAS: The Authority has determined that it would be in the best interests of the Authority to enter into an agreement with Zions Bank for administration of the OPEB Trust (the "OPEB Trust Agreement") in accordance with the Authority's OPEB Trust Investment Policy, as adopted by the Authority by resolution on December 17, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY THAT:

SECTION 1. The Authority hereby authorizes the appointment of Zions Bank to serve as the Authority's Trustee for the OPEB Trust commencing on the effective date of this Resolution and subject to the terms and conditions set forth in this Resolution.

SECTION 2. The Authority hereby authorizes the Executive Director, Deputy Executive Director and Director of Finance, including any of the foregoing authorized officers serving in an interim or acting capacity, to take and do any and all acts and things as may be necessary or desirable in connection with the appointment of Zions Bank to serve as the Authority's Trustee for the OPEB Trust.

SECTION 3. The Authority approves the form of the OPEB Trust Agreement presented at this meeting and which form of is attached hereto and incorporated herein as **EXHIBIT 1**, and authorizes the Executive Director, Deputy Executive Director, and Director of Finance to execute the OPEB Trust Agreement with such changes as determined to be in the Authority's best interests, with the approval of the Attorney General of the State.

SECTION 4. This Resolution shall take effect in accordance with the Act.

_____ Mr. Hutchinson _____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by ___ Mr. Rodriguez ___ and upon roll call the following members voted:

AYE: Joshua Hodes
Ridgeley Hutchinson
Louis Rodriguez
Elizabeth Maher Muoio (represented by David Moore)
Zakiya Smith Ellis

NAY: None

ABSTAIN: None

ABSENT: None

The Chair thereupon declared said motion carried and said resolution adopted.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
OTHER POSTEMPLOYMENT BENEFITS TRUST AGREEMENT**

THIS OTHER POSTEMPLOYMENT BENEFITS TRUST AGREEMENT (the "OPEB Trust Agreement") is made as of _____ by and between New Jersey Educational Facilities Authority (the "Authority") and Zions Bancorporation, National Association (the "Trustee").

RECITALS

WHEREAS, the Authority is a political subdivision of the State of New Jersey established as an instrumentality thereof pursuant to the New Jersey Educational Facilities Authority Law N.J.S.A. 18A/72A-1 et seq. (the "Act"); and

WHEREAS, as an instrumentality of the State of New Jersey, the Authority participates in the New Jersey State Health Benefits Program (the "Plan"); and

WHEREAS, the Authority provides for the security and welfare of its eligible employees, eligible retirees, and their spouses, dependents and beneficiaries (collectively, the "Covered Individuals") by participating in the Plan; and

WHEREAS, the Plan provides certain postemployment benefits other than pensions to the Authority's Covered Individuals (referred to herein as the "Authority's Other Postemployment Benefits"); and

WHEREAS, pursuant to Government Accounting Standards Board Statements No. 43 and 45 (GASB 43 and GASB 45, respectively), the Authority must report an applicable amount of the cost of the Authority's liability for the Authority's Other Postemployment Benefits on the Authority's financial statements to the extent that such liability is not fully funded; and

WHEREAS, pursuant to GASB 43 and GASB 45, the Authority's liability for the Authority's Other Postemployment Benefits will be considered funded to the extent that appropriate amounts are irrevocably set aside and held in a trust established, maintained and administered for the purpose of satisfying such liability; and

WHEREAS, the Authority has determined that it is in the best interest of the Authority and the Covered Individuals that the Authority enter into this OPEB Trust Agreement and to irrevocably fund the amount of the Authority's Other Postemployment Benefits by contributing necessary amounts to be held by the Trustee pursuant to this OPEB Trust Agreement; and

WHEREAS, the Authority participates in the Plan and provides benefits to the Covered Individuals pursuant to the Plan as an integral part of its exempt activities in performing essential governmental functions authorized and directed by the Act; and

WHEREAS, the Authority intends to enter this OPEB Trust Agreement and to make contributions to the segregated trust fund (the "OPEB Trust" or "OPEB Trust Fund") as an integral part of its exempt activities in performing the essential governmental functions authorized and directed by the Act; and

WHEREAS, the Authority is a governmental entity exempt from federal income tax pursuant to Section 115 of the Internal Revenue Code of 1986, as amended (the "Code") and is exempt from taxation of every kind by the State of New Jersey and by the municipalities and other political subdivisions of the State of New Jersey pursuant to N.J.S.A. 18A:72A-18; and

