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Eric D. Brophy, Esq.
Executive Director

**MINUTES OF THE MEETING OF THE
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
HELD REMOTELY ON TUESDAY, MAY 25, 2021
ANNUAL MEETING**

The meeting was called to order at 10:00 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 email on January 15, 2021, 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 and on the Authority's website. 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 Ryan Feeney)
Brian Bridges, Secretary of Higher Education

AUTHORITY MEMBERS ABSENT:

None

STAFF PRESENT:

Eric D. Brophy, Executive Director
Sheryl A. Stitt, Deputy Executive Director
Steven Nelson, Director of Project Management
Brian Sootkoos, Director of Finance-Controller
Ellen Yang, Director of Compliance Management
John Zachary Barby, Communications/IT Coordinator

Rebecca Clark, Associate Project Manager
Matthew Curtis, Information Technology Manager
Edward DiFiglia, Public Information Officer
Linda Hazley, Office Manager/Document Specialist
Carl MacDonald, Project Manager
Kristen Middleton, Assistant Controller
Jamie O'Donnell, Senior Communications Manager
Sheila Toles, Human Resources Manager
Gary Vencius, Accounting Manager

ALSO PRESENT:

George Loeser, Esq., Deputy Attorney General
Janice Venables, Esq., Governor's Authorities Unit
John Cavaliere, Esq., McManiman, Scotland & Baumann, Bond Counsel
Marie Suozzo, Esq., Boyar Suozzo, counsel to Saint Elizabeth's University
Robert English, Willis of New Jersey, Inc.

ITEMS OF DISCUSSION

1. Election of Officers for the Annual Term as Specified in the Authority's By-Laws

Mr. Hodes requested the Members' nominations for Chair and officers for the period ending May 24, 2022.

Secretary Bridges moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY ELECTING OFFICERS FOR THE
ANNUAL TERM AS SPECIFIED IN THE AUTHORITY'S BY-
LAWS

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

The nominations and elected officers are indicated on the adopted resolution appended as Exhibit I.

2. Approval of the Minutes of the Meeting of April 27, 2021

The minutes of the meeting of April 27, 2021 were delivered electronically and via United Parcel Service to Governor Philip Murphy under the date of April 28, 2021. A technical amendment was made to correct a typographical error. Mr. Hodes moved the minutes requesting that it be approved, with the

technical amendment, as presented; the motion was seconded by Mr. Rodriguez and passed unanimously.

3. Executive Director's Report

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

Mr. Brophy introduced Janice Venables, the Authority's new representative from the Governor's Authorities Unit.

Mr. Brophy reported that the Authority had selected a summer extern. He reported that Robert Corcoran's externship would officially begin on June 1st and that staff expected the scope of his duties to expand across all Authority divisions.

Mr. Brophy reported on staff's continuation of training opportunities. He reported that executive management continued to assess additional online training opportunities for directors and staff at the management level. Mr. Brophy also reported that the State Health Benefits Program for the State's new Benefitsolver administration website is scheduled to go live on June 1, 2021 and that HR is training for onboarding of the new program.

Mr. Brophy reported on the status of the State Library grant program. Mr. Brophy reported that the second round of grants were underway and that the application window had opened on May 10, 2021 and would close at 4pm on June 4, 2021.

Mr. Brophy reported that the May agenda included retroactive approval of a Memorandum of Understanding with the Office of the Secretary of Higher Education (OSHE) to support and provide administrative services on the Securing Our Children's Future grant program.

Mr. Brophy notified the board that staff expected to bring a suggested bylaw amendment to the Members for consideration at the June meeting.

Mr. Brophy reported on the Authority's Communications Division. He reported that an Authority-sponsored webinar with a target date of July 2021 is planned.

4. Resolution of the New Jersey Educational Facilities Authority Authorizing the Consent to Certain Parity Liens for the Benefit of Saint Elizabeth University

Mr. Nelson reported that Authority staff sought approval of a resolution in connection with the \$21.435 million Saint Elizabeth University, 2016 Series

D bond issue. He reported that the University currently had an expiring \$4 million line of credit with PNC Bank, which was being restructured into a \$2 million term loan and a \$2 million line of credit which could be increased in an amount up to \$5.5 million in the future. Mr. Nelson explained that to replace the expiring line of credit with the new term loan and new line of credit, the University advised that PNC required that both the term loan and line of credit be secured by a lien on the revenues of the University, as with the 2016 Series D bonds. He explained that the trust indenture and the loan agreement of the 2016 Series D bonds would permit, with the consent of the Authority, the University to incur certain indebtedness secured on a parity with the University's obligations under the loan agreement and as such, the University requested the Authority's consent to the term loan and line of credit being on parity with the 2016 Series D pledged revenues.

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

RESOLUTION AUTHORIZING THE CONSENT OF
THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY TO CERTAIN PARITY LIENS FOR THE
BENEFIT OF SAINT ELIZABETH UNIVERSITY

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

The adopted resolution is appended as Exhibit II.

5. **Resolution of the New Jersey Educational Facilities Authority Authorizing the Execution and Delivery of a Second Supplemental Indenture of Trust in Connection with the Authority's Revenue Refunding Bonds, Institute for Advanced Study Issue, 2006 Series B and Revenue Bonds, Institute for Advanced Study Issue, 2006 Series C and Determining Other Matters in Connection Therewith**

Mr. Sootkoos reported that on July 19, 2006, the Authority issued revenue refunding bonds, 2006 Series B and on March 15, 2007 issued revenue bonds, 2006 Series C on behalf of the Institute for Advanced Study. He reported that subsequently, in 2011, the Institute made a deposit into its trust's rebate account as a result of positive arbitrage due on the 2006 Series C bonds. Mr. Sootkoos reported that based upon the passage of time and change in market interest rates there had been no arbitrage due on the 2006 Series C bonds and there were no further proceeds outside of the rebate deposit made in 2011 for arbitrage calculation purposes.

Mr. Sootkoos reported that as a result, the Authority sought to reimburse the Institute for the funds currently in the rebate account and to file a final arbitrage report with the Internal Revenue Service (IRS) and that a second

supplemental indenture of trust clarifying Section 6.4 of the original indenture relating to the rebate fund needed to be executed.

Mr. Sootkoos explained that the resolution would approve and authorize the execution of a second supplemental trust indenture to allow reimbursement of the rebate deposit to the Institute which would allow the finalization of arbitrage calculations with the IRS.

John Cavaliere, Esq. of McManimon, Scotland & Baumann described the resolution for the Members' consideration.

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

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND SUPPLEMENTAL INDENTURE OF TRUST IN CONNECTION WITH THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY'S REVENUE REFUNDING BONDS, INSTITUTE FOR ADVANCED STUDY ISSUE, SERIES 2006 SERIES B AND REVENUE BONDS, INSTITUTE FOR ADVANCED STUDY ISSUE, 2006 SERIES C, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH

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

The adopted resolution is appended as Exhibit III.

6. **Resolution of the New Jersey Educational Facilities Authority Ratifying the Execution of a Memorandum of Understanding By and Between the Office of the Secretary of Higher Education and the Authority Relating to the Securing Our Children's Future Bond Act**

Mr. Brophy reported that under the Securing Our Children's Future Bond Act, the State expected to issue bonds in the aggregate principal amount of \$500 million to fund capital project grants for county vocational school districts and county colleges, for school security upgrades, and for school district water infrastructure improvement projects. He reported that \$50 million of the total Securing Our Children's Future Bond funds would be used to fund county college career and technical education grants through the Office of the Secretary of Higher Education (OSHE).

Mr. Brophy explained that OSHE wished to partner with the Authority to benefit from the Authority's experience and expertise in fulfilling certain obligations under the bond act with respect to the county college grants and that the resolution would approve and ratify the execution of a Memorandum of Understanding between the Authority and OSHE.

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

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY RATIFYING THE
EXECUTION OF A MEMORANDUM OF
UNDERSTANDING BY AND BETWEEN THE OFFICE
OF THE SECRETARY OF HIGHER EDUCATION AND
THE AUTHORITY RELATING TO THE SECURING
OUR CHILDREN'S FUTURE BOND ACT

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

The adopted resolution is appended as Exhibit IV.

7. **Resolution of the New Jersey Educational Facilities Authority for the Adoption of the Annual Notice of Meetings**

In compliance with the Open Public Meetings Law, Chair Hodes requested the Members' approval of the annual notice of meetings for the period June 22, 2021 through May 24, 2022. In accordance with the By-laws of the Authority, the meeting dates are generally the fourth Tuesday of the month and are scheduled to begin at 10:00 a.m. The meetings will be conducted via Zoom until further notice. Chair Hodes advised that in the event there are changes in the time or date, the Members would receive a formal notice and that the notices would also be posted on the Authority's website and published in *The Star Ledger* and the *Times of Trenton*.

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

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY FOR THE ADOPTION OF
THE ANNUAL NOTICE OF MEETINGS

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

The adopted resolution is appended as Exhibit V.

