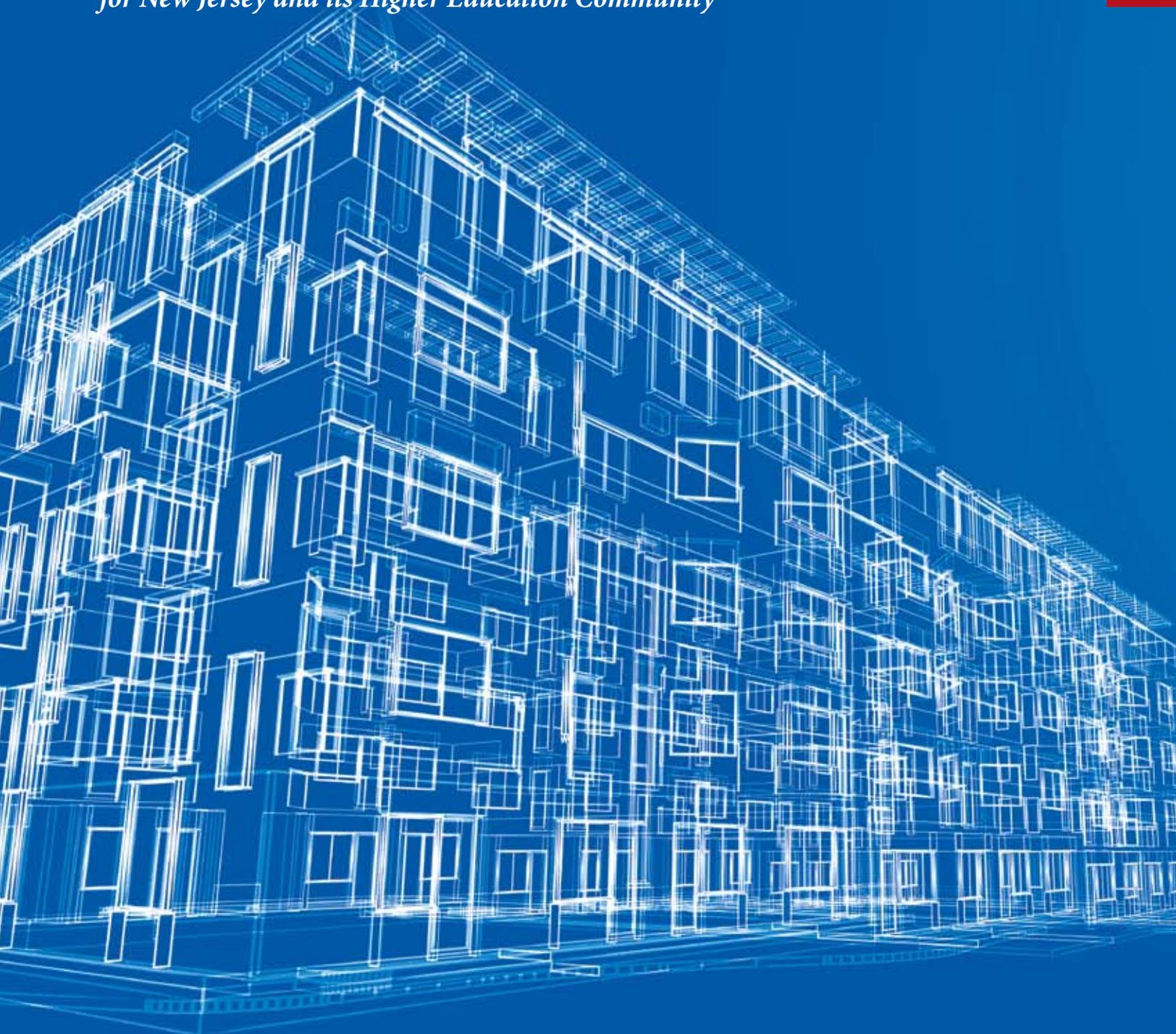


NJEFA

# Building Futures

*for New Jersey and its Higher Education Community*

Annual Report 2008



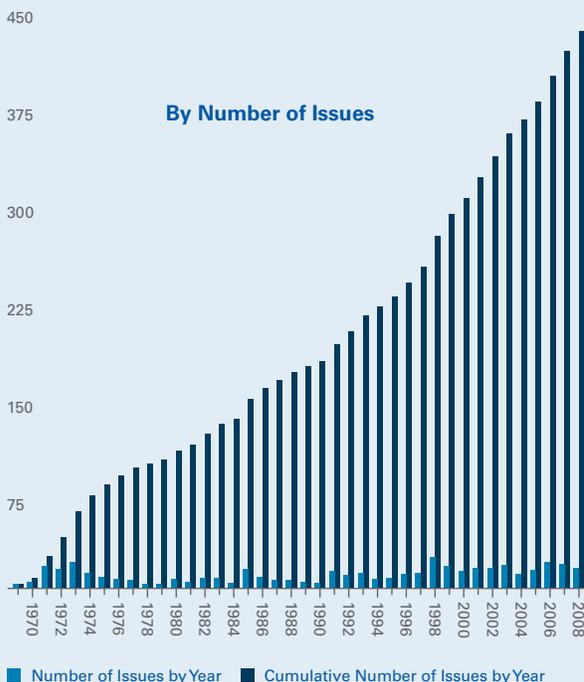


# Our Mission

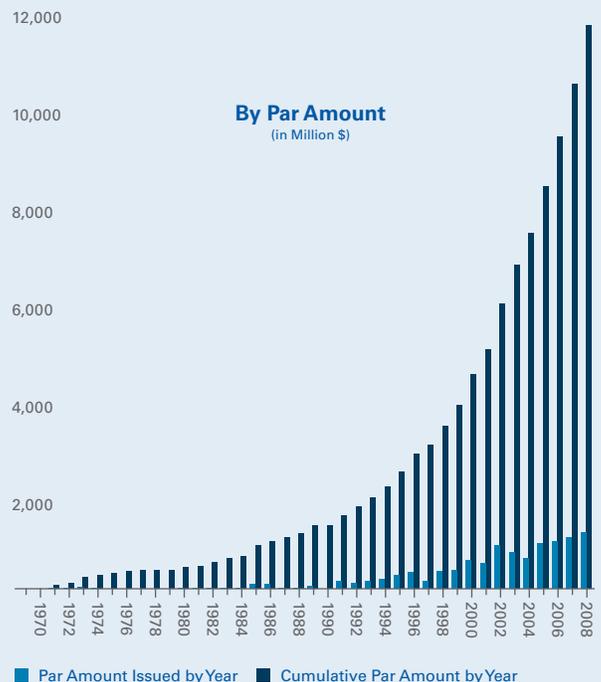
Our mission is to support world-class higher education in New Jersey.

As a public fiduciary, our business is to help our college and university clients obtain low-cost financing for the development of their facilities.

We are helping our clients invest in the treasures that are our colleges and universities, so they can provide the opportunities for our citizens that will build the future of all New Jersey.



Source: NJEFA





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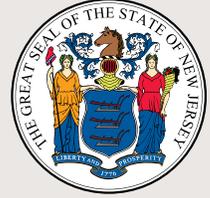
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**Jon S. Corzine**  
*Governor*



## Dear Friends:

New Jersey's colleges and universities provide our citizenry with academic opportunities that rival the best in the world. This diverse and dynamic community has helped produce one of the nation's most educated workforces, which has led to total personal income in the State being about 14% above the national average.

The crises that occurred in our financial markets last year, combined with the recessionary global economy, have forced every state, business and industry in this nation to rethink how business is conducted. Every day, tough choices are being made to insure efficiency and productivity.

Our colleges and universities are no exception. Unforeseen economic circumstances have brought painful drops in endowments; have eroded personal wealth causing huge challenges for students and their parents' ability to pay for college; and have weakened the credit markets that are necessary to finance facilities. All of this is happening when demand for higher education in New Jersey is rising and the value of education to the individual and to our entire nation is greater than ever.

New Jersey's economic future is bound closely to the success of our colleges and universities. Their successes give us an educated and trained population that can compete in the global knowledge economy.

US Secretary of Education Arne Duncan said, "We need to educate our way to a better economy... The nation that out teaches us today will out compete us tomorrow." In this time of change, as we heed President Obama's challenge to restore America's educational preeminence in the world, I applaud the leadership of our colleges and universities in making the tough choices necessary to advance higher education in New Jersey. During the most difficult business climate of our lifetimes, our institutions continue to offer academic excellence and to expand opportunity for more students than ever before.

I also applaud the efforts of the New Jersey Educational Facilities Authority (NJEFA), which is a partner with our colleges and universities seeking the most cost-effective financings for campus capital projects. During 2008, NJEFA successfully navigated New Jersey's colleges' financings through the uncharted financial territory and tumultuous conditions that characterized the capital markets.

I am pleased to accept the NJEFA's 2008 Annual Report. The State and our higher education community have been well served by the experience and proactive response of the Authority in addressing the challenges of both last year and the future. Thank you to the Authority's members and staff for your hard work and outstanding service to New Jersey.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon S. Corzine". The signature is fluid and cursive.

Jon S. Corzine



**Vivian Altman**  
*Chair*

**Roger L. Anderson**  
*Executive Director*



## To the Governor and Members of the New Jersey Legislature:

On behalf of the Members and staff of the New Jersey Educational Facilities Authority (NJEFA), we proudly present our 2008 Annual Report. The year 2008 was the most challenging of our 43 years, as well as our busiest. We closed over \$1.2 billion in transactions in the midst of the worst financial crisis since the Great Depression.

The upheaval in the financial markets had a huge impact on higher education. This report describes the effects of the crisis on the bonds of New Jersey's colleges and universities, particularly those that had used auction-rate securities. This report also describes the unremitting work of the Authority to minimize those effects.