WHEREAS, the Authority intends that the income accruing on contributions made by the Authority to the OPEB Trust be exempt from federal income tax pursuant to Section 115 of the Code and exempt from taxation by the State of New Jersey and by the municipalities and other political subdivisions thereof pursuant to N.J.S.A. 18A:72A-18; and

WHEREAS, the Authority intends that contributions to the OPEB Trust on behalf of Covered Individuals be irrevocably made and excludable from the income of such individuals to the extent permitted under applicable provisions of the Code and of the laws of the State of New Jersey;

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

ARTICLE 1

DEFINITIONS

1.1 DEFINITIONS. For the purposes of this OPEB Trust Agreement, the following terms shall have the meanings set forth below, unless otherwise expressly provided.

(a) **“Beneficiary”** means the Spouse, a Dependent or any other person or persons designated by a Participant pursuant to the terms of the Plan who will receive benefits payable in the event of the Participant’s death.

(b) **“Dependent”** means an individual who is considered a “dependent” eligible for benefits under the terms of the Plan, including, if applicable, an eligible Employee or eligible Retiree’s Domestic Partner as required by law.

(c) **“Domestic Partner”** means, as set forth under the terms of the Plan, an eligible Employee or eligible Retiree’s same sex domestic partner as defined under L. 2003, c. 246, The Domestic Partnership Act, or civil union partner as required by law.

(d) **“Effective Date”** means the date on which the OPEB Trust is created by Trustee’s acceptance of cash or other assets from the Authority.

(e) **“Employee”** means an individual who is an employee of the Authority and who is in a classification of employees who are eligible or who may become eligible to be a Retiree.

(f) **“Funding Vehicle”** means any permitted investment as selected and authorized by the Authority or an external investment manager engaged by the Authority as an Investment Advisor, as hereinafter defined, in a manner consistent with the investment guidelines and policies of the Investment Policy Statement of the Authority, as hereinafter defined.

(g) **“Investment Advisor”** means an external investment manager that the Authority engages the services of through a procurement process of to assist in the management of Authority’s OPEB Trust investment portfolio in a manner consistent with the Investment Policy Statement of the Authority.

(h) **“Investment Policy Statement”** means the New Jersey Educational Facilities Authority Investment Policy Statement for Other Post-Employment Benefits Trust in effect as of December 17th, 2019, and as amended from time to time.

(i) **“OPEB Trust”** or **“OPEB Trust Fund”** means those assets, described in Section 2.1 of this OPEB Trust Agreement, held by the Trustee at any time pursuant to this OPEB Trust Agreement.

(j) **“Participant”** means an eligible Employee, eligible Retiree, eligible Spouse or other eligible Dependent for whom coverage is or will be provided under the Plan, in accordance with the terms of the Plan.

(k) **“Plan”** means the New Jersey State Health Benefits Program to the extent it provides postemployment benefits, or any other postemployment welfare benefit plan, program or arrangement provided for life, sickness, accident, medical, disability or similar welfare benefits, through insurance or otherwise, in existence as of the Effective Date or later adopted by the Authority for the Benefit of its Employees, Retirees, and their Spouses, Dependents and Beneficiaries.

(l) **“Retiree”** means an individual who has terminated employment with the Authority and who is eligible for postemployment benefits other than pensions under the terms of the Plan.

(m) **“Spouse”** means the eligible Employee or eligible Retiree’s lawful spouse as determined under the laws of the state in which the eligible Employee or eligible Retiree has his or her primary place of residence and the terms of the Plan. Where required by law, Spouse shall include an eligible Employee or eligible Retiree’s civil union partner.

(n) **“State”** means the State of New Jersey.

ARTICLE 2

ESTABLISHMENT OF THE OPEB TRUST

2.1 The OPEB Trust Fund is hereby established as of the Effective Date separate and apart from the general assets of the Authority for the exclusive benefit of Participants and Beneficiaries. The OPEB Trust Fund shall consist of the Funding Vehicles, any cash received by the Trustee, any other assets held pursuant to the terms of this OPEB Trust Agreement, and any increments, proceeds, earnings and income to the above assets.