8. **Resolution of the New Jersey Educational Facilities Authority Appointing Members to the Evaluation Committee**

Mr. Brophy reported that the Authority's By-laws provide that the Evaluation Committee consists of three members of the Authority who are elected at the annual meeting and that members of the Evaluation Committee must meet the same standards of independence as Audit Committee members, which is set forth in Executive Order No. 122. He reported that based on their

availability, willingness to serve and meeting the criteria, the resolution recommended the appointment of the State Treasurer (or her designee), Ridgeley Hutchinson and Louis Rodriguez to serve on the Evaluation Committee and requested the Members' approval.

Secretary Bridges moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY APPOINTING MEMBERS TO
THE EVALUATION COMMITTEE

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

The adopted resolution is appended as Exhibit VI.

9. **Resolution of the New Jersey Educational Facilities Authority
Appointing Members to the Audit Committee**

Mr. Brophy reported that the Authority's By-laws provide that the Audit Committee shall consist of three members, the State Treasurer, the Authority's Treasurer and a member of the Authority with significant financial experience. He explained that since the State Treasurer and the Authority's Treasurer are one in the same person, the By-laws require the Chair to seek an additional nomination from the State Treasurer to the Committee so that there will be three members. Mr. Brophy reported that through the Chair, the Authority would seek a nomination from the State Treasurer and a resolution acknowledging and accepting the Treasurer's designation of a third representative to the Audit Committee would be presented to the Members at the June meeting.

Mr. Brophy reported that based on availability, willingness to serve and background, the resolution recommended the appointment of Ridgeley Hutchinson to serve as a member with significant financial experience in accordance with Executive Order No. 122.

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

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY APPOINTING MEMBERS TO
THE AUDIT COMMITTEE

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

The adopted resolution is appended as Exhibit VII.

10. Resolution of the New Jersey Educational Facilities Authority Authorizing Procurement of Insurance Coverage

Mr. Sootkoos reported that Willis of New Jersey served as the Authority's Insurance Broker pursuant to a resolution adopted by the Members on May 28, 2019 and that Willis had been authorized to be the Authority's insurance broker for a term of three years from July 1, 2019 to June 30, 2022 with two optional one-year renewals.

Mr. Sootkoos reported that the Authority's insurance for General Liability and Directors and Officers liability coverage was up for renewal on July 1, 2021 and that Willis had recommended which insurance carriers should be considered for selection for the current annual renewal, for the period July 1, 2021 to July 1, 2022.

Mr. Sootkoos reported that staff had determined that it was in the Authority's best interest to accept Willis' recommended insurance carriers and the respective proposed renewal premiums. He reported that liability insurance limits were proposed at the same levels as last year, while due to market conditions and increased premiums the excess directors and officer's coverage was reduced from \$7,000,000 to \$3,000,000 providing total D&O coverage of \$10,000,000 down from \$14,000,000 in prior years. Mr. Sootkoos reported that due to the changes in coverage limits and changes in market conditions, proposed renewal premiums had decreased year over year by approximately \$4,000.

Robert English, Senior Vice President of Willis of New Jersey described the term sheets and responded to questions from the Members.

Secretary Bridges moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY AUTHORIZING
PROCUREMENT OF INSURANCE COVERAGE

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

The adopted resolution is appended as Exhibit VIII.

11. 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 April 30, 2021.

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

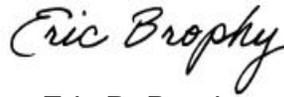
The reports are appended as Exhibit IX.

12. Next Meeting Date

Mr. Hodes reminded everyone that the next meeting was scheduled for Tuesday, June 22nd at 10:00 a.m. and requested a motion to adjourn.

Mr. Hutchinson moved that the meeting be adjourned at 10:40 a.m. The motion was seconded by Secretary Bridges and passed unanimously.

Respectfully submitted,

A handwritten signature in cursive script that reads "Eric Brophy".

Eric D. Brophy
Secretary

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ELECTING OFFICERS FOR THE ANNUAL TERM AS SPECIFIED IN THE
AUTHORITY’S BY-LAWS**

Adopted: May 25, 2021

WHEREAS, Article III, Section 1 of the By-Laws (the “By-Laws”) of the New Jersey Educational Facilities Authority (the “Authority”) provide for the annual election by the Authority of a Chair, Vice-Chair, Treasurer, Secretary, Assistant Secretaries and other Officers; and

WHEREAS, the nominations for the Officers were as follows:

Mr. Hutchinson	Nominated	Joshua Hodes as Chair
Mr. Hodes	Nominated	Mr. Hutchinson as Vice-Chair
Mr. Rodriguez	Nominated	Elizabeth Maher Muoio as Treasurer
Mr. Hodes	Nominated	Eric D. Brophy as Secretary
Mr. Hutchinson	Nominated	Sheryl A. Stitt as Assistant Secretary
Mr. Hutchinson	Nominated	Steven P. Nelson as Assistant Secretary
Mr. Hutchinson	Nominated	Ellen L. Yang as Assistant Secretary
Mr. Rodriguez	Nominated	Brian Sootkoos as Assistant Treasurer

NOW, THEREFORE, BE IT RESOLVED, that the Authority elects the following individuals to serve in the capacities of Chair, Vice-Chair, Treasurer, Secretary, Assistant Treasurer and Assistant Secretaries for the annual term as specified in the Authority’s By-Laws:

Joshua Hodes - Chair	Sheryl A. Stitt – Assistant Secretary
Ridgeley Hutchinson - Vice-Chair	Steven P. Nelson - Assistant Secretary
Elizabeth Maher Muoio - Treasurer	Ellen L. Yang - Assistant Secretary
Eric D. Brophy - Secretary	Brian Sootkoos - Assistant Treasurer

SECTION 1. In the event that the Election of Officers is not held prior to the Authority’s next Annual Meeting on or about May 24, 2022, the Officers shall continue to serve in such capacity until their successors are elected.

SECTION 2. This resolution shall take effect in accordance with the Act.

____ Secretary Bridges ____ 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
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: None

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

**RESOLUTION AUTHORIZING THE CONSENT OF THE NEW JERSEY
EDUCATIONAL FACILITIES AUTHORITY TO CERTAIN PARITY
LIENS FOR THE BENEFIT OF SAINT ELIZABETH UNIVERSITY**

May 25, 2021

WHEREAS, the New Jersey Educational Facilities Authority (the “Authority”) 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”); and

WHEREAS, the Authority has heretofore issued its \$21,435,000 Revenue Bonds, The College of Saint Elizabeth Issue, 2016 Series D (the “Bonds”) on behalf of The College of Saint Elizabeth, now known as Saint Elizabeth University (the “University”); and

WHEREAS, the Bonds were issued under the terms and provisions of a bond resolution of the Authority adopted on August 4, 2016 and a Trust Indenture dated as of October 1, 2016 (the “Indenture”) by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, the proceeds of the Bonds were loaned to the University pursuant to a Loan Agreement dated as of October 1, 2016 by and between the Authority and the University (the “Loan Agreement”); and

WHEREAS, the Bonds are secured, *inter alia*, by (a) a Mortgage and Security Agreement dated October 13, 2016 by and between the University and the Authority (the “Bond Mortgage”), which Bond Mortgage has been assigned by the Authority to the Trustee, and (b) the revenues of the University (the “Bond Pledged Revenues Lien”); and

WHEREAS, the Indenture and the Loan Agreement provide that, with the Authority’s consent, the University may incur certain indebtedness secured on a parity with the University’s obligations under the Loan Agreement; and

WHEREAS, the University has advised the Authority that it seeks to obtain from PNC Bank, National Association (“PNC”) a \$2,000,000 term loan (the “Term Loan”) and a \$2,000,000 line of credit, which may in the future be increased to up to \$5,500,000 (including any replacement line of credit from another lender, the “Line”); and

WHEREAS, the University has further advised the Authority that as a condition thereto, PNC requires that the (a) Term Loan be secured by a lien on the revenues of the University (the “Term Loan Lien”) and (b) Line be secured by a lien on the revenues of the University (the “Line Lien”); and

WHEREAS, the University has requested that the Authority consent to the (a) Term Loan Lien to be on a parity with the Bond Pledged Revenues Lien and (b) the Line Lien to be on a parity with the Bond Pledged Revenues Lien; and

WHEREAS, the Authority deems it necessary and in keeping with its purposes to assist the University by consenting to the foregoing and authorizing certain actions and the execution and delivery of certain documents in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUTHORITY, AS FOLLOWS:

Section 1. The Authority hereby authorizes the Chair, Vice Chair, Executive Director, Deputy Executive Director, Director of Project Management, Director of Compliance Management, Secretary, Treasurer or any Assistant Secretary or any Assistant Treasurer and any other person authorized by resolution of the Authority, and any of such officers designated by resolution as “acting” or “interim” (each, an “Authorized Officer”), to execute a consent to the (a) Term Loan Lien to be on a parity with the Bond Pledged Revenues Lien and (b) Line Lien to be on a parity with the Bond Pledged Revenues Lien (the “Lien Approval”).