The financial crisis has made it more difficult for New Jersey's colleges and universities to address their long-term, interconnected challenges, which are to provide a world class education to more students at affordable prices. We all need our colleges to succeed, because higher education is more important than ever to the individual students and to the health of the national and state economies.

President Obama highlighted the public benefit of higher education in his first State of the Union address. He said, "Every American will need to get more than a high school diploma," and he set a goal of America once again having the highest proportion of college graduates in the world by 2020.

Colleges, of course, need facilities in which to teach, perform research, and feed and house their students. Advancements in science and technology require investments in new teaching and research facilities, in laboratories and in sophisticated equipment that meet the needs of a 21st century education. Further, as more students go to college, colleges must provide greater numbers of classrooms, as well as more student housing and student life facilities.

It has been over 20 years since the last general obligation bond in New Jersey for higher education. To meet their needs therefore, our clients have had to raise the funds necessary for new facilities on their own, predominantly by borrowing through the Authority. This report also highlights nearly \$460 million in new campus projects that we financed last year.

NJEFA has always endeavored to provide the most cost-effective financing to our clients. Higher education has never been more crucial to our State's economic security than it is today, and so we recognize that our work is also more important than ever. We take great pride in our contributions to helping New Jersey's colleges and universities meet their long term challenges. The Authority looks forward to continuing to address these challenges with the higher education community.

We thank Governor Corzine and the members of the Legislature for their support. We applaud the dedication of NJEFA's Members and the tireless efforts of our remarkable staff.

Sincerely,

Vivian Altman

Roger L. Anderson



# Year in Review: A Steady Steward in Tumultuous Times

“2008 brought forth changes and challenges to the capital markets and financial system that were unprecedented and unexpected. As a result of the diligence and rapid response of our team, we weathered the storms, provided support and guidance to our constituent colleges, and survived the turbulence.

→ Vivian Altman, Chair, New Jersey Educational Facilities Authority

## NJEFA Activity

Monitored Auction Rate  
Securities and Variable Rate  
Demand Bond markets

2007 NOV

Recession began

DEC

## Financial Crisis

Began search for alternatives  
once it looked like bond insurers  
would be downgraded

# Financial Crises Define 2008

A constant succession of unimagined financial crises defined 2008. If epidemiologists studied the carnage in the capital markets, subprime residential mortgages would be singled out as “patient zero.”

Those subprime mortgages were then packaged into Collateralized Mortgage Backed Securities (CMBS), which could be identified as the carriers of the infection. Buying, selling, and insuring those subprime CMBS spread the diseased carriers throughout the world’s economies.

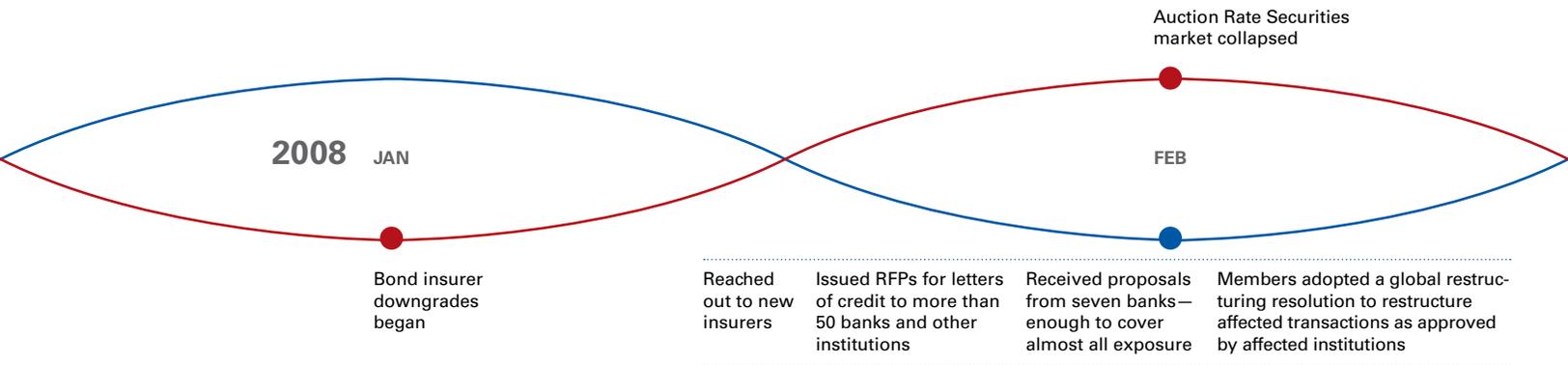
The global credit markets were so integrated when the subprime mortgage crisis broke in late 2007 that it took only a few months for the virus to reach the tax-exempt bond market, initially through the Auction Rate Securities (ARS) market on which many colleges and universities, student loan providers, and other U.S. municipal borrowers had relied.

What was the common denominator between subprime mortgages and ARS? The bond insurance companies, which provided insurance on about half of all municipal bonds. The insurance companies, however, had also entered into the more lucrative but riskier market of insuring subprime CMBS. When the subprime mortgage market collapsed, the insurers were forced to recognize losses that wiped out much, if not all, of their equity.

**7** Number of AAA/Aaa monoline bond insurers in 2007

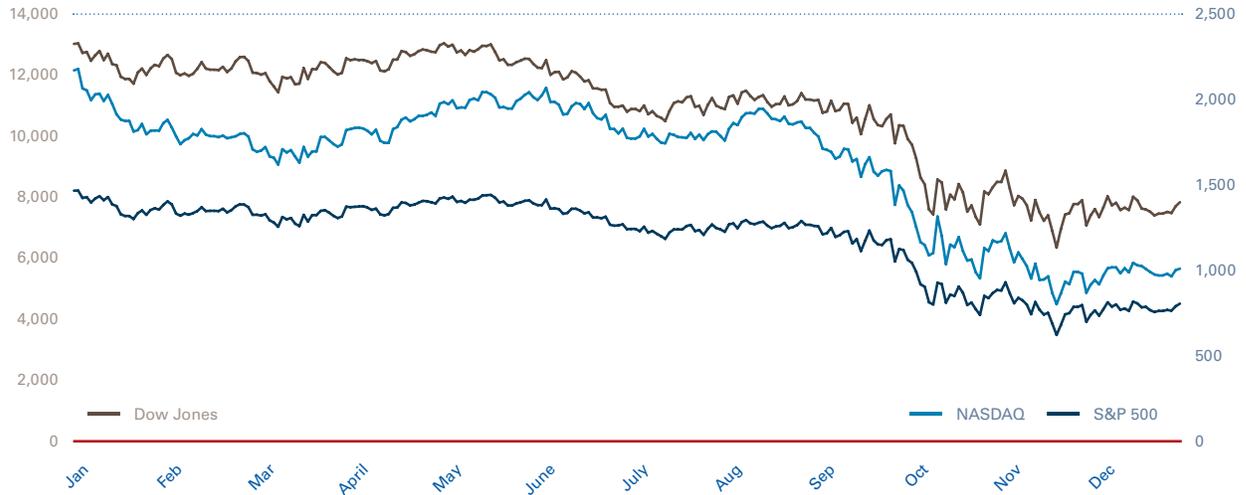
**0** Number of AAA/Aaa monoline bond insurers in 2009

The result was that suddenly the insurance companies, which had enjoyed AAA ratings from Fitch, Moody’s, and Standard & Poor’s, were downgraded. The ARS market had relied on the credit strength of the insurers and liquidity provided by the investment banks selling ARS. Investors lost confidence in the credit strength of the insurers, which resulted in fewer bids for ARS. At the same time, investment banks had also lost billions in the subprime market and no longer had the liquidity to support ARS auctions. Accordingly, some auctions began to fail in February 2008, and rates on other ARS skyrocketed far beyond the levels for which colleges, universities, and other municipal borrowers had budgeted. The misery spread as investors who had suffered losses on various parts of their portfolios sold high quality municipal bonds to raise cash. That glut of supply caused all tax-exempt rates to rise. Fixed rate offerings therefore became more expensive.



## Total Market Disruption in 2008

Source: Bloomberg Finance, L.P.



After the collapse of the ARS market, some colleges and universities looked to the Variable Rate Demand Bond (VRDB) market as a substitute. For most borrowers, the VRDB market requires a bank letter of credit. As 2008 progressed, however, banks became both less inclined and less able to extend letters of credit, and, when letters of credit were available, they carried much higher fees. These developments resulted in a wounded and much smaller VRDB market.

In the second half of 2008, the financial dam burst. All credit markets other than Treasuries froze, interest rates soared, the stock market plummeted, major commercial banks failed, the federal government threw life lines to the banks that remained, and all the major U.S. broker-dealers disappeared. Bear Stearns was bought by JP Morgan Chase; Merrill Lynch was bought by Bank of America; Lehman Brothers filed for bankruptcy; and Goldman Sachs and Morgan Stanley converted to bank holding companies. The number of major banks also decreased. UBS exited the municipal finance business and Wells Fargo bought Wachovia.

**5** Number of major broker dealers in 2007

**0** Number of major broker dealers in 2009

MAR

JP Morgan Chase and The Federal Reserve bailed out Bear Stearns

APR

<b>Rowan University</b> debt restructuring: \$35,205,000	<b>Institute for Advanced Study</b> refunding: \$11,255,000	<b>Drew University</b> refunding: \$10,765,000
<b>NJ City University</b> debt restructurings: \$74,620,000	<b>The College of NJ</b> debt restructuring: \$287,790,000	

## Authority Successfully Restructures Debt

Throughout the fall of 2007, the New Jersey Educational Facilities Authority monitored the ARS and VRDB markets by staying in contact with investment banks and insurers, and provided updates to affected college and university clients.

As the threat emerged that auctions for municipal bonds might fail to attract enough buyers, the Authority immediately began to explore alternative funding sources. Beginning in early February 2008, the Authority sought letters of credit from more than 50 banks and other institutions. Seven banks responded, enough to cover almost all the ARS and insured VRDB exposure of the Authority's clients.