2.2 This OPEB Trust Fund is intended to be a separate trust to accommodate funding of other postemployment benefits as described in GASB 43 and GASB 45. Accordingly, as provided in this OPEB Trust Agreement, the assets of the OPEB Trust Fund are dedicated to providing benefits to Participants and Beneficiaries in accordance with the terms of the Plan and are legally protected from the creditors of the Authority, the Plan administrator and the Trustee. The terms of this OPEB Trust Agreement shall be interpreted in a manner that permits the Authority to use a discount rate based on the expected investment return of the OPEB Trust for purposes of determining other postemployment benefits liabilities under GASB 43 and GASB 45.

- 2.3 The OPEB Trust Fund is not insured by the Federal Deposit Insurance Company (FDIC), is not a deposit or other obligation of the Trustee and is not guaranteed by the Trustee (except to the extent specifically set forth in particular Funding Vehicles). The value of the OPEB Trust Fund is subject to investment risks, including possible loss of principal.

ARTICLE 3

CONSTRUCTION

- 3.1 The OPEB Trust will be administered in the State of New Jersey, and its validity, construction, and all rights hereunder shall be governed by the laws of the State of New Jersey except to the extent preempted by Federal Law. All contributions to the OPEB Trust Fund shall be deemed to occur in New Jersey.
- 3.2 If any provision of this OPEB Trust Agreement shall be held illegal or invalid for any reason, such determination shall not affect the remaining provisions, and such provisions shall be construed to effectuate the purpose of this OPEB Trust.
- 3.3 The Plan shall govern eligibility for benefits and the terms and conditions of payment for benefits out of assets held in the OPEB Trust.
- 3.4 The singular form of words used herein shall be read as the plural where appropriate.

ARTICLE 4

CONTRIBUTIONS

- 4.1 The Authority shall contribute to the OPEB Trust such amounts as it determines, in its discretion.
- 4.2 Subject to Section 2.1, the Authority's contributions under the Plan, all investment income and realized and unrealized gains and losses, and forfeitures allocable thereto will be held in trust for the exclusive benefit of Plan Participants and Beneficiaries.
- 4.3 Except as provided in Sections 5.2 and 7.5, each contribution to the OPEB Trust by the Authority shall be an irrevocable and infeasible transfer to the OPEB Trust. The Authority retains no right, title or interest in any such contributions. In no event shall any portion of the OPEB Trust Fund inure to the benefit of the Authority or be redeemed or repaid to the Authority. This provision of the OPEB Trust is not subject to modification and shall survive the termination of the Plan and the OPEB Trust.
- 4.4 Trustee shall receive all contributions paid or delivered to it by the Authority hereunder and shall hold, invest, reinvest and administer such contributions as directed in accordance with the provisions of this OPEB Trust Agreement, without distinction between principal and income. Trustee shall not be responsible for the calculation or collection of any contribution to the OPEB Trust.

- 4.5 No amount in any account maintained under this OPEB Trust shall be subject to transfer, assignment, or alienation, whether voluntary or involuntary, in favor of any creditor, transferee, or assignee of the Authority, Trustee, or any Plan Participant or Beneficiary.
- 4.6 The discontinuance of contributions to the OPEB Trust shall not automatically terminate the OPEB Trust. Trustee shall continue to administer the OPEB Trust in accordance with this OPEB Trust Agreement until its obligations are discharged and satisfied.

ARTICLE 5

BENEFITS

- 5.1 Benefits shall be paid by the Authority to Participants and their Beneficiaries pursuant to the terms of the Plan. The Trustee shall have no responsibility for paying benefits to Participants or their Beneficiaries and any direction to make such disbursements from the OPEB Trust shall not be accepted.
- 5.2 The Trustee shall be authorized and directed by the Authority to make disbursements from the OPEB Trust upon receipt of written direction executed by a designated authorized representative of the Authority for the purpose of reimbursing the Authority directly for the payment of benefits under the Plan. Pursuant to the written direction of the Authority, the Trustee may reimburse the Authority for insurance premiums or other payments expended or to be expended for permissible benefits under the Plan. The Trustee may rely on the written direction of an authorized officer of the Authority certified as true and correct and shall have no duty to review or determine if reimbursements authorized for disbursement by the Authority are properly allocable or are permissible payments under Plan.