Section 2. The Authority hereby authorizes the Trustee to enter into an intercreditor agreement consistent with the terms of this resolution (the “Intercreditor Agreement”), the Loan Agreement and the Indenture, in form and substance approved by an Authorized Officer with the advice of bond counsel to the Authority (“Bond Counsel”) and the Attorney General of the State.

Section 3. The Lien Approval is subject to the delivery to the Authority of (a) an opinion of Bond Counsel to the effect that the Lien Approval and execution, delivery and performance of the Intercreditor Agreement (i) are authorized under the documents executed in connection with the issuance of the Bonds and (ii) will not, in and of themselves, (A) give rise to a reissuance of the Bonds so as to cause the Bonds to lose their tax-exempt status or (B) adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended and (b) such certificates and documents as an Authorized Officer deems necessary or proper for the purposes of the Lien Approval. Should the Line be increased from \$2,000,000 at any time in the future, the Lien Approval shall be contingent upon compliance by the University with the provisions of Section 5.8 of the Loan Agreement.

Section 4. The Authorized Officers are hereby authorized to execute, acknowledge and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution.

Section 5. In case any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution, and this resolution shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Section 6. All prior resolutions of the Authority or portions thereof that are inconsistent herewith are hereby repealed.

Section 7. This resolution shall take effect in accordance with the Act.

_____ Mr. Feeney _____ 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
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: None

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

**CONSENT OF
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
TO PARITY LIENS**

[_____], 2021

WHEREAS, the New Jersey Educational Facilities Authority (the “Authority”) has heretofore issued its \$21,435,000 Revenue Bonds, The College of Saint Elizabeth Issue, 2016 Series D (the “Bonds”) on behalf of The College of Saint Elizabeth, now known as Saint Elizabeth University (the “University”); and

WHEREAS, the Bonds were issued under the terms and provisions of a bond resolution of the Authority adopted on August 4, 2016 and a Trust Indenture dated as of October 1, 2016 (the “Indenture”) by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, the proceeds of the Bonds were loaned to the University pursuant to a Loan Agreement dated as of October 1, 2016 by and between the Authority and the University (the “Loan Agreement”); and

WHEREAS, the Bonds are secured, *inter alia*, by (a) a Mortgage and Security Agreement dated October 13, 2016 by and between the University and the Authority (the “Bond Mortgage”), which Bond Mortgage has been assigned by the Authority to the Trustee, and (b) the revenues of the University (the “Bond Pledged Revenues Lien”); and

WHEREAS, the Indenture and the Loan Agreement provide that, with the Authority’s consent, the University may incur certain indebtedness secured on a parity with the University’s obligations under the Loan Agreement; and

WHEREAS, the University has advised the Authority that it seeks to obtain from PNC Bank, National Association (“PNC”) a \$2,000,000 term loan (the “Term Loan”) and a \$2,000,000 line of credit, which may in the future be increased to up to \$5,500,000 (including any replacement line of credit from another lender, the “Line”); and

WHEREAS, the University has further advised the Authority that as a condition thereto, PNC requires that the (a) Term Loan be secured by a lien on the revenues of the University (the “Term Loan Lien”) and (b) Line be secured by a lien on the revenues of the University (the “Line Lien”); and

WHEREAS, the University has requested that the Authority consent to the (a) Term Loan Lien to be on a parity with the Bond Pledged Revenues Lien and (b) the Line Lien to be on a parity with the Bond Pledged Revenues Lien; and

WHEREAS, on May 25, 2021, the Authority has adopted a resolution authorizing this consent in connection with the foregoing.

NOW, THEREFORE, THE AUTHORITY AGREES AS FOLLOWS:

1. The Authority hereby consents to the (a) Term Loan Lien to be on a parity with the Bond Pledged Revenues Lien and (b) Line Lien to be on a parity with the Bond Pledged Revenues Lien (the "Lien Approval"), provided that the amount of the Line does not exceed \$5,500,000.

2. In the event the Line is increased from \$2,000,000 at any time in the future, the Lien Approval is contingent upon the University through a management certificate or other similar evidence demonstrating compliance by the University with Section 5.8 of the Loan Agreement to the reasonable satisfaction of the Authority.

{SIGNATURE PAGE FOLLOWS}

New Jersey Educational Facilities Authority

By: _____
Eric D. Brophy, Esq.
Executive Director

{Signature Page to Consent to Parity Liens}

[_____] , 2021

New Jersey Educational Facilities Authority
Princeton, New Jersey

U.S. Bank National Association
Edison, New Jersey

Saint Elizabeth University
Morristown, New Jersey

PNC Bank, National Association
[_____]

Re: \$21,435,000 original principal amount New Jersey Educational Facilities Authority Revenue Bonds, College of Saint Elizabeth Issue, 2016 Series D (the “Bonds”)

Ladies and Gentlemen:

We have acted as bond counsel to the New Jersey Educational Facilities Authority (the “Authority”), a public body corporate and politic created 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”), in connection with the issuance of the Bonds. The Bonds were issued pursuant to a bond resolution of the Authority adopted on August 4, 2016 and a Trust Indenture dated as of October 1, 2016 (the “Indenture”) by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”). The proceeds of the Bonds were loaned to Saint Elizabeth University, formerly known as the College of Saint Elizabeth (the “University”), in accordance with a Loan Agreement dated as of October 1, 2016 by and between the Authority and the University (the “Loan Agreement”).

The Bonds are secured, *inter alia*, by (a) a Mortgage and Security Agreement dated October 13, 2016 by and between the University and the Authority (the “Bond Mortgage”), which Bond Mortgage has been assigned by the Authority to the Trustee, and (b) the revenues of the University (the “Bond Pledged Revenues Lien”).

We have been advised that the University seeks to obtain from PNC Bank, National Association (“PNC”) a \$2,000,000 term loan (the “Term Loan”) and a \$2,000,000 line of credit (including any replacement line of credit from another lender, the “Line”). We have also been advised that as a condition thereto, PNC requires that the (a) Term Loan be secured by a lien on the revenues of the University (the “Term Loan Lien”) and (b) Line be secured by a lien on the revenues of the University (the “Line Lien”). We have been further advised that the University has requested that the Authority consent to the (a) Term Loan Lien to be on a parity with the Bond Pledged Revenues Lien and (b) the Line Lien to be on a parity with the Bond Pledged Revenues Lien (the “Lien Approval”).

On May 25, 2021, the Authority adopted a resolution (the “Consent Resolution”) authorizing, *inter alia*, the (a) Lien Approval and (b) Trustee to enter into an intercreditor

agreement consistent with the terms of the Consent Resolution (the “Intercreditor Agreement”). We have been asked to render the opinion of bond counsel required by the Consent Resolution.

As the basis for the opinions set forth below, we have examined such matters of law, including the Act, and such documents, including the Bonds, the Indenture, the Loan Agreement, the Mortgage, the Consent Resolution, the Intercreditor Agreement, the other documents executed and delivered in connection with the issuance of the Bonds, and such other matters as we have considered necessary in order to enable us to express the opinions hereinafter set forth. As to matters of fact, we have relied upon the representations of the Authority and the University. Further, in expressing such opinions, we have relied upon the genuineness, truthfulness and completeness of the documents and certificates referred to above.

Based upon and subject to the foregoing, it is our opinion that the Lien Approval and execution, delivery and performance of the Intercreditor Agreement (a) are authorized under the documents executed in connection with the issuance of the Bonds and (b) will not, in and of themselves, (i) give rise to a reissuance of the Bonds so as to cause the Bonds to lose their tax-exempt status or (ii) adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”).

We express no opinions regarding other tax consequences arising with respect to the Bonds except those set forth above.

The opinions expressed herein are limited to the laws of the State of New Jersey, exclusive of conflict of law provisions, and the laws of the United States.

In rendering the opinions expressed above, we have assumed continuing compliance with the covenants in the documents executed in connection with the issuance of the Bonds pertaining to the Code that affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. In the event that such representations are determined to be inaccurate or incomplete or the Authority or the Borrower fails to comply with such covenants, interest on the Bonds could be includable in gross income for federal income tax purposes from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

The opinions expressed herein are based upon the laws and judicial decisions of the State of New Jersey and the United States as of the date hereof and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinions, or laws or judicial decisions hereafter enacted or rendered. Our engagement as bond counsel with respect to the opinions expressed herein does not require, and shall not be construed to constitute, a continuing obligation on our part to notify or otherwise inform the addressee hereof of the amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for this opinion letter or of the laws or judicial decisions hereafter enacted or rendered which impact on this opinion letter.

Our opinions are limited to the date hereof and we do not undertake to advise you of any facts or circumstances occurring or coming to our attention subsequent to the date hereof.

This opinion letter may be relied upon only by you and may not, without our prior written consent, be distributed to, relied upon in any manner, or used by any other person, except as required by law.