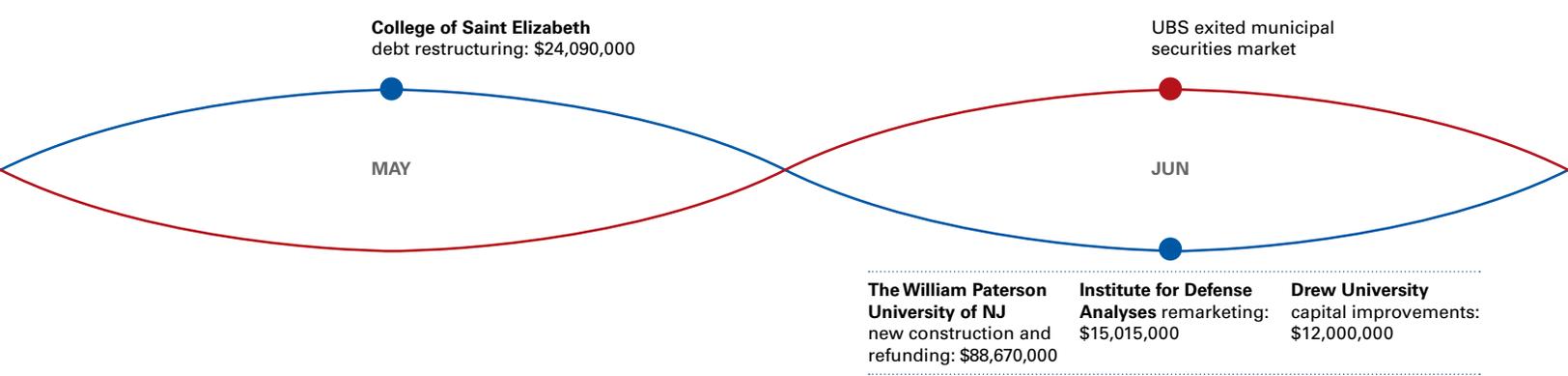
The collapse of the ARS and insured VRDB markets affected nine such clients, with a total of 17 issues worth about \$800 million. On February 27th, the Authority Members authorized the staff to restructure each of these transactions in the form approved by the respective client. The Authority provided its clients with creative options for shifting funding from the ARS and insured VRDB markets to fixed rate financing or other investment products.

I have nothing but praise for the staff of the NJEFA. In May 2008, they helped us refinance our bonds and that was done very quickly, within 30 days. We were very comfortable with their advice and they were responsive to our needs. They were great.

→ Maria Cammarata, Vice President for Finance and Administration, The College of Saint Elizabeth

# \$800million

in restructurings completed



The Authority also reached out to other municipal bond insurers that were new to the market or that had limited exposure to the subprime mortgage market.

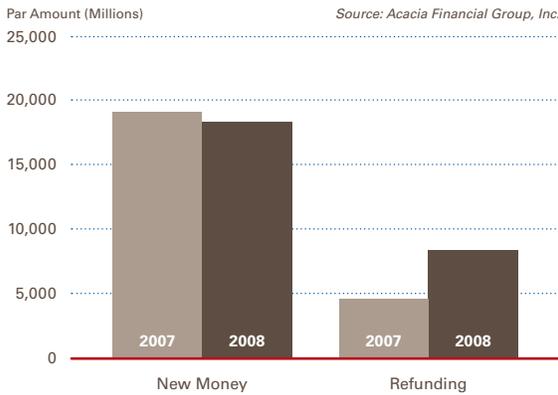
“Thanks to the heroic work of the best staff in the State, we survived, and we continued our record of zero defaults.”

→ Roger L. Anderson, Executive Director, New Jersey Educational Facilities Authority

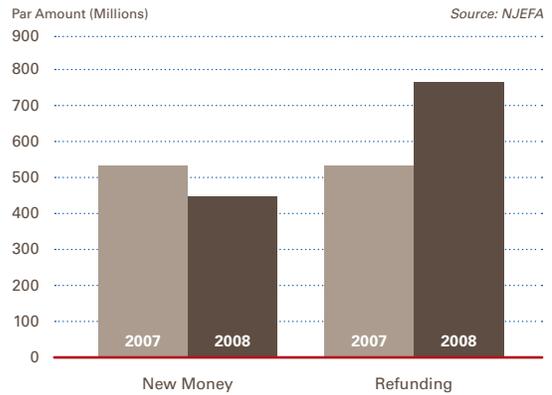
The Authority has now completed restructurings for all nine institutions. Six clients selected fixed rate refundings; one wrapped an existing insured VRDB with a letter of credit; one selected a letter of credit-backed VRDB refunding; and one selected a combination letter of credit-backed VRDB and fixed rate bonds refunding.

As the Authority worked through the restructurings, September brought greater instability into the financial markets. Lehman Brothers filed for bankruptcy, forcing the Authority to replace the firm as remarketing agent on two deals and terminate two swaps and leaving two investment agreements stuck in the morass of the bankruptcy proceedings.

**National Higher Education New Financing and Refunding Transactions**



**NJEFA New Financing and Refunding Transactions**



**St. Peter's College** bond conversion: \$3,728,462

**St. Peter's College** acquisition, construction, and renovation: \$5,000,000

JUL

U.S. Government took over IndyMac

AUG

**The Richard Stockton College of NJ** new construction, renovations, and debt restructuring: \$136,910,000

## Client-focused Culture Leads to Creative Solutions

The client-focused culture of the Authority, initiated by its founding Executive Director Edward J. Bambach, has always served New Jersey's colleges and universities well.

For example, in addition to apprising clients of market trends and providing information on financing options, the Authority handles the back office paperwork for the life of each security, thereby freeing the clients' staffs to concentrate on other financial tasks. This dedication proved particularly valuable during the financial crisis.

Because the Authority has a unique understanding of each transaction, staff was able to react swiftly to shifting events as they unfolded in the financial markets, remain flexible, and offer a coherent and creative approach to clients whose bonds had been affected by the disruptions in the market. For these restructuring services, the Authority charged no fees.

In most years, the Authority has hosted educational conferences on the financing options available to fund capital improvements at colleges and universities, so that clients can make informed decisions. In the extraordinary year that was 2008, the educational services were tailored to each institution's portfolio, as staff discussed restructuring options with the clients' trustees, met in one-on-one sessions, and participated in other meetings at the clients' requests.

Our relationship with the Authority, not only this past year but in previous years, has been entirely positive. We lean on Roger Anderson and his staff for advice and counsel as well as for the funding we need to develop our physical plant.

→ Richard Hale, Vice President for Administration and Finance, Rowan University

Replaced Lehman Brothers as remarketing agent on 2 VRDB's

Princeton University capital improvements: \$250,000,000

\$700 billion federal rescue plan approved

Wells Fargo agreed to buy Wachovia

SEPT

OCT

The Federal Reserve forced AIG into liquidation

JP Morgan Chase takes over Washington Mutual

Lehman Brothers filed for bankruptcy

Reserve Fund "breaks the buck"

U.S. placed Fannie Mae and Freddie Mac into conservatorship

Goldman Sachs and Morgan Stanley converted to bank holding companies

Bank of America agreed to buy Merrill Lynch

Commonfund ST Fund closed by Wachovia



## New Project Financing Continues

While the Authority was restructuring nearly \$800 million in financings, and despite the stress in the fixed rate market, it also issued more than \$450 million in new project funding for the following five institutions:

**The William Paterson University of NJ**—\$85 million to renovate and add a three-story, 66,000 square-foot addition to its Science Hall.

**Drew University**—\$12 million to finance deferred maintenance and improvements to classrooms and other facilities.

**Saint Peter's College**—\$5 million for new capital projects.

**The Richard Stockton College of NJ**—\$105 million to build a new, 155,000 square-foot Campus Center. The Campus Center will feature food service, event and dining facilities, offices, and a theater.

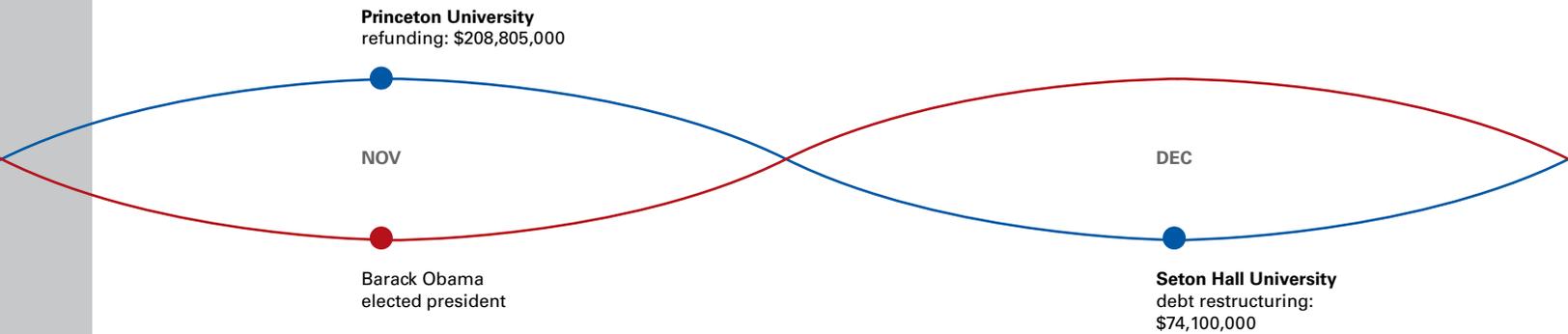
**Princeton University**—\$250 million for capital projects including the Creative and Performing Arts Center, renovations to the Firestone Library, and the completion of Sherrerd Hall, which will house the University's Department of Operations Research and Financial Engineering and the Center for Information Technology. Sherrerd Hall will provide space that fosters collaboration in teaching and research across several disciplines, including public policy, business, finance, and technology.