ARTICLE 6

GENERAL DUTIES

- 6.1 It shall be the duty of the Trustee to hold title to and custody of assets held in respect of the Plan in Trustee's name as directed by the Authority.
- 6.2 Trustee is authorized to take any action set forth below with respect to the OPEB Trust:
- (a) Accept and rely on written direction for authorized instructions from the Authority regarding the allocation, distribution or other disposition of the assets of the OPEB Trust and all matters relating thereto, except as provided for in Sections 5.1 and 5.2, in accordance with the provisions of this OPEB Trust Agreement;
 - (b) Cause any portion or all of the OPEB Trust to be issued, held, or registered in the individual name of the Trustee, in the name of its nominee, in an affiliated securities depository, or in such other form as may be required or permitted under applicable law (however, the records of Trustee shall indicate the true ownership of such property);

- (c) Employ such agents and counsel, including legal counsel, as Trustee reasonably determines to be necessary to manage and protect the assets held in the OPEB Trust and to pay such agents and counsel their compensation from the OPEB Trust Fund unless such compensation is otherwise paid by the Authority; provided however, that the Trustee may pay compensation from the OPEB Trust to any agents or counsel engaged by it only if such agents or counsel was engaged with the prior written consent of the Authority;
- (d) Commence, maintain, or defend any litigation necessary in connection with the administration of the OPEB Trust, except that Trustee shall have no obligation to do so unless it is to be indemnified to its satisfaction against all expenses and liabilities sustained or anticipated by reason thereof;
- (e) Hold part or all of the OPEB Trust uninvested as may be necessary or appropriate in cash at the sole discretion of and as directed, in writing, by the Authority and invest the investments of the OPEB Trust not directed to be held as liquidity or investment reserves in interest-bearing accounts authorized by the Authority;
- (f) Take the following action with respect to proxies: (i) forward to the Authority, for exercise, all proxies solicited in regard to mutual funds and common or collective investment funds, if applicable; (ii) vote all proxies on behalf of the Plan in accordance with the receipt of written instructions if provided by the Authority; and (iii) abstain from voting proxies that are not returned by the Authority; and
- (g) Take all other acts necessary and provided for in the provisions of the OPEB Trust Agreement for the proper administration of the OPEB Trust.

6.3 The Trustee is hereby authorized by the Authority to rely upon and comply with instructions and directions sent by the Authority by means of e-mail, facsimile transmission, or other similar unsecured electronic methods from persons designated as an authorized representative of the Authority to give such instructions and directions.

ARTICLE 7

INVESTMENTS

- 7.1 The Authority has the sole and absolute discretion over the investment of assets held in the OPEB Trust and shall have full responsibility for the selection of the Funding Vehicles and the management, disposition, and investment of the Plan assets held in the OPEB Trust Fund.
- 7.2 Trustee shall comply with written instructions from the Authority concerning assets in the OPEB Trust, subject to restrictions, if any, imposed by the Funding Vehicles and the operation of any securities markets.

- 7.3 Plan contributions or other assets received by the Trustee shall be allocated among the Funding Vehicles as directed in accordance with written instructions from the Authority.
- 7.4 Trustee does not warrant or guarantee the performance of any Funding Vehicles selected by the Authority.
- 7.5 Trustee shall not be responsible or liable for any loss or expense which may arise from or result from compliance with any written direction or instructions from the Authority to purchase any assets and shall have no obligation to review, supervise, advise or recommend the purchase, retention, sale or exchange to the Authority. Trustee shall not be responsible or liable for any loss or expense, except for those which may arise from or result from negligence or willful misconduct of the Trustee from its failure to comply with written direction from the Authority.
- 7.6 The Authority may, in its discretion, engage the services of an Investment Advisor to assist in the management of the OPEB Trust investment portfolio in a manner consistent with the Investment Policy Statement of the Authority and appoint one or more investment managers to direct the investment of all or a portion of the OPEB Trust Fund. The Authority shall notify the Trustee of any such engagement or appointment. The Authority may provide written direction to the Trustee to authorize the Trustee to rely upon and comply with investment instructions from an Investment Advisor or investment manager designated by the Authority.
- 7.7 Notwithstanding any provision in this OPEB Trust Agreement to the contrary, assets of the OPEB Trust may be used to pay reasonable expenses of the OPEB Trust, as described in Sections 6.2(c) and 9.2 as otherwise certified by the Authority to the Trustee, to the extent not otherwise paid by the Authority.
- 7.8 At no time prior to termination of the OPEB Trust shall any part of the OPEB Trust Fund be used for or diverted to purposes other than that for the exclusive benefit of Participants and their Beneficiaries, as applicable, under the terms of the Plan, and for defraying the reasonable expenses of administering the OPEB Trust.