Notwithstanding anything to the contrary contained herein, the undersigned acknowledges that this opinion letter is a government record subject to release under the Open Public Records Act (N.J.S.A. 47:1A-1 *et seq.*).

Very truly yours,

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND SUPPLEMENTAL INDENTURE OF TRUST IN CONNECTION WITH THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY'S REVENUE REFUNDING BONDS, INSTITUTE FOR ADVANCED STUDY ISSUE, SERIES 2006 SERIES B AND REVENUE BONDS, INSTITUTE FOR ADVANCED STUDY ISSUE, 2006 SERIES C, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH

ADOPTED: MAY 25, 2021

WHEREAS, the New Jersey Educational Facilities Authority (the "*Authority*") is a body corporate and politic with corporate succession, constituting a political subdivision of the State of New Jersey (the "*State*"), created and established by the New Jersey Educational Facilities Authority Law, being Chapter 72A of Title 18A of the New Jersey Statutes as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "*Act*"); and

WHEREAS, Institute for Advanced Study – Louis Bamberger and Mrs. Felix Fuld Foundation (the "*Institute*") is a non-profit educational corporation organized and existing under the laws of the State, constituting a private college as defined in the Act; and

WHEREAS, the Act provides that the Authority shall have the power to make loans and issue its bonds and to provide for the rights of the holders of its bonds; and

WHEREAS, on July 19, 2006, the Authority issued its New Jersey Educational Facilities Authority Revenue Refunding Bonds, Institute for Advanced Study Issue, 2006 Series B and on March 15, 2007, the Authority issued its New Jersey Educational Facilities Authority Revenue Bonds, Institute for Advanced Study Issue, 2006 Series C (collectively, the "*Bonds*"); and

WHEREAS, the Bonds were issued pursuant to an Indenture of Trust, dated as of July 1, 2006 (the "*Original Indenture*"), by and between the Authority and The Bank of New York (now known as The Bank of New York Mellon), as trustee (the "*Original Trustee*"), as supplemented by a First Supplemental Indenture of Trust, dated as of March 1, 2007, by and between the Authority and the Original Trustee; and

WHEREAS, Section 9.1(b) of the Original Indenture allows the execution and delivery of a supplement to the Original Indenture "to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective, inconsistent or conflicting provision contained herein or in regard to questions arising hereunder which the Authority may deem desirable or necessary, and which shall not adversely affect the interests of the Owners"; and

WHEREAS, the Institute has requested that the Authority and U.S Bank National Association, the successor trustee to the Original Trustee under the Indenture, execute a Second Supplemental Indenture of Trust (the "*Second Supplemental Indenture*") clarifying Section 6.4 of the Original Indenture relating to the Rebate Fund (as defined in the Original Indenture).

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

Section 1. The Second Supplemental Indenture, in substantially the form attached hereto, is hereby approved. The Chair, Vice Chair, Executive Director, Deputy Executive Director, Treasurer, Director of Project Management, Director of Compliance Management, Secretary, Assistant Treasurer or any Assistant Secretary of the Authority, and any other person authorized by resolution of the Authority and any of such officers designated as “acting” or “interim” (each an “*Authorized Officer*”) are hereby authorized to execute, acknowledge and deliver the Second Supplemental Indenture with any changes, insertions and omissions as may be approved by any of the Authorized Officers. The execution of the Second Supplemental Indenture shall be conclusive evidence of any approval required by this Section 1.

Section 2. The Authorized Officers are hereby designated to be the authorized representatives of the Authority and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution.

Section 3. Prior the execution and delivery of the Second Supplemental Trust Agreement, a Favorable Opinion of Bond Counsel (as defined in the Original Indenture) shall be furnished to the Authority.

Section 4. In case any one or more of the provisions of this resolution or the Second Supplemental Indenture shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution or the Second Supplemental Indenture and such documents shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Section 5. All prior resolutions of the Authority or portions thereof that are inconsistent herewith are hereby repealed.

Section 6. This resolution shall take effect 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: Joshua Hodes
Ridgeley Hutchinson
Louis Rodriguez
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: None

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

SECOND SUPPLEMENTAL INDENTURE OF TRUST

by and between

**U.S. BANK NATIONAL ASSOCIATION
as Trustee**

and

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

Dated as of June [___], 2021

RELATING TO

**New Jersey Educational Facilities Authority
Revenue Refunding Bonds, Institute For Advanced Study Issue
2006 Series B
and
Revenue Bonds, Institute For Advanced Study Issue
2006 Series C**

SECOND SUPPLEMENTAL INDENTURE OF TRUST

THIS SECOND SUPPLEMENTAL INDENTURE OF TRUST, dated as of June [___], 2021 (this “*Second Supplemental Indenture*”), by and between the **NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**, a public body corporate and politic of the State of New Jersey (the “*Authority*”) and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, as trustee (the “*Trustee*”), supplements an Indenture of Trust, dated as of July 1, 2006 (the “*Original Indenture*”), by and between the Authority and The Bank of New York, now known as The Bank of New York Mellon (the “*Original Trustee*”), as supplemented by a First Supplemental Indenture of Trust, dated as of March 1, 2007, by and between the Authority and the Original Trustee (collectively, the “*Indenture*”). The Trustee is the successor trustee to the Original Trustee under the Indenture. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

WITNESSETH:

WHEREAS, the Authority is a body corporate and politic with corporate succession, constituting a political subdivision of the State of New Jersey (the “*State*”), created and established by the New Jersey Educational Facilities Authority Law, being Chapter 72A of Title 18A of the New Jersey Statutes as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the “*Act*”); and

WHEREAS, Institute for Advanced Study – Louis Bamberger and Mrs. Felix Fuld Foundation (the “*Institute*”) is a non-profit educational corporation organized and existing under the laws of the State, constituting a private college as defined in the Act; and

WHEREAS, the Act provides that the Authority shall have the power to make loans and issue its bonds and to provide for the rights of the holders of its bonds; and

WHEREAS, pursuant to the Indenture, on July 19, 2006, the Authority issued its New Jersey Educational Facilities Authority Revenue Refunding Bonds, Institute for Advanced Study Issue, 2006 Series B and on March 15, 2007, the Authority issued its New Jersey Educational Facilities Authority Revenue Bonds, Institute for Advanced Study Issue, 2006 Series C (collectively, the “*Bonds*”); and

WHEREAS, Section 9.1(b) of the Original Indenture allows the execution and delivery of a supplement to the Indenture “to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective, inconsistent or conflicting provision contained herein or in regard to questions arising hereunder which the Authority may deem desirable or necessary, and which shall not adversely affect the interests of the Owners”; and

WHEREAS, the Institute has requested that the Authority and the Trustee execute this Second Supplemental Indenture clarifying Section 6.4 of the Original Indenture relating to the Rebate Fund; and

WHEREAS, the conditions set forth in the Original Indenture for the execution and delivery of this Second Supplemental Indenture have been satisfied.

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. Modification. (a) Section 6.4(b) of the Original Indenture is hereby deleted and replaced with the following:

Any funds remaining in the Rebate Fund after payment in full of all of the Bonds or after payment of all Rebatable Arbitrage, shall be withdrawn by the Trustee and remitted to the Institute.

(b) All references in the Indenture to the Trustee shall be deemed to mean U.S. Bank National Association.

(c) Section 11.14 is hereby amended to provide that notices to the Trustee and to Moody's are to be sent as follows:

U.S. Bank National Association
333 Thornall Street, 4th Floor
Edison, New Jersey 08837
Attention: Global Corporate Trust

Moody's Investors Service, Inc.
7 World Trade Center at 250 Greenwich Street
Municipal Structured Product Group – 23rd Floor
New York, New York 10007
Fax: 212-553-1066
MSPGSurveillanceGroup@Moody.com

Section 2. Supplement to Indenture. The Authority and the Trustee hereby mutually agree that hereafter all references in the Indenture to shall be deemed to refer to the Indenture as amended by this Second Supplemental Indenture.

Section 3. Consent of Trustee to Second Supplement to Trust Indenture. The Trustee hereby acknowledges and agrees that, by executing this Second Supplemental Indenture, it is evidencing its written consent hereto. Such consent is being given based upon the receipt by the Trustee of a Favorable Opinion of Bond Counsel pursuant to Section 9.1 of the Original Indenture.

Section 4. Notices to Rating Agencies. The Trustee hereby acknowledges that, pursuant to Section 11.16 of the Original Indenture, it will provide to each Rating Agency immediate notice of the execution of this Second Supplemental Indenture.

Section 5. Provisions of Indenture Not Otherwise Modified. Except as expressly modified or amended hereby, the Indenture shall remain in full force and effect. To the extent of

any conflict between the terms of the Indenture and this Second Supplemental Indenture, the terms hereof shall control.

Section 6. Counterparts. This Second Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7. Laws. This Second Supplemental Indenture shall be construed and governed in accordance with the laws of the State.