Institutions of higher education provide the human capital, skilled managers and leaders, and scientific research that have made New Jersey a center of commerce and innovation.

→ Jon Corzine, Governor of New Jersey, and Laurence M. Downes, former Chair of the Commission on Higher Education

These new projects exemplify the Authority's mission to help New Jersey's colleges and universities obtain low-cost financing to develop facilities that accommodate the State's growing demand for higher education.

Since its founding in 1966, the Authority has helped the State's colleges meet their space needs through 434 transactions totaling \$11.7 billion. The State has not issued general obligation bonds for higher education in more



**Princeton University**  
refunding: \$208,805,000

NOV

Barack Obama  
elected president

DEC

**Seton Hall University**  
debt restructuring:  
\$74,100,000

# \$457 million

in new project funding completed

than 20 years, which has made it necessary for institutions to raise their own funds for capital expansions, most of it by borrowing through the Authority. Since 2000, the Authority has sold more than two-thirds of the total debt it has issued.

In spite of new construction, New Jersey's colleges and universities are still too small to meet the demand. The residential population at New Jersey's public institutions increased by nearly 40% in the last decade, but the State is still ranked 46th in the nation in enrollment capacity at public universities on a per capita basis.

On average, the space constraints at New Jersey's public institutions have limited the schools to accept only about one-half of their applicants, compared to the national average of 70%. In fact, New Jersey is first in the country in net out-migration of college-bound high school graduates.

The demand for space at New Jersey's colleges and universities has risen as the number of high school graduates in New Jersey increased in the last decade. About 100,000 students are now being graduated from New Jersey's high schools each year, a level that is expected to continue through 2017, compared to around 70,000 per year in the 1990s.

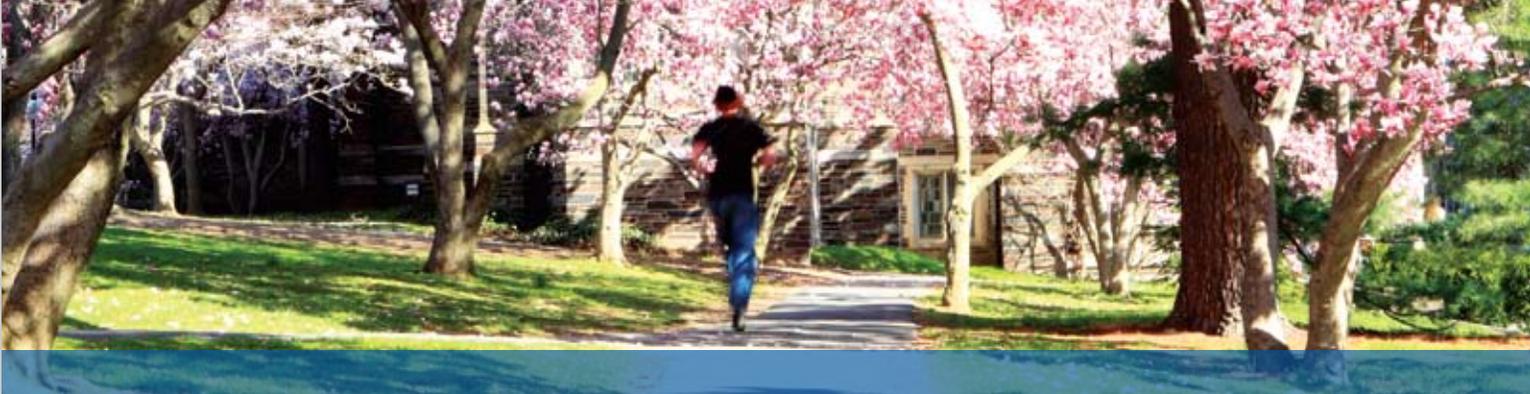
Moody's Investors Service has found that New Jersey has a diverse, highly skilled, and well-educated workforce, making it an ideal location for employers. In 2006, nearly 40% of adults in New Jersey had at least an associate's degree—the 11th highest rate in the country—and personal income was about 14% higher than the national average. Yet the ratio of full time students in New Jersey to the State's population is one of the lowest in the nation.

The Moody's report continued that, in addition to exploiting growth opportunities among in-state residents, New Jersey's public institutions also have the potential to attract students from other states and other countries because of the State's ideal location in the New York-Philadelphia-Washington corridor.

## NJ Enrollment: Degrees Conferred (2000-2008)

	Total Enrollments	Total Degrees/Certificates
2000	335,930	52,579
2001	346,277	53,205
2002	361,757	55,866
2003	372,696	58,277
2004	379,447	61,428
2005	379,686	64,007
2006	385,612	65,105
2007	398,169	66,364
2008	410,193	69,357
Cumulative Increase	74,263 (22.11%)	16,778 (31.91%)

Source: New Jersey Commission on Higher Education



## Future of Higher Education in the Midst of an Economic Storm

Stakeholders in business, industry, and government understand the value of an educated population to maintaining a vital and competitive nation.

New Jersey's Strategic Plan for Higher Education recognizes that knowledge, information, and technology will drive prosperity in the State and, as a result, places a premium on increasing the number of college degrees earned in New Jersey's colleges and universities. In addition, New Jersey's Economic Growth Strategy has named world-class higher education as one of the State's six priorities.

Students and their families also value higher education and understand that a college degree is an economic necessity that will lead to higher paying jobs, yielding an average of \$1 million more over a lifetime. In the next decade, the Bureau of Labor Statistics estimates that nearly half of all new jobs in the U.S. will require higher education, with the greatest growth in jobs requiring a doctorate. President Obama has said that, "Every American will need to get more than a high school diploma."

Unfortunately, families are finding it harder to pay for higher education at either public or private institutions. Financial pressures are particularly acute during this recession when unemployment has risen, foreclosures have escalated, and the value of family savings set aside for college has plummeted along with the stock market.

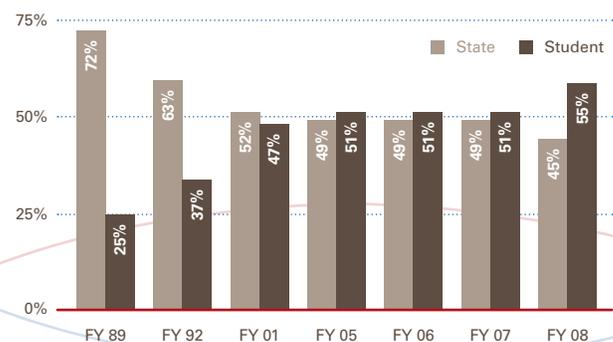
The Delta Cost Project, a study funded by the Lumina Foundation for Education, found that tuition nationwide has risen dramatically, at almost double the rate of inflation, at the same time that enrollments have accelerated by nearly 30% from 12.4 million students in 1987 to nearly 17 million in 2005.

## Education and innovation will be the currency of the 21st Century.

→ President Barack Obama,  
Cairo University, Cairo, Egypt

The study also found that public colleges and universities nationwide receive fewer tax dollars today because government mandates such as Medicaid are taking funds previously earmarked for higher education. In 1991, states on average set aside 11.9% of their budgets for higher education, compared to 13.6% for Medicaid. By 2006 that gap had widened to 10.4% for higher education, compared to 21.5% for Medicaid. As a result, the study found that tuition increases, particularly at public colleges, have primarily been used to replace lost state appropriations.

### Shifting the Burden of Investment



Source: New Jersey Association of State Colleges and Universities calculations;  
New Jersey Commission on Higher Education

New Jersey continues to lag the national average in funding for higher education. New Jersey set aside 7.8% of its 2006 budget for higher education, compared to the national average of 10.4%.

Lack of government funding for capital projects on campuses also has affected the way schools fund new buildings and improvements, requiring them to finance new buildings independently. These costs are passed on to students, resulting in tuition increases or higher fees.

In the 2008 Report Card for Higher Education, experts cautioned that the United States' position as the world leader in college access is eroding and that the lack of affordable higher education is particularly acute among low-income students and minorities. They warned further that a failure to provide access to higher education for all the nation's citizens will impair the country's ability to compete globally.

*The Economist* defined the main challenges for higher education as providing excellence, access and affordability. Balancing all three challenges is proving to be the hardest task of all. Building better programs and providing more seats in classrooms require money, which for the past two decades has been largely paid by students, thereby weakening affordability. Only greater recogni-

# 25%

Students' share of cost at New Jersey public institutions 20 years ago

# 55%

Students' share of cost at New Jersey public institutions today

tion of the public benefit of higher education and more resulting public commitment will enable colleges to meet all three challenges.