ARTICLE 8

ACCOUNTING

- 8.1 Trustee shall maintain accurate records and detailed accounts of all investments, receipts, disbursements, earnings, and other transactions related to the OPEB Trust, and those records shall be available at all reasonable times to the Authority. The Trustee shall provide to the Authority monthly reports with such information within five (5) business days after the end of each month and shall provide an annual report to the Authority, within five (5) business days after the end of the year. Trustee shall provide other mutually agreeable reports to the Authority at mutually agreeable times as requested.

- 8.2 The Authority may conduct an independent audit of the OPEB Trust Fund at least annually. The Authority may engage an independent auditor of its own choosing to assist in or conduct the audit. The Authority shall have the right at all reasonable times during the terms of the OPEB Trust and for three (3) years after the termination of the OPEB Trust to examine documents of Trustee relating to the OPEB Trust and Trustee's performance hereunder in accordance with the provisions of the OPEB Trust Agreement. The Trustee agrees to cooperate with the Authority and the auditor in connection with the audit.

ARTICLE 9

MISCELLANEOUS PROVISIONS

- 9.1 (a) Until advised to the contrary by the Authority, Trustee shall consider the OPEB Trust to be exempt from federal, state, local and foreign income taxes. However, if Trustee has reason to believe that such exemption does not or ceases to apply, Trustee shall notify the Authority of its belief, in writing within three (3) business days of receiving any notice of taxability or otherwise having reason to believe that tax exemption is not applicable. Trustee shall not be responsible for filing any federal, state, local or foreign tax.
- (b) Trustee shall promptly notify the Authority in writing of any taxes levied upon or assessed against the OPEB Trust. The Authority shall provide written instructions to the Trustee whether it intends to contest the tax assessment or whether to pay the tax.
- (c) The Trustee agrees to cooperate with the Authority in connection with the preparation and filing of any tax returns, contesting any tax assessment or any investigation or audit by any taxing authority.
- 9.2 The Authority may be reimbursed from the OPEB Trust for reasonable out-of-pocket expenses and other cash expenditures it incurs that are directly related to the administration of the OPEB Trust. All such expenses, including, without limitation, reasonable fees of accountants, actuaries and legal counsel to the extent not otherwise reimbursed, shall constitute a charge against and shall be paid from the OPEB Trust upon the written direction from the Authority.
- 9.3 Neither Trustee nor any affiliate thereof shall be required to give any bond or to qualify before, be appointed by, or account to any court of law in the exercise of its powers hereunder.
- 9.4 To the extent permitted by applicable law, neither Trustee nor the Authority shall be liable for any failure or delay in the performance of its obligations under this OPEB Trust Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including acts of God; earthquake; fires; floods; wars; civil or military disturbances; sabotage; epidemics; riots; and acts of civil or military authority or government actions.

- 9.5 If necessary in order to perform its responsibilities under this OPEB Trust Agreement, Trustee may enter into agreements and share information with its affiliates. Notwithstanding the foregoing, the Trustee shall keep information about the OPEB Trust confidential and shall assure that any affiliate which it shares information under this section shall maintain the confidentiality of this information.
- 9.6 Failure of either party to insist upon strict compliance with any of its conditions of this OPEB Trust Agreement shall not be construed as a waiver of any such conditions, but the same shall remain in full force and effect. No waiver of any provision of this OPEB Trust Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.
- 9.7 Unless the context clearly indicates to the contrary, a reference to a statute, regulation, accounting standard, document, or provision shall be construed as referring to any subsequently enacted, adopted, or re-designated statute, regulation, accounting standard or executed counterpart.