Section 8. Compliance With Certain State Law Provisions .

(a) In accordance with L. 2005, c. 92, the Trustee covenants and agrees that all services performed under the Indenture and this Second Supplemental Indenture shall be performed within the United States of America.

(b) The Trustee hereby acknowledges that it has been advised of its 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 (L. 2005, c. 271, section 3) if the Trustee enter into agreements or contracts such as the Indenture, with a State public entity, such as the Authority, and receives compensation or fees in excess of \$50,000 or more in the aggregate from State public entities, such as the Authority, in a calendar year. It is the Trustee’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 at www.elec.state.nj.us.

(c) The Trustee represents and warrants that all information, certifications and disclosure statements previously provided in connection with L. 2005, c. 51, which codified Executive Order No. 134 (McGreevey 2004), are true and correct as of the date hereof and that all such statements have been made with full knowledge that the Authority has relied upon the truth of the statements contained therein in engaging the Trustee in connection with the Bonds. The Trustee agrees that it will maintain continued compliance with L. 2005, c. 51 and any regulations pertaining thereto. The Trustee acknowledges that upon its failure to make required filings thereunder or the making of a contribution prohibited thereunder the Authority may remove the Trustee as trustee under the Indenture and may exercise any remedies afforded to it at law or in equity.

Section 9. Effective Date. This Second Supplemental Indenture shall become effective upon the delivery of the Favorable Opinion of Bond Counsel required under Section 9.1 of the Original Indenture as a condition to an amendment of, or supplement to, the Indenture.

{THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK}

IN WITNESS WHEREOF, the parties have executed this Second Supplemental Indenture as of the date and year first written above.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Paul O'Brien
Vice President

NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY

By: _____
Eric D. Brophy, Esq.
Executive Director

The Institute hereby consents to the execution and delivery of this Second Supplemental Indenture.

Institute for Advanced Study –
Louis Bamberger and Mrs. Felix Fuld Foundation

By: _____
Name:
Title:

{Signature page to Second Supplemental Indenture}

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
RATIFYING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BY
AND BETWEEN THE OFFICE OF THE SECRETARY OF HIGHER EDUCATION
AND THE AUTHORITY RELATING TO THE SECURING OUR CHILDREN’S
FUTURE BOND ACT**

Adopted: May 25, 2021

- 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:** The Securing Our Children’s Future Bond Act, P.L. 2018, c. 119 (the "SOCF Bond Act"), authorizes the creation of a debt of the State of New Jersey (the "State") by the issuance of bonds of the State in the aggregate principal amount of \$500,000,000 (the "Bonds") for the purpose of funding capital project grants for increasing the career and technical education program capacity at county vocational school districts and county colleges, for school security upgrades, and for school district water infrastructure improvement projects (the "Capital Project Grants"); and
- WHEREAS:** The Secretary of Higher Education (the "Secretary") in consultation with the Commissioner of the Department of Labor and Workforce Development is authorized to establish procedures for the review and approval of, and eligibility criteria, for county college career and technical education grants (the "Career and Technical Education Grants" or "CTE Grants"); and
- WHEREAS:** The Secretary is authorized to prepare a list of eligible projects and shall submit to the presiding officer of each House of the New Jersey State Legislature (the "Legislature") on a date that both Houses are in session a copy of the list of eligible projects along with the amount of the grant for each project ("Approved Projects"); and
- WHEREAS:** The State expects to issue, in one or more series, bonds in the aggregate principal amount of \$500,000,000 to fund the Capital Project Grants, of which \$50,000,000 shall be used to fund the CTE grants under the SOCF Bond Act; and
- WHEREAS:** Funding for the CTE Grants certified for Approved Projects by the Secretary and approved by the Legislature will be provided in the allocated amount of \$50,000,000 through issuance of Bonds by the State pursuant to the SOCF Bond Act; and

WHEREAS: In addition to the responsibility for soliciting and approving applications for the CTE Grants and monitoring compliance of county colleges with the CTE Grants, the Secretary is responsible for certain aspects of administering proceeds of the Bonds, including disbursing certain proceeds of the Bonds to the county colleges to fund the CTE Grants and assuring expenditures of certain proceeds of the Bonds comply with certain requirements under the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS: The Secretary has adopted or will adopt post-issuance compliance procedures to comply with applicable provisions of the Code ("Post-Issuance Compliance Tax Procedures") for the CTE Grants; and

WHEREAS: The Authority finances capital projects at the State's public and private institutions of higher education through the issuance of bonds, and is responsible for disbursing the proceeds of such bonds and overseeing compliance of the expenditure of such bond proceeds with certain requirements of the Code; and

WHEREAS: The Authority assists the Office of the Secretary of Higher Education ("OSHE") in the administration of the State's other higher education capital grant programs; and

WHEREAS: OSHE wishes to partner with the Authority to benefit from the experience and expertise of the Authority to assist in fulfilling certain obligations with respect to the CTE Grants, the Bonds and Post-Issuance Compliance Tax Procedures under the SOCF Bond Act; and

WHEREAS: The Authority is willing and able to provide such assistance; and

WHEREAS: OSHE requested that the Authority enter into a Memorandum of Understanding (the "MOU") relating to the SOCF Bond Act, pursuant to which the Authority will assist OSHE in carrying out certain activities outlined in the MOU, which MOU effective as of April 26, 2021, is attached hereto and incorporated herein as **EXHIBIT 1**; and

WHEREAS: The Authority's staff has advised the Members of the Authority that the Authority's staff is willing and able to provide the assistance to OSHE as outlined in the MOU; and

WHEREAS: The Members of the Authority have determined that it is necessary and advisable for the Authority to provide the requested assistance and to enter into the MOU.

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

SECTION 1. The Members of the Authority hereby approve and ratify the execution of the MOU by the Authority's Executive Director, as attached hereto and incorporated herein as **EXHIBIT 1**.

SECTION 2. Any of the Chair, Vice Chair, Executive Director, or Deputy Executive Director, including any such officers serving in an interim or acting capacity (each an “Authorized Officer”), is hereby authorized to take all appropriate and necessary actions to implement the MOU consistent with reporting obligations to the Members of the Authority.

SECTION 3. 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
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

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
OFFICE OF THE SECRETARY OF HIGHER EDUCATION OF THE STATE OF NEW JERSEY
AND THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
RELATING TO THE SECURING OUR CHILDREN'S FUTURE BOND ACT



State of New Jersey

OFFICE OF THE SECRETARY OF HIGHER EDUCATION

P.O. Box 542

TRENTON, NJ 08625-0542

TELEPHONE: (609) 292-4310

FAX: (609) 292-7225

E-mail: oshe@oshe.nj.gov

PHILIP D. MURPHY
GOVERNOR

SHEILA Y. OLIVER
LT. GOVERNOR

BRIAN K. BRIDGES, PH.D.
SECRETARY OF HIGHER EDUCATION

MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE OFFICE OF THE SECRETARY OF HIGHER EDUCATION OF THE STATE OF NEW JERSEY AND THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY RELATING TO THE SECURING OUR CHILDREN'S FUTURE BOND ACT

This Memorandum of Understanding (the "MOU") made as of April 26, 2021, the Effective Date as hereinafter defined by and between, the Office of the Secretary of Higher Education of the State of New Jersey (the "Secretary" or "OSHE") 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 Securing Our Children's Future Bond Act, P.L. 2018, c. 119 (the "SOCF Bond Act"), authorizes the creation of a debt of the State of New Jersey (the "State") by the issuance of bonds of the State in the aggregate principal amount of \$500,000,000 (the "Bonds") for the purpose of funding capital project grants for increasing the career and technical education program capacity at county vocational school districts and county colleges, for school security upgrades, and for school district water infrastructure improvement projects; and

WHEREAS, the Secretary in consultation with the Commissioner of the Department of Labor and Workforce Development is authorized to establish procedures for the review and approval of, and eligibility criteria, for county college career and technical education grants (the "Career and Technical Education Grants" or "CTE Grants"); and

WHEREAS, the Secretary is authorized to prepare a list of eligible projects and shall submit to the presiding officer of each House of the New Jersey State Legislature (the "Legislature") on a date that both Houses are in session a copy of the list of eligible projects along with the amount of the grant for each project ("Approved Projects"); and

WHEREAS, the State expects to issue, in one or more series, bonds in the aggregate principal amount of \$500,000,000 to fund the CTE Grants under the SOCF Bond Act; and

WHEREAS, funding for the CTE Grants certified for Approved Projects by the Secretary and approved by the Legislature will be provided in the allocated amount of \$50,000,000 through issuance of Bonds by the State pursuant to the SOCF Bond Act; and

WHEREAS, in addition to the responsibility for soliciting and approving applications for the CTE Grants and monitoring the compliance of county colleges with the CTE Grants, the Secretary is responsible for certain aspects of administering proceeds of the Bonds, including disbursing certain proceeds of the Bonds to the county colleges to fund the CTE Grants and assuring expenditures of certain proceeds of the Bonds comply with certain requirements under the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Secretary has adopted or will adopt post-issuance compliance procedures to comply with applicable provisions of the Code ("Post-Issuance Compliance Tax Procedures") for the CTE Grants; and

WHEREAS, the Authority finances capital projects at the State's public and private institutions of higher education through the issuance of bonds, and is responsible for disbursing the proceeds of such bonds and overseeing compliance of the expenditure of such bond proceeds with certain requirements of the Code; and

WHEREAS, the Authority assists OSHE in the administration of the State's other Higher Education Capital Grant Programs; and

WHEREAS, OSHE wishes to partner with the Authority to benefit from the experience and expertise of the Authority to assist in fulfilling certain obligations with respect to the CTE Grants, the Bonds and Post-Issuance Compliance Tax Procedures under the SOCF Bond Act; and

WHEREAS, the Authority is willing and able to provide such assistance;

NOW THEREFORE, OSHE and the Authority agree as follows:

Section 1. Responsibilities of OSHE and the Secretary.