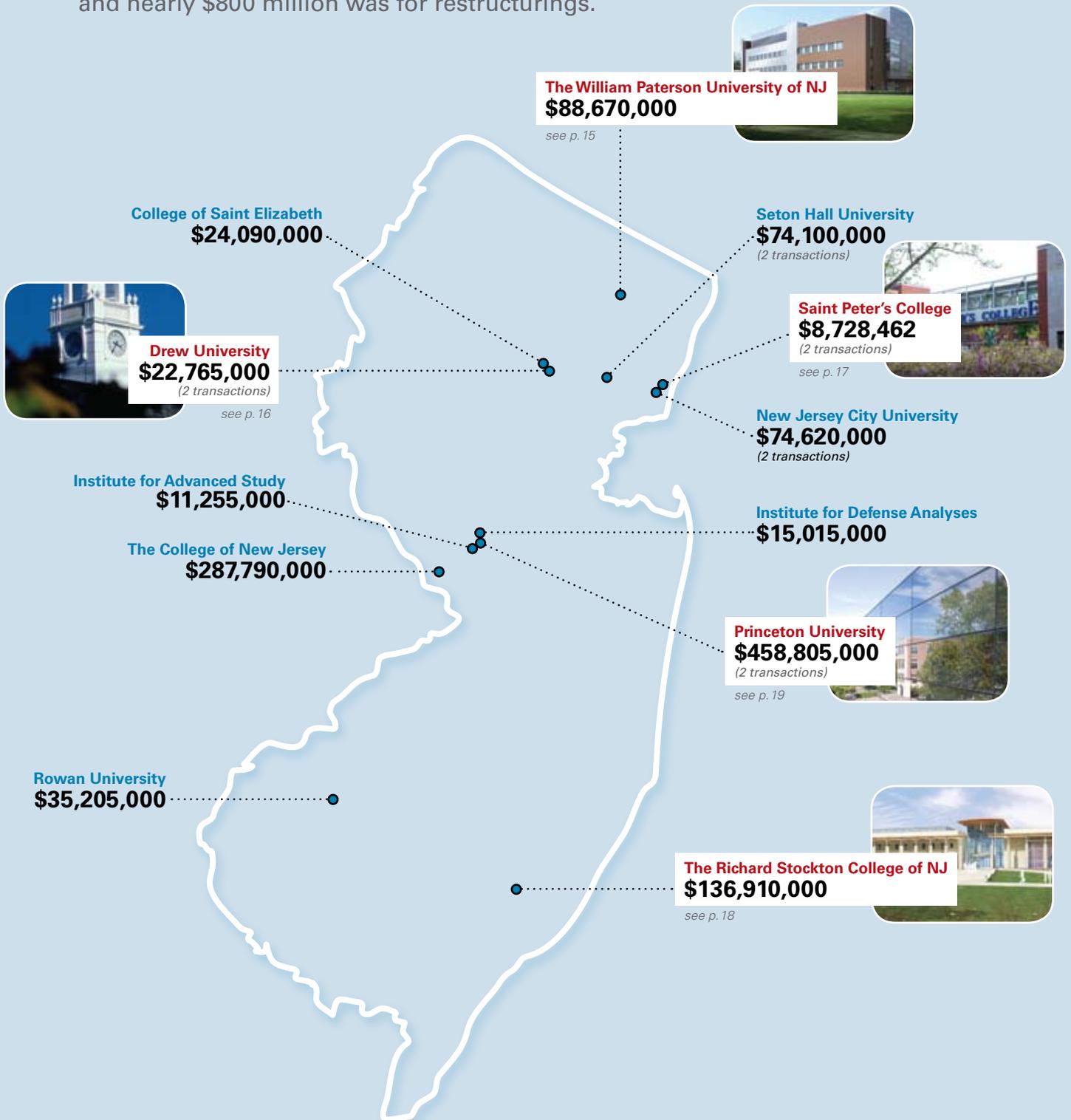
For more than 40 years, the New Jersey Educational Facilities Authority has been a proud participant in the country's tradition of educational excellence by helping New Jersey's colleges and universities obtain low-cost financing for facilities that house the State's greatest minds. The Authority looks forward to continuing to work with these institutions as they seek to accommodate the expanding demand for higher education in New Jersey.

**The NJEFA has been an invaluable partner in addressing the Institute's tax-exempt financing needs. The energy, responsiveness and sound judgment of the staff have contributed enormously to the success of our borrowings through the agency.**

→ John Masten, Associate Director for Finance and Administration, Institute for Advanced Study

# 2008 Transactions

The New Jersey Educational Facilities Authority completed 17 financings for 12 schools totaling over \$1.2 billion. More than \$450 million funded new projects for five schools, and nearly \$800 million was for restructurings.



# THE WILLIAM PATERSON UNIVERSITY OF NJ

type of school **4-Year • Public • University** located in **Wayne**

## 63%

applicants admitted

## 97%

in-state students

## 10,256

total enrollment

## Series 2008 C

In June, the Authority sold \$88.7 million bonds on behalf of The William Paterson University of New Jersey. The transaction financed new capital projects and a partial refunding that provided net present value savings to the University of more than \$223,000 or 4.385% of refunded par. The Series 2008 C fixed rate bonds carried a true interest cost of 4.72% and a final maturity of July 1, 2038.

Approximately \$4.3 million of bond proceeds were used to refund the Authority's outstanding Series 1998 D bonds. The remaining proceeds are being used by the University to renovate and expand its Science Hall which currently houses departmental programs in Biology, Chemistry, Physics, Environmental Science, and Math, as well as Psychology and Anthropology. The building has not had a major renovation or upgrade since its

original construction in 1971. Once complete, the project will feature a three-story, 66,000 square-foot addition to the northwest side of the building and a newly renovated and expanded state-of-the-art science teaching and research facility.





# DREW UNIVERSITY

type of school **4-Year • Private • University** located in **Madison**

**68%**

applicants admitted

**53%**

in-state students

**2,506**

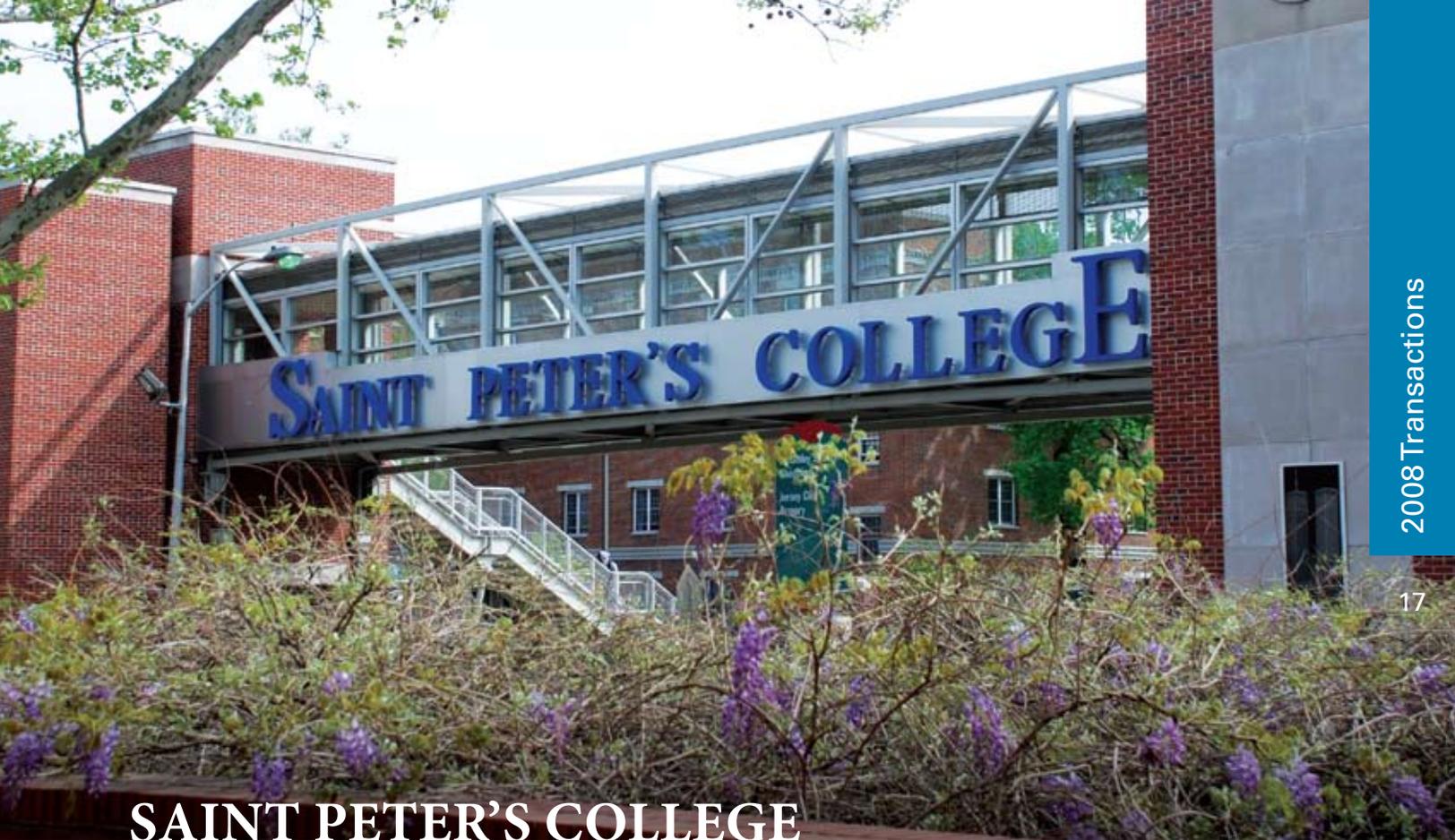
total enrollment

## 2008 Series I

In June, the Authority issued its 2008 Series I bonds on behalf of Drew University in an initial aggregate principal amount of \$12 million. The transaction was structured as a direct purchase. The initial \$12 million obligation will be advanced to the University in increments of up to \$4 million per year over the next three years. Once the funds have been drawn, the annual draw will then be amortized over a 10-year-period. Under the plan of finance, the bank may agree to renew for another three years, and at the end of that period, renew for

another four years under the same terms for an aggregate total amount not to exceed \$40 million.

Bond proceeds are being used by the University to help finance its deferred maintenance needs over potentially a ten-year period, including various capital improvements to campus facilities and grounds; equipment acquisition installation; and upgrades and improvements to classrooms, offices, and other facilities.



## SAINT PETER'S COLLEGE

type of school **4-Year • Private • Liberal Arts College** located in **Jersey City**

**61%**

applicants admitted

**82%**

in-state students

**3,111**

total enrollment

### 2008 Series H

In July, the Authority completed a \$5 million bond financing on behalf of Saint Peter's College. The 2008 Series H variable rate revenue bonds were sold as a direct purchase. Simultaneously with the issuance of the bonds, the College entered into an interest rate swap agreement to set a synthetic fixed interest rate on the bonds of 3.92%.