ARTICLE 10

AMENDMENT AND TERMINATION

- 10.1 The OPEB Trust Agreement may be amended at any time by written agreement signed by the Authority and Trustee, provided that such as amended shall not operate to violate any applicable law or regulation.
- 10.2 The Authority reserves the right to terminate the Plan or its participation in the Plan at any time in accordance with the terms of the Plan. The Authority shall notify Trustee in writing of the termination of the Plan or the Authority's termination of its participation in the Plan. Upon such termination, the applicable part of the OPEB Trust shall remain in existence until all of the Authority's Other Postemployment Benefits under the Plan are satisfied. Trustee is under no obligation to review written instructions from the Authority for compliance with the Plan. From the date of termination of the Plan or the Authority's participation in the Plan until the final distribution of the OPEB Trust Fund, Trustee shall continue to have all the powers provided under this OPEB Trust Agreement with respect to the assets of the Plan held in the OPEB Trust and shall continue to distribute and invest assets in accordance with written instructions from the Authority pursuant to the terms of this OPEB Trust Agreement.
- 10.3 Trustee may resign at any time after providing written notice to the Authority at least ninety (90) days in advance of the effective date of the resignation. The Authority may remove Trustee by delivery of written notice, to take effect at a date specified therein, which shall not be less than thirty (30) days after the delivery of such written notice to Trustee, unless Funding Vehicle provisions specify otherwise. Notwithstanding the foregoing, upon either resignation or removal, the Trustee shall continue to serve until its successor is appointed and has assumed the responsibilities of the Trustee hereunder and

until necessary changes or assignments in connection with Funding Vehicle provisions have been made.

- 10.4 Upon termination of the OPEB Trust, and after the satisfaction of outstanding liabilities under the Plan to provide benefits and pay reasonable expenses, the assets of the OPEB Trust shall not be returned to the Authority but instead shall solely be applied toward the provision of life, sickness, accident, medical, disability or similar welfare benefits through another trust, as the Authority appropriately directs in writing to the Trustee with the intent that all income on such assets be exempt from tax under Section 115 or other applicable section of the Code and exempt from all taxation by the State or any of its municipalities or subdivisions.

ARTICLE 11

SUCCESSOR TRUSTEE

- 11.1 Upon resignation or removal of Trustee, the Authority shall appoint a successor trustee and the Authority shall provide Trustee with written notice of such appointment. Trustee shall transfer the assets of the OPEB Trust to such successor, and shall otherwise reasonably cooperate with the successor trustee to ensure a smooth transition of the OPEB Trust Fund.

ARTICLE 12

LIMITED EFFECT OF PLAN AND OPEB TRUST

- 12.1 Subject to applicable law, neither the establishment of the Plan nor the OPEB Trust, nor any modification thereof, the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any person covered under the Plan or other person any legal or equitable right against Trustee or the Authority or any right to benefits under the Plan, except as may otherwise be expressly provided in the Plan or in this OPEB Trust Agreement.

ARTICLE 13

PROTECTIVE CLAUSE

- 13.1 Neither the Authority nor Trustee shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the Plan, or the failure on the part of the insurer or provider to make payments provided by such contract, or for the action of any person which may delay payment or render a contract void or unenforceable in whole or in part.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Authority and Trustee have executed this OPEB Trust Agreement by their respective duly authorized officers, as of the date first hereinabove mentioned. This OPEB Trust Agreement may be signed in one or more counterparts which when taken together shall constitute one OPEB Trust Agreement.

**NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY,
as Authority:**

**ZIONS BANCORPORATION,
NATIONAL ASSOCIATION,
as Trustee:**

Name: Eric D. Brophy, Esq.
Title: Executive Director

Name:
Title:

Date: _____

Date: _____

WITNESS:

WITNESS:

Name:
Title:

Name:
Title:

Date: _____

Date: _____

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
2020 BUDGET VARIANCE ANALYSIS
FOR THE MONTH ENDED JANUARY 31, 2020**

EXECUTIVE SUMMARY

Net Operating Income

The NJEFA concluded January with a month-to-date net operating income in the amount of \$24,674 based on year to date revenues of \$227,421 and expenses of \$202,747.

Revenues

Month-to-date revenues were \$17,074 more than projected due to higher investment income than was budgeted.

Expenses

Operating expenditures for the first month of the year were under budget by \$64,872 primarily due to timing of expenditures.