1.1 The parties agree that the Secretary, in consultation with the Commissioner of Labor and Workforce Development, has sole responsibility and authority to solicit applications.

1.2 The parties agree that the Secretary has sole responsibility and authority to certify CTE Grants and shall submit to the Legislature a copy of the list of eligible projects along with the amount of the CTE Grant for each Approved Project for its approval.

1.3 OSHE shall, in consultation with the Authority and the Attorney General's Office, develop the form of requisition and procedures to be utilized by county colleges to submit requests for disbursement of CTE Grant funds.

1.4 OSHE shall be responsible for assuring that proceeds of Bonds are disbursed for approved requisitions for allowable costs of Approved Projects.

1.5 OSHE shall maintain a separate database of all requisitions and payment information for CTE Grants and shall not pay any requisition which would cause the amount of the CTE Grant for each Approved Project to be exceeded.

1.6 OSHE shall advise the Authority of any reductions of the amount of CTE Grants or re-allocations of all or portions of CTE Grants.

1.7 OSHE shall forward to the Authority all requests for CTE Grant extensions that are approved in accordance with the Regulations.

Section 2. Responsibilities of the Authority.

2.1 The Authority may assist OSHE in developing, writing, reviewing and obtaining requisite approvals of the Regulations.

2.2 In the event the Secretary seeks assistance from the Authority in reviewing applications that were submitted in response to the solicitation of CTE Grants (the "Solicitation") for conformity to requirements as set forth in the Regulations and the Solicitation, the Authority shall advise the Secretary of any non-conformities and shall proceed in accordance with the Secretary's determination and direction.

2.3 The Authority may, at the direction of OSHE and in consultation with the Attorney General's Office and bond counsel, assist in and coordinate the development of grant agreements, due diligence requests and tax questionnaires, closing and tax certificates and any other documents relating to the SOCF Bond Act and shall assist OSHE in coordinating the dissemination of these documents and in obtaining the required executed copies of these documents and any other grant related documents, as applicable.

2.4 The Authority shall assist OSHE in assuring that the CTE Grants are paid to county colleges in accordance with the Regulations implementing the SOCF Bond Act.

2.5 The Authority shall assist OSHE in fulfilling the responsibilities for monitoring compliance with the CTE Grants.

2.6 In the event that the Secretary forwards a request from a county college for a change in an Approved Project, the Authority shall act in accordance with the Secretary's decision and the Regulations implementing the SOCF Bond Act.

2.7 The Authority shall maintain a database of all requisitions submitted for processing and its recommendations for payment and shall ensure that no requisition payment recommendation for any allowable cost of any Approved Project will cause the total amount of the CTE Grant to be exceeded.

2.8 The Authority shall keep adequate records of its administrative costs.

2.9 The Authority will assist OSHE in fulfilling certain responsibilities under the Post-Issuance Compliance Tax Procedures for the Bonds, as the Secretary may request from time to time.

2.10 The Authority shall not be responsible for any matters relating to arbitrage and rebate relating to the Bonds.

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 implementation of certain provisions of the SOCF Bond Act and the Regulations.

3.2 This MOU shall become effective on April 26, 2021 (the "Effective Date") upon full execution by all authorized signatories and shall remain in effect unless it is terminated by any party upon sixty (60) days written notice to the other parties.

3.3 The parties acknowledge and agree that there is no delegation of duties to the Authority under this MOU by the Secretary under the SOCF Bond Act which require discretion and that the Authority is assisting OSHE solely in the performance of certain of ministerial duties under the SOCF Bond Act as provided in this MOU.

3.4 For the responsibilities undertaken pursuant to this MOU, including but not limited to all work performed in advancement of the execution of this MOU and all work performed up to and including through the date of issuance of the first series of the Bonds:

3.4.1 Funding for payment under this MOU shall be subject to appropriations from the Securing Our Children's Future Bond Act as determined by the Legislature pursuant to Section 14 of the Bond Act.

3.4.2 The Authority shall be paid a maximum total fee of Two Hundred Fifty Thousand dollars (\$250,000) to be paid in five equal installments of \$50,000.00 each as set forth in the fee schedule attached hereto and incorporated herein as Attachment A. Costs associated with the tasks included for payment may include, but are not limited to, salaries, fringe benefits and travel. Payments shall be made within ten (10) days of receipt and approval of invoices. Invoices shall be provided to OSHE by NJEFA on no less than an annual basis with the first installment due and payable on the later of: (i) the date of issuance of the first series of Bonds; (ii) the appropriation by the Legislature of projects approved for funding; or (iii) the funds being available in the New Jersey Centralized Financial System. Thereafter, invoices shall be presented annually on or about January 1. Payments are subject to and limited to the amounts appropriated by the Legislature pursuant to Section 14 of the Bond Act.

3.5 The Authority shall not be responsible for any fees associated with legal services provided by bond counsel or the Attorney General's Office. Such fees, if any, shall be paid from a portion of the proceeds of the Bonds or, if applicable, by a county college, in accordance with the terms of a grant agreement. 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.

3.6 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.

3.7 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.

3.8 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 Parties by their duly authorized representatives, each acting in its official capacity, have caused this Memorandum of Understanding to be executed and delivered as of the Effective Date.

SECRETARY OF HIGHER EDUCATION OF THE STATE OF NEW JERSEY

DocuSigned by:
Brian K. Bridges
BY: _____
2B992467A264431...
Name: Dr. Brian K. Bridges
Title: Secretary of Higher Education
Date: 5/4/2021

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

DocuSigned by:
Eric Brophy
BY: _____
C057E2A4FFFB4A9...
Name: Eric D. Brophy, Esq.
Title: Executive Director
Date: 5/4/2021

**MEMORANDUM OF UNDERSTANDING FOR PROFESSIONAL SERVICES
FOR THE SECURING OUR CHILDREN'S FUTURE BOND ACT
BETWEEN THE OFFICE OF THE SECRETARY OF HIGHER EDUCATION AND NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

ATTACHMENT A - FEE SCHEDULE

NJIEFA's total administration fee for the Securing Our Children's Future Program is \$250,000 to be paid over a five year period beginning in 2021 for the administration of grants on behalf of the Office of the Secretary of Higher Education. The fee shall be paid in five equal annual installments to be billed immediately following the appropriations or bond issuance as follows:

Grant Program	Annual Administration Fee					Total Fee
	Year 1	Year 2	Year 3	Year 4	Year 5	
Office of the Secretary of Higher Education Securing Our Children's Future Bond Act	50,000	50,000	50,000	50,000	50,000	250,000

Securing of Children's Future Grant Fee Schedule 2021-04-26

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
FOR THE ADOPTION OF ANNUAL NOTICE OF MEETINGS**

Adopted: May 25, 2021

WHEREAS: The New Jersey Educational Facilities Authority (the “Authority”) desires to adopt an annual notice of meetings consistent with the requirements of the “Senator Byron M. Baer Open Public Meetings Act,” N.J.S.A. 10:4-6 et seq.; and

WHEREAS: The adoption of regular meetings will enable the Authority to comply with the provisions of N.J.S.A. 10:4-18 which outlines requirements for dissemination of the notice of schedule adoption to the general public for inspection; and

WHEREAS: The Authority has determined that all notices for any regular, special or emergency meeting of the Authority be published in the *Star Ledger* and the *Times of Trenton*.

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

SECTION 1. The Authority hereby adopts the following schedule of meetings for the period June 22, 2021 through May 24, 2022.

SECTION 2. The Authority announces that it will, in accordance with the “Senator Byron M. Baer Open Public Meetings Act,” N.J.S.A. 10:4-6 et seq., hold regular meetings open to the public for the period June 22, 2021 through May 24, 2022, on the following specific dates:

June 22, 2021	January 25, 2022
July 27, 2021	February 22, 2022
August 24, 2021	March 22, 2022
September 28, 2021	April 26, 2022
October 26, 2021	May 24, 2022
November 23, 2021	
December 28, 2021	

Unless otherwise provided, meetings will be held virtually via Zoom or by telephone at 10:00 am. Information on how to attend any meeting shall be available on the Authority’s website at: <https://www.nj.gov/njefa>.