Proceeds of the bonds are being used by the College for various capital projects on or near its main campus. These projects include the acquisition, construction, renovation, repair, and rehabilitation of various College facilities and equipment, including computer infrastructure wiring, utility systems, roads and grounds,

equipment purchases and replacements for academic departments and administrative and supporting units. The bonds will also help to finance several new projects, which may include demolition of existing buildings owned by the College and the acquisition of buildings, all of which provide academic, residential, or administrative facilities.

Concurrently, the Authority completed a conversion of the taxable fixed rate on the Authority's \$3,728,461 outstanding 2007 Series I bonds to a tax-exempt rate. The interest rate on these bonds prior to the conversion was 5.61% and post-conversion was 3.65%.



# THE RICHARD STOCKTON COLLEGE OF NJ

type of school **4-Year • Public • Liberal Arts College** located in **Pomona**

**53%**

applicants admitted

**98%**

in-state students

**7,307**

total enrollment

## Series 2008 A

In August, the Authority sold \$137 million bonds on behalf of The Richard Stockton College of New Jersey. The Series 2008 A bonds helped the College finance a number of new campus improvement projects and refund \$30.9 million of the College's outstanding Series 2005 C auction rate bonds.

Among new projects financed is the construction of a 155,000 square-foot Campus Center. The Campus Center will include food service, event and dining

facilities, lounges, offices and a theater. The facility will help Stockton address space shortage and modernization issues on campus. Additional new projects include renovations to College Walk and various other site and roadway improvements. The Series 2008 A issue was sold at a true interest cost of 5.309% and with a final maturity of July 1, 2038.

# PRINCETON UNIVERSITY

type of school **4-Year • Private • University** located in **Princeton**

## 10%

applicants admitted

## 15%

in-state students

## 7,502

total enrollment

## 2008 Series J

In September, the Authority issued \$250 million revenue bonds in its 2008 Series J financing on behalf of Princeton University. The University is using proceeds from the sale of the bonds to finance the costs of acquiring, constructing, renovating and installing certain capital assets located on the University's main campus in Princeton, its Forrester campus in Plainsboro, and/or its administrative building in West Windsor.

Among projects financed through this transaction are Sherrerd Hall (above), a new engineering building and the University's Creative and Performing Arts Center (right). Additional projects include extensive reconstruction, renovation and repair of various campus buildings and facilities, including utility systems, computer infrastructure wiring, roads, grounds and parking. The University is also using bond proceeds

to help purchase scientific equipment, computer equipment and furnishings in addition to the acquisition of land in Princeton, New Jersey known as the Merwick and Franklin properties. The 2008 Series J competitive issue carried a true interest cost of 4.391% and a final maturity of July 1, 2038.



# Refunding & Restructuring Activity

## Rowan University

In March, the Authority sold \$35.2 million refunding bonds on behalf of Rowan University. The Series 2008 B bonds were issued at fixed rates with a true interest cost of 4.839% and a final maturity of July 1, 2027. The Series 2008 B bonds currently refunded all of the Authority's outstanding Series 2003 K and Series 2006 H auction rate bonds.

## Drew University

In April, the Authority closed \$11 million forward refunding bonds on behalf of Drew University. The 2008 Series B bonds combined with the University's 2007 Series D bonds sold at fixed rates with an aggregate true interest cost of 4.16% in April of 2007. The financing provided a forward-delivery current refunding of the Authority's outstanding 1998 Series C bonds that settled one year from the pricing date and carried a final maturity of July 1, 2017.

## Institute for Advanced Study

In April, the Authority sold \$11,255,000 revenue refunding bonds in its 2008 Series C financing on behalf of the Institute for Advanced Study. The bonds were issued at fixed rates with a true interest cost of 3.619% and a final maturity of July 1, 2021. The 2008 Series C bonds currently refunded a portion of the Authority's outstanding 1997 Series F bonds and all of the Authority's outstanding 1997 Series G bonds. The financing provided net present value savings to the Institute of more than \$550,000 or 4.9% of refunded par.

## New Jersey City University

In April, the Authority sold two series of bonds with a combined par value of \$74,620,000 on behalf of New Jersey City University. The financing included \$68,445,000 of Series 2008 E tax-exempt bonds and \$6,175,000 of Series 2008 F taxable bonds. Both series of bonds were issued at fixed rates, with a combined aggregate true interest cost of 5.01%. The tax-exempt portion of this financing included swap unwinds on two series of bonds refunded. The Series 2008 E bonds currently refunded all of the Authority's outstanding Series 2003 A auction rate bonds and Series 2005 A auction rate bonds. The Series 2008 F bonds currently refunded all of the Authority's taxable Series 2006 C bonds which had also been issued as auction rate securities.

## The College of New Jersey

In April, the Authority sold \$287.8 million refunding bonds on behalf of The College of New Jersey. The Series 2008 D bonds were issued at fixed rates with a true interest cost of 5.086% and a final maturity of July 1, 2035. The bonds currently refunded all of the Authority's outstanding Series 1999 A and Series 2002 D bonds, which were issued as insured variable rate and auction rate bonds, respectively. The financing also included swap unwinds on both series of bonds refunded.

### **College of Saint Elizabeth**

In May, the Authority sold \$24.1 million refunding bonds on behalf of The College of Saint Elizabeth. The 2008 Series F bonds were issued as Variable Rate Demand Obligations (Weekly Mode) and secured by a direct-pay letter-of-credit. The bonds carried an initial interest rate of 1.60 percent and a final maturity of July 1, 2036. Proceeds of the 2008 Series F bonds currently refunded all of the Authority's outstanding 2000 Series C and 2006 Series K auction rate bonds.

### **Institute for Defense Analyses**

In June, the Authority completed a \$15 million remarketing of all of the Authority's outstanding 2000 Series D bonds issued on behalf of the Institute for Defense Analyses. The 2000 Series D variable rate bonds originally carried municipal bond insurance, which has now been wrapped with a letter of credit. Prior to the remarketing, the interest rate on the bonds was 4.75%. The initial rate on the remarketing was 1.50%.

### **Princeton University**

In October, the Authority sold \$208,805,000 revenue refunding bonds for Princeton University. The 2008 Series K transaction currently refunded all of the Authority's outstanding 2001 Series B, 2002 Series B and 2003 Series F bonds issued on behalf of the University. The bonds were issued at fixed rates with a true interest cost of 4.356% and a final maturity of July 1, 2023.

### **Seton Hall University**

In December, the Authority closed \$74,100,000 combined par amount of revenue refunding bonds in its 2008 Series D and 2008 Series E financings on behalf of Seton Hall University.

The 2008 Series D bonds currently refunded \$28,287,500 of the Authority's \$50,025,000 outstanding Seton Hall University 2005 Series C bonds. The 2008 bonds also currently refunded the entire \$20,200,000 outstanding Seton Hall University 2006 Series A bonds. These bonds are backed by a letter of credit and were initially structured as 6-month put bonds with an interest rate of 1.375%. They converted to weekly variable rate demand obligations on June 2, 2009. The refunding was structured as variable rate in order to continue to take advantage of the outstanding swaps providing synthetic fixed rates on the refunded 2005 Series C and 2006 Series A transactions.

The 2008 Series E bonds had currently refunded the remaining outstanding \$21,737,500 2005 Series C bonds. This fixed rate transaction carried a true interest cost of 6.127%. Both the 2008 Series D and 2008 Series E bonds will mature on July 1, 2037.

# About the NJEFA

The New Jersey Educational Facilities Authority was established in 1966 to provide assistance to New Jersey's public and private colleges and universities by giving them access to tax-exempt financing through the facility of a public agency.

Oversight and direction of NJEFA is entrusted to a seven-member board composed of five public, unsalaried members appointed to five-year terms by the Governor with confirmation by the New Jersey Senate. The State Treasurer and Chair of the Commission on Higher Education serve *ex-officio*.

The mandate of NJEFA is to issue tax-exempt and taxable debt on behalf of qualified institutions of higher education to facilitate their capital finance and development needs. The bonds and other financial instruments of the Authority are special and limited obligations, secured and repaid by the institution for which it provides financing.

NJEFA's bonds and other obligations have no guarantee of repayment by the State unless authorized by statute. Exceptions occur only when the State assumes a repayment obligation and identifies a repayment source. The latter is the case in the State's commitment to pay debt service on bonds issued under programs like the Higher Education Capital Improvement Fund.

Institutions of higher education can utilize NJEFA financing for a variety of projects including construction, renovation, improvement and expansion of academic buildings such as classroom facilities, laboratories and research facilities. Also eligible are auxiliary service facilities like dining halls, utility plants, libraries, dormitories, athletic facilities, parking facilities, student unions, administration buildings and campus health care facilities. Authority financing can be utilized as well for the acquisition of capital equipment such as high technology and research equipment.

Eligible institutions, including accredited two- and four-year colleges and universities, identify their capital and construction requirements and then work with NJEFA to develop financing that will meet the fiscal needs of their projects. Working with the institution, NJEFA will take its bond issue to market, capitalizing on the lower interest rates the Authority can obtain as a public fiduciary.

The Authority has never experienced a default. As a result, its reputation for fiscal responsibility and integrity is impeccable and carries the practical benefit of lower interest rates for its clients.