Exhibits

<u>Report</u>	<u>Page</u>
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Operating Account – Vendor Payments	2
Summary of Construction Funds	3

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ACTUAL vs. BUDGET REPORT
JANUARY 2020

	Month Ended January 31, 2020		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Operating Revenues</u>			
Annual Administrative Fees	\$ 197,851	\$ 197,847	\$ 4
Initial Fees	-	-	-
Investment Income	29,570	12,500	17,070
	<u>\$ 227,421</u>	<u>\$ 210,347</u>	<u>\$ 17,074</u>
<u>Operating Expenses</u>			
Salaries	\$ 106,008	\$ 120,030	\$ 14,022
Employee Benefits	41,083	65,014	23,931
Provision for Post Ret. Health Benefits	10,417	10,413	(4)
Office of The Governor	2,083	2,087	4
Office of The Attorney General	6,250	6,250	-
Sponsored Programs & Meetings	185	987	802
Telecom & Data	377	3,300	2,923
Rent	16,445	16,663	218
Utilities	2,131	2,337	206
Office Supplies & Postage Expense	619	2,250	1,631
Travel & Expense Reimbursement	-	1,163	1,163
Staff Training & Conferences	-	2,587	2,587
Insurance	4,272	5,500	1,228
Publications & Public Relations	-	1,750	1,750
Professional Services	7,791	17,150	9,359
Dues & Subscriptions	2,077	5,788	3,711
Maintenance Expense	1,062	1,437	375
Depreciation	1,947	2,913	966
Contingency	-	-	-
	<u>202,747</u>	<u>267,619</u>	<u>64,872</u>
Net Operating Income	<u>\$ 24,674</u>	<u>\$ (57,272)</u>	<u>\$ 81,946</u>

NJEFA
Vendor Payments
January 2020

4:40 PM

Type	Date	Num	Name	Memo	Account	Accrual Basis Amount
Bill Pmt -Check	01/02/2020	1166	100 & RW CRA, LLC	006629	Accounts Payable	22,371.67
Bill Pmt -Check	01/02/2020	1167	Accuity	INV-00046520	Accounts Payable	750.00
Bill Pmt -Check	01/02/2020	1168	Clark, Rebecca	1262019 Fall 2019 Reimb	Accounts Payable	7,683.45
Bill Pmt -Check	01/02/2020	1169	Creative Source, Inc	11-544	Accounts Payable	12,100.00
Bill Pmt -Check	01/02/2020	1170	Dell Marketing L.P.	10364244660, 10364228240	Accounts Payable	1,967.98
Bill Pmt -Check	01/02/2020	1171	Jersey Printing	29595 Annual Report	Accounts Payable	1,695.00
Bill Pmt -Check	01/02/2020	1172	NJ OIT Fiscal Services	2019November	Accounts Payable	1,221.67
Bill Pmt -Check	01/02/2020	1173	Panera Bread	607011330135, 607011329384	Accounts Payable	177.12
Bill Pmt -Check	01/02/2020	1174	PFM Asset Management LLC	SMA-M1119-14140D	Accounts Payable	732.64
Bill Pmt -Check	01/02/2020	1175	Polar Inc.	067468	Accounts Payable	95.00
Bill Pmt -Check	01/02/2020	1176	Refinitive Global Markets Inc.	97244702	Accounts Payable	787.00
Bill Pmt -Check	01/02/2020	1177	TGI Office Automation	INV2158318 Rear Copier	Accounts Payable	659.65
Bill Pmt -Check	01/02/2020	1178	Treasurer, State of New Jersey - Pinnacle	11302019	Accounts Payable	1,192.13
Bill Pmt -Check	01/02/2020	1179	UPS	2Y687X519	Accounts Payable	11.74
Bill Pmt -Check	01/02/2020	1180	Vencius, Gary D.	Employee Reimbursement	Accounts Payable	309.24
Bill Pmt -Check	01/07/2020	EFT	BMO Financial Group	Crash Plan December	Accounts Payable	9.99
Bill Pmt -Check	01/10/2020	EFT	NJSHBP	01/20 Covg	Accounts Payable	20,902.32
Bill Pmt -Check	01/10/2020	EFT	NJSHBP	01/20 Covg	Accounts Payable	3,049.89
Bill Pmt -Check	01/14/2020	1181	DocuSafe	126852	Accounts Payable	173.92
Bill Pmt -Check	01/14/2020	1182	Government News Network	86152-G	Accounts Payable	340.00
Bill Pmt -Check	01/14/2020	1183	Penn Medicine	5119	Accounts Payable	98.00
Bill Pmt -Check	01/14/2020	1184	Polar Inc.	075349, 076660	Accounts Payable	136.70
Bill Pmt -Check	01/14/2020	1185	Politifax	7760 2/12/20-2/3/21	Accounts Payable	419.00
Bill Pmt -Check	01/14/2020	1186	Rider University	1322 Spring 2020 Career Fair	Accounts Payable	85.00
Bill Pmt -Check	01/14/2020	1187	The College of New Jersey (Bills)	Inv 1056, 2020 Spring Career Fair	Accounts Payable	100.00
Bill Pmt -Check	01/14/2020	1188	Verizon Wireless	9845436579	Accounts Payable	322.21
Bill Pmt -Check	01/14/2020	1189	W.B. Mason Company, Inc.	IS1061289	Accounts Payable	487.27
Bill Pmt -Check	01/24/2020	1190	100 & RW CRA, LLC	006800, 006744	Accounts Payable	22,399.17
Bill Pmt -Check	01/24/2020	1191	Action Without Borders (Idealist)	Inv #2745387 Employment Ad	Accounts Payable	95.00
Bill Pmt -Check	01/24/2020	1192	B&H Photo-Video	167098671	Accounts Payable	299.97
Bill Pmt -Check	01/24/2020	1193	Comcast	010720	Accounts Payable	88.40
Bill Pmt -Check	01/24/2020	1194	Crown Trophy	21130	Accounts Payable	60.00
Bill Pmt -Check	01/24/2020	1195	NJ Economic Development Authority	2020 Jan, 2020 Feb	Accounts Payable	2,909.80
Bill Pmt -Check	01/24/2020	1196	NJ OIT Fiscal Services	2019December	Accounts Payable	1,269.76
Bill Pmt -Check	01/24/2020	1197	PFM Asset Management LLC	SMA-M1219-14690D	Accounts Payable	757.24
Bill Pmt -Check	01/24/2020	1198	Treasurer, State of New Jersey - Pinnacle	12312019	Accounts Payable	1,196.23
Bill Pmt -Check	01/24/2020	1199	Yang, Ellen	01142020 Expense Reimb.	Accounts Payable	218.36
107,172.52						