SECTION 3. In accordance with the By-Laws, the Authority may conduct a special meeting of the members consistent with the provisions of N.J.S.A. 10:4-9.

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

____ Mr. Feeney ____ 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
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: None

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

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY APPOINTING MEMBERS TO THE EVALUATION
COMMITTEE**

Adopted: May 25, 2021

WHEREAS: The Evaluation Committee has been established pursuant to Article III, Section 12 of the By-Laws (the “By-Laws”) of the New Jersey Educational Facilities Authority (the “Authority”) and in accordance with Executive Order No. 122 (McGreevey) (“EO 122”); and

WHEREAS: The By-Laws provide that the Evaluation Committee shall consist of three members of the Authority elected at the annual meeting of the members of the Authority or as soon as practicable thereafter; and

WHEREAS: The By-Laws further provide that the members of the Evaluation Committee must meet the same standards of independence as are set forth in EO 122 for members of the Audit Committee, that members of the Audit Committee may also serve on the Evaluation Committee, and that the Evaluation Committee shall have the responsibility to conduct the solicitation and evaluation of eligible independent auditors, and to provide a recommendation to the Audit Committee, all in accordance with EO 122; and

WHEREAS: The State Treasurer, Ridgeley Hutchinson, and Louis Rodriguez are members of the Authority each of whom is willing to serve on the Evaluation Committee and each of whom meets the criteria of EO 122.

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

Section 1. The members of the Authority hereby elect the State Treasurer, Ridgeley Hutchinson, and Louis Rodriguez to serve on the Evaluation Committee in accordance with Article III, Section 12 of the By-Laws and Executive Order No. 122.

Section 2. This Resolution supersedes all prior resolutions to the extent inconsistent herewith and with the By-Laws and shall take effect in accordance with the provisions of the Act.

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

AYE: Joshua Hodes
Ridgeley Hutchinson
Louis Rodriguez
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: None

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

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY APPOINTING MEMBERS TO THE AUDIT COMMITTEE**

Adopted: May 25, 2021

WHEREAS: Pursuant to Article III, Section 12 of the By-Laws (the “By-Laws”) of the New Jersey Educational Facilities Authority (the “Authority”) and in accordance with Executive Order No. 122 (McGreevey) (“EO 122”), the Authority shall have a standing Audit Committee; and

WHEREAS: The By-Laws provide that the Audit Committee shall consist of: (i) the Treasurer of the State of New Jersey (the “State Treasurer”); (ii) the Treasurer of the Authority (the “Authority Treasurer”), but only if said Authority Treasurer is a member of the Authority, and if the Authority Treasurer is not a member of the Authority, then the Chair; and (iii) a member of the Authority with significant financial experience, elected at the Annual Meeting of the members of the Authority or as soon thereafter as practicable; and

WHEREAS: Pursuant to Article III, Section 12 of the By-Laws, the State Treasurer is a member of the Audit Committee as a member of the Authority *ex officio*; and

WHEREAS: Pursuant to Article III, Section 12 of the By-Laws, Ridgeley Hutchinson meets the qualifications to serve as a member of the Audit Committee as a member of the Authority with significant financial experience; and

WHEREAS: Pursuant to Article III, Section 12 of the By-Laws, since the Authority Treasurer is also a member of the Authority *ex officio*, the Chair shall seek an additional nomination from the State Treasurer; and

WHEREAS: At the next meeting of the Authority, the members of the Authority shall elect a sufficient number of persons to fill any and all vacancies of the Audit Committee.

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

Section 1. The members of the Authority hereby elect Ridgeley Hutchinson to serve on the Audit Committee in accordance with Article III, Section 12 of the By-Laws and Executive Order No. 122.

Section 2. This Resolution supersedes all prior resolutions to the extent inconsistent herewith and with the By-Laws and shall take effect in accordance with the provisions of the Act.

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

AYE: Joshua Hodes
Ridgeley Hutchinson
Louis Rodriguez
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: None

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

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY AUTHORIZING PROCUREMENT OF INSURANCE COVERAGE**

Adopted: May 25, 2021

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 and supplemented (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 to fulfill its contractual obligations and in order to operate in a prudent business manner, the Authority is required to carry property insurance, liability insurance, automobile insurance, workers compensation and directors and officer's liability insurance; and

WHEREAS: The term for the Authority's current insurance policy expires after June 30, 2021; and

WHEREAS: By resolution adopted on May 28, 2019, the Authority appointed Willis of New Jersey, Inc. ("Willis") to be the Authority's insurance broker for a term of three (3) years from July 1, 2019 to June 30, 2022 with two (2) optional one-year renewals; and

WHEREAS: Willis has made recommendations as to the selection of insurance carriers for the renewal period starting July 1, 2021 through and including June 30, 2022, as set forth in the term sheets (the "Term Sheets") attached hereto as **EXHIBIT A**; and

WHEREAS: The Authority has determined that it is in the Authority's best interest to accept Willis's recommendation as to the insurance carriers as set forth on the Term Sheets.

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

SECTION 1. The Authority hereby authorizes procurement of insurance coverage as quoted and recommended by Willis for the renewal period starting July 1, 2021 through and including June 30, 2022 with the insurance carriers for the respective types of insurance coverage and on the terms and conditions as set forth in the Term Sheets attached hereto as **EXHIBIT A**.

SECTION 2. The Authority hereby authorizes the Executive Director, the Deputy Executive Director, and/or the 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 implementation of this Resolution, including without limitation, executing agreements.

SECTION 3. This Resolution shall take effect in accordance with the Act.

____ Secretary Bridges ____ 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
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: None

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

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

RENEWAL TERM SHEET – GENERAL INSURANCE

For the Period 7/1/21 to 7/1/22

COVERAGE:

General Liability:	\$ 1,000,000 per Occurrence, no retention
1 st Umbrella	\$10,000,000 per Occurrence
2 nd Umbrella	\$15,000,000 per Occurrence
E. F. A. Property	\$ 610,000 subject to \$5,000 Deductible
Property Legal Liability	\$ 1,000,000
Automobile	\$ 1,000,000 per Accident, no deductible
Workers Compensation	NJ Statutory Limits (\$1,000,000 per Accident Employers Liability)

	<u>Expiring Policies</u>	<u>Proposed Renewal</u>
Term:	7/1/20 – 7/1/21	7/1/21 – 7/1/22
Carrier:	American Alternative / Navigators / Hartford	AIG / Navigators / Hartford
AM Best Ratings:	A+ XV / A XI / A XV	A+ XV / A XI / A XV
Premiums:	\$ 92,641	\$ 90,716
NJ PLIGA:	\$ 586	\$ 522

MARKETING EFFORT AND RESPONSES:

<u>Carrier</u>	<u>Response</u>
AIG	Provided Cover Quote of \$ 65,929
Hartford	WC Cover Quote of \$ 3,760
Navigators	Provided 2 nd Umbrella Cover Quote of \$ 21,420

<u>Premiums</u>	<u>2020-21</u>	<u>2021-22</u>
Automobile	\$ 415	\$ 415
General Liability	\$ 58,903	\$ 52,988
Property/Computers/Crime	\$ 2,416	\$ 2,416
1 st Umbrella	\$ 10,405	\$ 9,717
2 nd Umbrella	\$ 17,136	\$ 21,420
Workers Compensation	\$ 3,482	\$ 3,760
NJ PLIGA/Fee	\$ 586	\$ 522
TOTAL	\$93,343	\$ 91,238

Notes; The Workers Compensation Payroll is \$1,500,000 vs. \$1,417,100 for 20-21

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

RENEWAL TERM SHEET – DIRECTORS & OFFICERS

For the Period 7/1/21 – 7/1/22

COVERAGE:

Limit: \$10,000,000 per Occurrence and Aggregate
Retention: Zero Non-Indemnifiable Loss
\$50,000 with Authority Reimbursement

	<u>Expiring Policy</u>	<u>Proposed Renewal</u>
Term:	7/1/20 – 7/1/21	7/1/21- 7/1/22
Carrier:	RSUI	RSUI
Limits:	\$7m	\$7m
AM Best Rating:	A+XIV	A+XIV
Premium:	\$26,515	\$33,070
NJ PLIGA	\$ 159	\$ 198
TOTAL	\$26,674*	\$33,268

EXCESS D&O

	<u>Expiring Policy</u>	<u>Proposed Renewal</u>
Term:	7/1/20 – 7/1/21	7/1/21-7/1/22
Carrier:	QBE	Great American
Limits:	\$7M excess \$7M	\$3M excess \$7M
AM Best Rating:	AXIV	A+XV
Premium:	\$21,931	\$14,778
NJ PLIGA	\$ 132	\$ 89
TOTAL	\$22,063	\$14,867

*There was a one-time Covid credit of \$1,112 issued that reduced the premium from the initial quote

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
2021 BUDGET VARIANCE ANALYSIS
FOR THE FOUR MONTHS ENDED APRIL 30, 2021**

EXECUTIVE SUMMARY

Net Operating Income

The NJEFA concluded April with year-to-date net operating income in the amount of \$603,902 based on year-to-date revenues of \$1,573,936 and expenses of \$970,034.