## NJEFA Members



**Vivian Altman**  
*Chair*



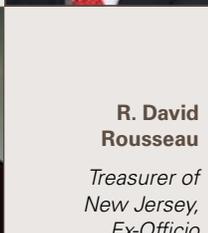
**Ronald Louis Blackburn**



**Ridgeley Hutchinson**



**Roger B. Jacobs, Esq.**



**R. David Rousseau**  
*Treasurer of New Jersey, Ex-Officio*



**Edward J. Graham**  
*Chair, Commission on Higher Education, Ex-Officio*



## NJEFA Staff



**Roger L. Anderson, Executive Director**

**Barbara L. Cannon, Deputy Executive Director**

**Sheila R. Toles, Executive Assistant/HR Specialist**

**Mary Jane Darby, Director of Project Management** (not pictured)

**Vito L. Galluccio, Project Manager**

**Jennifer Zoccali, Project/Communications Assistant**

**Marie P. Mueller, Controller**

**Kristen Middleton, Assistant Controller**

**Gary D. Vencius, Senior Accountant**

**Jamie O'Donnell, Accountant**

**Denise K. Carroll, Administrative Assistant**

**Katherine A. Newell, Esq., Director of Risk Management**

**Debra L. Paterson, Senior Risk Manager**

**Sheryl A. Stitt, Director of Communications**

**Nichole Doxey, Communications Specialist**

**Linda J. Hazley, Office Manager**

**Christine M. Hart, Summer Intern**

# Historical Financings

(As of December 31, 2008)

## Atlantic Cape Community College

- **Series 1999 B:** \$3,045,000; renovations, expansions, improvements

## Beth Medrash Govoha

- **2000 Series G:** \$8,505,000; new dining hall, dormitory and administration building renovations

## Bloomfield College

- **1998 Tax-Exempt Lease:** \$315,000; equipment acquisition
- **2000 Series A:** \$6,270,000; new library, library and college center renovations, equipment purchase

## Caldwell College

- **Bond Anticipation Note Issue M (1990):** \$3,000,000; library addition and renovation
- **1995 Series A:** \$4,800,000; academic building
- **2000 Series B:** \$9,235,000; student recreation center, parking lot and roadway improvements
- **2006 Series F:** \$21,400,000; refunding of 1995 Series A and 2000 Series B bonds, student residence hall

## Centenary College

- **1998 Tax-Exempt Lease:** \$640,000; computer and equipment acquisition
- **2000 Series F:** \$6,130,000; Equestrian Center
- **2003 Series A:** \$14,775,000; student residence hall, computer acquisition, refunding of 2000 Series F bonds
- **2006 Series J:** \$9,154,113; refinancing of a bank loan
- **2007 Series B:** \$4,784,617; refinancing of a bank loan and various capital improvements

## College of Saint Elizabeth

- **2000 Series C:** \$12,000,000; facility conversion and renovations to administration building, parking facility expansion
- **2006 Series K:** \$15,000,000; Fine and Performing Arts Center and various capital projects
- **2008 Series F:** \$24,090,000; debt restructuring

## Drew University

- **Bond Anticipation Note Issue I (1980):** \$8,875,000; library addition and renovation
- **Bond Anticipation Note Issue I–Collateralized–Renewal One (1982):** \$11,690,000; refinance of Bond Anticipation Note Issue I (1980) and library addition and renovation
- **Bond Anticipation Note Issue I–Collateralized–Renewal Two (1985):** \$11,935,000; refinance of Bond Anticipation Note Issue I–Collateralized–Renewal One (1982) and library addition and renovation
- **Bond Anticipation Note Issue K (1984):** \$4,500,000; computer acquisition
- **1985 Series B:** \$12,275,000; library addition and renovation
- **1992 Series E:** \$29,180,000; athletic center
- **1997 Series B:** \$9,140,000; refunding of 1985 Series B bonds
- **1998 Series C:** \$27,935,000; refunding of 1992 Series E bonds
- **2003 Series C:** \$20,855,000; deferred maintenance
- **2007 Series D:** \$29,135,000; student housing, renovation of existing student housing and partial refunding of the 1998 Series C bonds
- **2008 Series B:** \$10,765,000; refunding of 1998 Series C bonds
- **2008 Series I:** \$12,000,000; capital improvements

## Essex County College

- **Series 1999 C:** \$4,570,000; renovations

## Fairleigh Dickinson University

- **1972 Series A:** \$4,080,000; student residences
- **1985 Series C:** \$7,000,000; recreation center
- **1991 Series C:** \$8,700,000; equipment purchases
- **1993 Series C:** \$40,000,000; residence hall, recreation center, renovations, refunding of 1972 Series A and 1991 Series C bonds
- **1998 Series G:** \$16,615,000; student housing facility
- **2002 Series D:** \$63,650,000; new residence halls and academic building, student center addition, renovations
- **2004 Series C:** \$35,285,000; refunding of 1993 Series C bonds
- **2006 Series G and 2006 Series H:** \$16,652,544; refunding of 1998 Series G bonds and refinancing of various loans

### Felician College

- **1996 Series A:** \$2,040,000; academic buildings
- **1997 Series D:** \$12,550,000; property acquisition and refunding of 1996 Series A bonds
- **1998 Tax-Exempt Lease:** \$897,000; telephone/telecommunications equipment acquisition
- **2006 Series I:** \$11,445,000; refunding of 1997 Series D bonds

### Georgian Court University

- **1991 Series, Project A:** \$7,410,000; library and student lounge
- **1998 Series, Project B:** \$6,455,000; renovations and refunding of 1991 Series, Project A bonds
- **2003 Series, Project C:** \$15,215,000; new residence hall, renovation of Arts and Sciences Building and library
- **2007 Series Project D:** \$26,980,000; Wellness Center and partial refunding of 2003 Series, Project C bonds
- **2007 Series H:** \$1,050,000; property acquisition

### Hudson County College

- **Series 1999 D:** \$7,750,000; land acquisition
- **Series 1999 G:** \$2,035,000; property acquisition and construction

### Institute for Advanced Study

- **1980 Series A (Collateralized):** \$8,775,000; rehabilitation and renovations
- **1991 Series B:** \$17,895,000; administration building, equipment purchase, refunding of 1980 Series A bonds
- **1997 Series F and 1997 Series G:** \$42,875,000; renovations to member housing and refunding of 1991 Series B bonds
- **2001 Series A:** \$11,000,000; School of Natural Sciences, building "D" renovations, capital projects
- **2006 Series B:** \$29,600,000; partial refunding of 1997 Series G and 2001 Series A bonds
- **2006 Series C:** \$20,000,000; Simons Center for Systems Biology, network and utility upgrades and Visitor's Housing Facility
- **2008 Series C:** \$11,255,000; partial refunding of 1997 Series F bonds and refunding of 1997 Series G bonds

### Institute for Defense Analyses

- **2000 Series D:** \$16,695,000; property acquisition, office facility and parking
- **Remarketing (2008):** \$15,015,000; remarketing of 2000 Series D bonds

### Kean University

- **Series 1974 B:** \$7,960,000; student apartments
- **Series 1981 E:** \$4,185,000; Pingry School acquisition (East Campus)
- **Series 1985 D:** \$4,440,000; refunding of Series 1981 E bonds
- **Series 1991 B:** \$9,625,000; student apartments
- **Series 1993 G:** \$8,770,000; College Center addition and Library
- **Series 1998 A:** \$16,400,000; academic building and athletic facilities
- **Series 1998 B:** \$9,595,000; refunding of Series 1991 B bonds
- **Series 2001 A:** \$6,465,000; Downs Hall addition/renovations
- **Series 2003 D:** \$75,000,000; Wellness and Fitness Center, gymnasium renovations, stadium additions, Kean Building renovations, academic building
- **Series 2005 B:** \$101,915,000; property acquisition, academic building, access road, and renovations to President's House, East Campus, guest cottages, and Wilkins Theater, refunding of Series 1993 G bonds
- **Series 2007 D:** \$117,795,000; two residence halls with dining facility and parking deck
- **Series 2007 E:** \$156,240,000; refunding of Series 1998 A and Series 2001 A and partial refunding of Series 2003 D and Series 2005 B bonds
- **2007 Tax-Exempt Lease:** \$916,666; equipment acquisition

### Middlesex County College

- **Bond Anticipation Note Issue 9 (1971):** \$265,000; parking facility
- **Series 1999 E:** \$4,370,000; road, building and safety improvements

# Historical Financings

## Monmouth University

- **1975 Series A:** \$2,710,000; student union
- **1985 Series A:** \$2,150,000; academic building
- **1987 Series C:** \$1,750,000; student housing facility
- **1988 Series B:** \$10,500,000; apartment building, renovations, athletic facility
- **Bond Anticipation Note Issue L (1990):** \$5,735,000; School of Business
- **1993 Series A:** \$14,365,000; various construction and renovation projects, land acquisition, refunding of 1988 Series B bonds
- **1994 Series B:** \$2,855,000; student housing facility
- **1994 Series C:** \$5,270,000; student housing facility
- **1997 Series C:** \$12,910,000; student housing facility, telephone system, refunding of 1985 Series A and 1987 Series C bonds
- **1998 Series D:** \$8,815,000; telecommunications/equipment acquisition, refunding of 1994 Series B and 1994 Series C bonds

## Montclair State University

- **Series 1972 B:** \$5,415,000; student union
- **Series 1974 D:** \$6,425,000; dormitory and dining hall
- **Series 1977 A:** \$1,720,000; student apartments
- **Series 1977 B:** \$988,000; student apartments
- **Series 1982 B:** \$15,980,000; dormitory, cafeteria
- **Series 1982 C:** \$8,245,000; student center annex and playfields
- **Series 1983 A:** \$20,720,000; refunding of Series 1982 B bonds
- **Series 1983 B:** \$10,720,000; partial refunding of Series 1982 C bonds
- **Series 1986 H:** \$21,690,000; refunding of Series 1983 A bonds
- **Series 1986 I:** \$11,010,000; partial refunding of Series 1983 B bonds
- **Series 1991 E:** \$10,260,000; academic building
- **Series 1995 F:** \$4,780,000; dormitory and renovations
- **Series 1996 C:** \$18,845,000; refunding of Series 1986 H bonds