New Jersey Educational Facilities Authority
Summary of Construction Funds
As of January 31, 2020

<u>Institution</u>	<u>Issue</u>	<u>Description</u>	<u>Bond Proceeds</u>	<u>Net Disbursed</u>	<u>Balance</u>	<u>% Complete</u>
<u>Private</u>						
Stevens Institute of Technology	2017 Series A	Various Renov & Improvements, Refund 1998 I, 2007 A	\$ 76,911,558.14	\$ (67,181,662.84)	\$ 9,729,895.30	87%
Rider University	2017 Series F	Academic & Residential Facilities, Science & Technology Bldg	44,228,160.45	(27,714,519.96)	16,513,640.49	63%
Georgian Court University	2017 Series G&H	Various Capital Improvements & Renovations, Refund 07 D, H	7,874,383.16	(138,552.68)	7,735,830.48	2%
Sub Total			\$ 129,014,101.75	\$ (95,034,735.48)	\$ 33,979,366.27	
<u>Public</u>						
New Jersey City University	Series 2015 A	Various Renovations & Improv, Refund 02 A, 08 E	37,869,656.10	(35,181,037.73)	2,688,618.37	93%
Ramapo College of New Jersey	Series 2017 A	Refund 06 I, Renov Library, Learning Center	11,278,830.75	(839,112.01)	10,439,718.74	7%
Sub Total			\$ 49,148,486.85	\$ (36,020,149.74)	\$ 13,128,337.11	
<u>Other Programs</u>						
Equipment Leasing Fund	Series 2014 A&B	Acquisition and Installation of Equipment	\$ 101,266,893.00	\$ (95,944,965.21)	\$ 5,321,927.79	95%
Technology Infrastructure Fund	Series 2014	Development of Technology Infrastructure	41,313,667.00	(38,927,885.95)	2,385,781.05	94%
Capital Improvement Fund	Series 2014 A-D	Capital Improvements	191,905,596.00	(186,334,706.29)	5,570,889.71	97%
Facilities Trust Fund	Series 2014	Construct, Reconstruct, Develop & Improve Facilities	219,977,164.00	(203,746,757.26)	16,230,406.74	93%
Capital Improvement Fund	Series 2016 B	Capital Improvements	146,700,261.19	(131,760,249.55)	14,940,011.64	90%
Sub Total			\$ 701,163,581.19	\$ (656,714,564.26)	\$ 44,449,016.93	
Grand Total			\$ 879,326,169.79	\$ (787,769,449.48)	\$ 91,556,720.31	

* This issue has reached a completion rate of 95% or higher and will not appear on future reports.