Revenues

Year-to-date revenues were \$519,888 more than projected due an increased number of bond deals closed during the year and higher investment income than was budgeted.

Expenses

Operating expenditures for the first four month of the year were under budget by \$159,988 primarily due to timing of expenditures.

Exhibits

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Operating Account – Vendor Payments	2
Summary of Construction Funds	3

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ACTUAL vs. BUDGET REPORT
APRIL

	Month Ended April 30, 2021			Year Ended April 30, 2021		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Operating Revenues</u>						
Annual Administrative Fees	\$225,802	\$225,802	\$ -	\$ 903,212	\$ 903,212	\$ -
Initial Fees	335,870	-	335,870	496,670	67,500	429,170
Investment Income	162,787	20,833	141,954	174,054	83,336	90,718
	<u>\$ 724,459</u>	<u>\$ 246,635</u>	<u>\$ 477,824</u>	<u>\$ 1,573,936</u>	<u>\$ 1,054,048</u>	<u>\$ 519,888</u>
<u>Operating Expenses</u>						
Salaries	\$172,759	\$183,393	\$ 10,634	\$ 519,528	\$ 550,189	\$ 30,661
Employee Benefits	47,386	59,603	12,217	171,961	238,413	66,452
Provision for Post Ret. Health Benefits	12,500	12,500	-	50,000	50,000	-
Office of The Governor	2,083	2,083	-	8,333	8,336	3
Office of The Attorney General	10,000	10,000	-	40,000	40,000	-
Sponsored Programs & Meetings	-	1,013	1,013	-	4,046	4,046
Telecom & Data	3,884	4,446	562	12,216	17,782	5,566
Rent	16,445	16,667	222	65,780	66,664	884
Utilities	2,132	2,500	368	8,527	10,000	1,473
Office Supplies & Postage Expense	455	2,167	1,712	3,493	8,664	5,171
Travel & Expense Reimbursement	-	1,217	1,217	-	4,864	4,864
Staff Training & Conferences	75	2,271	2,196	4,295	9,082	4,787
Insurance	4,621	4,917	296	18,484	19,664	1,180
Publications & Public Relations	990	1,808	818	990	7,236	6,246
Professional Services	16,135	17,418	1,283	47,804	69,656	21,852
Dues & Subscriptions	1,112	3,387	2,275	5,448	13,554	8,106
Maintenance Expense	1,052	1,133	81	4,208	4,536	328
Depreciation	2,242	1,833	(409)	8,967	7,336	(1,631)
Contingency	-	-	-	-	-	-
	<u>293,871</u>	<u>328,356</u>	<u>34,485</u>	<u>970,034</u>	<u>1,130,022</u>	<u>159,988</u>
Net Operating Income	<u>\$ 430,588</u>	<u>\$ (81,721)</u>	<u>\$ 512,309</u>	<u>\$ 603,902</u>	<u>\$ (75,974)</u>	<u>\$ 679,876</u>

NJEFA
Vendor Payments
April 2021

11:38 AM

Type	Date	Num	Name	Memo	Account	Accrual Basis Amount
Check	04/02/2021	EFT	NJSHBP	ID 150400 004/21	Accounts Payable	21,263.13
Check	04/02/2021	EFT	NJSHBP	ID 150400 04/21	Accounts Payable	2,789.15
Bill Pmt -Check	04/08/2021	EFT	Barclays	NJEFA-2020-01 3 Attendees AM & PM	Accounts Payable	98.25
Check	04/08/2021	EFT	1st Constitution	Stop Pay for 98.25 Barclays check from PY	Accounts Payable	30.00
Check	04/12/2021	EFT	BMO Financial Group	RemotePC, IDrive Exp 3/2/22, LaborLaw Center 2/28/22, CrashPlar	Accounts Payable	142.48
Bill Pmt -Check	04/22/2021	2203	100 & RW CRA, LLC	008734	Accounts Payable	22,371.67
Bill Pmt -Check	04/22/2021	2204	Creative Source, Inc	21-773	Accounts Payable	990.00
Bill Pmt -Check	04/22/2021	2205	Dell Marketing L.P.	10460467294 Ext Warranty Server	Accounts Payable	97.72
Bill Pmt -Check	04/22/2021	2206	DocuSafe InfoStore	140812	Accounts Payable	181.98
Bill Pmt -Check	04/22/2021	2207	Government News Network	90537-G	Accounts Payable	360.00
Bill Pmt -Check	04/22/2021	2208	NJ Economic Development Authority	2021March	Accounts Payable	1,552.50
Bill Pmt -Check	04/22/2021	2209	NJ OT Fiscal Services	2021March	Accounts Payable	2,191.22
Bill Pmt -Check	04/22/2021	2210	NJBIA	419000021 Virtual T.H. EB, SS, ED	Accounts Payable	75.00
Bill Pmt -Check	04/22/2021	2211	Penn Medicine	5377, 5443	Accounts Payable	210.00
Bill Pmt -Check	04/22/2021	2212	Pernats Plant and Flower Shop, Inc.	700 SS Plant	Accounts Payable	100.00
Bill Pmt -Check	04/22/2021	2213	PFM Asset Management LLC	MAC-M0221-15820 OPEB	Accounts Payable	753.60
Bill Pmt -Check	04/22/2021	2214	PFM Financial Advisors LLC	114794, WPU 21 C IRMA, 114795 NJCU 21AB IRMA	Accounts Payable	6,555.00
Bill Pmt -Check	04/22/2021	2215	Polar Inc.	152571 Apr-Jun Rent	Accounts Payable	32.85
Bill Pmt -Check	04/22/2021	2216	Treasurer, State of New Jersey - Pinnacle	033121	Accounts Payable	1,184.60
Bill Pmt -Check	04/22/2021	2217	UPS	2Y687X151	Accounts Payable	12.49
Bill Pmt -Check	04/22/2021	2218	Verizon Wireless	9876746421	Accounts Payable	507.34
						61,498.98

New Jersey Educational Facilities Authority
Summary of Construction Funds
As of April 30, 2021

<u>Institution</u>	<u>Description</u>	<u>Bond Proceeds</u>	<u>Net Disbursed</u>	<u>Balance</u>	<u>% Complete</u>
<u>Private</u>					
Princeton University	Various Capital Improvements & Renovations, CP Refunding	\$250,000,000.00	(45,154,187.92)	\$204,845,812.08	18%
Seton Hall University	Construction new student housing and athletic facilities	70,000,000.00	(32,568.00)	69,967,432.00	0%
Seton Hall University	University Center & Boland Hall Renovations	30,000,000.00	(779,729.56)	29,220,270.44	3%
Stevens Institute of Technology	Student Housing and University Center	191,200,000.00	(161,445,859.68)	29,754,140.32	84%
Rider University	Academic & Residential Facilities, Science & Technology Bldg	44,228,160.45	(39,792,959.12)	4,435,201.33	90%
Georgian Court University	Various Capital Improvements & Renovations, Refund 07 D, H	7,874,383.16	(680,019.75)	7,194,363.41	9%
Sub Total		<u>\$593,302,543.61</u>	<u>(\$247,885,324.03)</u>	<u>\$345,417,219.58</u>	
<u>Public</u>					
Ramapo College of New Jersey *	Refund 06 I, Renov Library, Learning Center	11,278,830.75	(10,796,044.98)	482,785.77	96%
Sub Total		<u>\$ 11,278,830.75</u>	<u>\$ (10,796,044.98)</u>	<u>\$ 482,785.77</u>	
<u>Other Programs</u>					
Equipment Leasing Fund	Acquisition and Installation of Equipment	\$ 101,266,893.00	\$ (99,281,665.49)	\$ 1,985,227.51	98%
Technology Infrastructure Fund	Development of Technology Infrastructure	41,313,667.00	(39,419,039.61)	1,894,627.39	95%
Capital Improvement Fund	Capital Improvements	191,905,596.00	(187,619,241.27)	4,286,354.73	98%
Facilities Trust Fund	Construct, Reconstruct, Develop & Improve Facilities	219,977,164.00	(209,263,811.02)	10,713,352.98	95%
Capital Improvement Fund	Capital Improvements	146,700,261.19	(143,924,946.60)	2,775,314.59	98%
Sub Total		<u>\$ 701,163,581.19</u>	<u>\$ (679,508,703.99)</u>	<u>\$ 21,654,877.20</u>	
Grand Total		<u><u>\$ 1,305,744,955.55</u></u>	<u><u>\$ (938,190,073.00)</u></u>	<u><u>\$ 367,554,882.55</u></u>	

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