- **Series 1996 D:** \$9,575,000; refunding of Series 1986 I bonds
- **Series 1997 D:** \$10,960,000; academic building
- **Series 1997 E:** \$9,965,000; refunding of Series 1991 E bonds
- **Series 2001 F:** \$18,695,000; parking facility
- **Series 2002 F:** \$78,500,000; student housing facility and recreational complex
- **Series 2003 E:** \$23,425,000; Performing Arts Theater and equipment
- **Series 2003 L:** \$94,540,000; academic building and refunding of Series 1995 F bonds
- **2005 Conversion:** \$101,925,000; conversion of Series 2002 F and Series 2003 E auction rate bonds to fixed rate
- **Series 2006 A:** \$98,090,000; student recreation center, parking structure, renovations to Chapin, Finley and Mallory Halls and Panzer Gymnasium
- **Series 2006 B:** \$9,970,000; refunding of Series 1996 C and Series 1996 D bonds
- **Series 2006 J:** \$154,110,000; refunding of Series 1997 D and Series 2001 F bonds and partial refunding of Series 2002 F, Series 2003 E and Series 2003 L bonds
- **Series 2007 A:** \$6,150,000; refunding of Series 1997 E bonds

## New Jersey City University

- **Series 1971 B:** \$280,000; student apartments
- **Series 1975 A:** \$7,275,000; student center and parking facility
- **Series 1977 C:** \$8,570,000; refunding of Series 1975 A bonds
- **Series 1987 A:** \$2,475,000; dormitory
- **Series 1992 D:** \$15,350,000; athletic/recreation center and academic building
- **Series 1993 H:** \$2,310,000; administration building, parking facility, tennis courts
- **Series 1995 A:** \$2,315,000; property acquisition
- **Series 1995 C:** \$2,175,000; refunding of Series 1987 A bonds
- **Series 1998 E:** \$6,945,000; library and recreation center renovations
- **Series 1999 B:** \$17,795,000; refunding of Series 1992 D and Series 1995 A bonds
- **Series 2002 A:** \$15,115,000; fine arts building, student union renovations, campus card technology, parking improvements, fire protection upgrades

- **Series 2003 A:** \$47,850,000; Arts and Sciences Tower, Charter School conversion, parking improvements, fire safety installation, equipment acquisition, student union renovations, ITS Department renovations, refunding of Series 1993 H bonds
- **Series 2003 B:** \$2,300,000; renovations to Business Incubator facility
- **Series 2005 A:** \$21,575,000; student union renovations, pedestrian mall, cogeneration plant, technology infrastructure
- **Series 2006 C:** \$5,950,000; partial refunding of Series 1999 B bonds and refinancing of a bank loan
- **Series 2007 F:** \$17,910,000; refunding of Series 1998 E bonds and partial refunding of Series 1999 B and Series 2002 A bonds
- **Series 2008 E:** \$68,445,000; debt restructuring
- **Series 2008 F:** \$6,175,000; debt restructuring

### **New Jersey Institute of Technology**

- **Series 1978 A:** \$700,000; dormitory
- **Series 1982 A:** \$3,520,000; engineering building
- **Series 1982 F:** \$6,235,000; dormitory
- **Series 1986 A:** \$26,775,000; academic building
- **Series 1986 B:** \$6,815,000; refunding of Series 1982 F bonds
- **Series 1989 A:** \$20,925,000; dormitory and gymnasium addition
- **Series 1991 D:** \$14,575,000; parking facility and student support facility
- **Series 1994 A:** \$56,460,000; refunding of Series 1986 A, Series 1986 B, Series 1989 A, and Series 1991 D bonds
- **Series 1995 E:** \$33,230,000; residence hall and academic building renovations
- **Series 2001 G:** \$62,335,000; residence hall, renovations and additions to Campus Center
- **Series 2001 H:** \$12,570,000 (federally taxable); Enterprise Development Center
- **Series 2004 B:** \$73,530,000; refunding of Series 1994 A and Series 1995 E bonds

### **Ocean County College**

- **Series 1980 A:** \$1,680,000; computer acquisition

### **Passaic County College**

- **Series 1999 F:** \$2,015,000; acquisition and renovation

### **Princeton Theological Seminary**

- **1985 Series E:** \$8,000,000; academic building
- **1992 Series C:** \$20,500,000; library addition, renovations to campus center and dormitories, refunding of 1985 Series E bonds
- **1996 Series B:** \$16,210,000; residence hall, renovations, faculty and administrative housing, land acquisition
- **1997 Series A:** \$22,485,000; refunding of 1992 Series C bonds
- **2002 Series G:** \$26,125,000; parking garage and refunding of 1996 Series B bonds

### **Princeton University**

- **Bond Anticipation Note Issue H (1980):** \$5,000,000; dining hall and social facilities
- **1982 Series, Project A:** \$16,625,000; rehabilitation and repairs
- **1984 Series, Project B:** \$52,885,000; rehabilitation and repairs
- **1985 Series, Project C:** \$32,100,000; rehabilitation and repairs
- **1987 Series A:** \$28,785,000; rehabilitation and repairs, and a refunding of 1982 Series, Project A
- **1987 Series B:** \$22,285,000; rehabilitation and repairs
- **1988 Series A:** \$21,885,000; rehabilitation and repairs
- **1989 Series A:** \$15,400,000; rehabilitation and repairs
- **1990 Series A:** \$13,370,000; rehabilitation and repairs
- **1991 Series A:** \$15,185,000; rehabilitation and repairs
- **1992 Series F:** \$17,330,000; rehabilitation and repairs
- **1993 Series B:** \$17,475,000; rehabilitation and repairs
- **1994 Series A:** \$46,060,000; rehabilitation and repairs
- **1995 Series C:** \$28,865,000; rehabilitation and repairs
- **1996 Series C:** \$24,530,000; rehabilitation and repairs
- **1997 Series E:** \$22,150,000; rehabilitation and repairs
- **Commercial Paper Notes:** Not to exceed \$120,000,000; stadium and renovations and repairs
- **1998 Series E:** \$19,010,000; refunding a portion of 1994 Series A bonds
- **1998 Series F:** \$40,000,000; rehabilitation and repairs

# Historical Financings

## Princeton University (continued)

- **1999 Series A:** \$45,500,000; refunding of Commercial Paper Notes
- **1999 Series B:** \$50,000,000; major maintenance
- **2000 Series E:** \$50,000,000; renovations/capital improvements, addition to Princeton Press
- **2000 Series H:** \$100,000,000; renovations and refunding a portion of Commercial Paper Notes
- **2001 Series B:** \$100,000,000; renovations and capital improvements
- **2002 Series B:** \$100,000,000; renovations, refunding a portion of Commercial Paper Notes
- **2003 Series E:** \$112,510,000; refunding a portion of Commercial Paper Notes
- **2003 Series F:** \$75,000,000; various new construction and renovations
- **2003 Series D:** \$114,495,000; refunding of 1994 Series A, 1995 Series C, 1996 Series C, 1997 Series E, 1998 Series F, 1999 Series B, 2000 Series E, 2000 Series H bonds
- **2004 Series D:** \$175,000,000; dormitory, residential college, student apartments, other renovations and improvements, and refunding a portion of Commercial Paper Notes
- **2005 Series A:** \$139,590,000; refunding of 1995 Series C, 1998 Series E, 1998 Series F, 1999 Series A, 1999 Series B, 2000 Series E, 2000 Series H, 2003 Series E and 2004 Series D bonds
- **2005 Series B:** \$114,645,000; various new construction and renovations
- **2006 Series D:** \$74,290,000; various new construction and renovations, capital equipment
- **2006 Series E:** \$93,285,000; partial refunding of 1999 Series A, 2000 Series H, 2003 Series E, 2004 Series D and 2005 Series B bonds
- **2007 Series E:** \$325,000,000; various new construction and renovations, capital equipment and refunding of a portion of Commercial Paper Notes
- **2007 Series F:** \$67,620,000; partial refunding of 1999 Series A, 2003 Series E, 2004 Series D, 2005 Series A and 2005 Series B bonds
- **2008 Series J:** \$250,000,000; various new construction and renovations, capital equipment
- **2008 Series K:** \$208,805,000; refunding of 2001 Series B, 2002 Series B and 2003 Series F bonds

## Rabbinical College of America

- **1985 Series D:** \$1,883,000; student and faculty housing

## Ramapo College of New Jersey

- **Series 1973 A:** \$1,760,000; student apartments
- **Series 1973 B:** \$1,310,000; campus life facility
- **Series 1976 C:** \$2,525,000; student apartments and expanded parking
- **Series 1978 B:** \$100,000; student housing facility
- **Series 1979 C:** \$1,325,000; campus life annex
- **Series 1984 A:** \$7,295,000; dormitory
- **Series 1986 F:** \$8,445,000; refunding of Series 1984 A bonds
- **Series 1988 B:** \$8,975,000; dormitory
- **Series 1988 C:** \$2,865,000; campus life addition
- **Series 1990 A:** \$2,270,000; dormitory renovations
- **Series 1993 D:** \$3,120,000; refunding of Series 1988 C bonds
- **Series 1993 E:** \$17,870,000; dormitories
- **Series 1997 A:** \$7,330,000; visual and performing arts center, refunding of Series 1976 C bonds
- **Direct Loan Program (1997):** \$295,910; equipment acquisition
- **Direct Loan Program (1998):** \$600,000; equipment acquisition
- **Series 1998 G:** \$16,845,000; student housing facility and pavilion, refunding of Series 1990 A bonds
- **Series 1998 H:** \$2,000,000; campus life renovations and refunding of Series 1979 C bonds
- **Series 1998 I:** \$955,000; technology infrastructure
- **Series 1999 E:** \$19,900,000; residence hall and equipment acquisition
- **2000 Tax-Exempt Lease:** \$1,695,300; computer equipment acquisition
- **Series 2001 D:** \$40,480,000; student residence and telecommunications repairs
- **Series 2001 E:** \$2,535,000; sustainability center and instructional equipment
- **Series 2002 H:** \$28,655,000; Phase VII and Phase VIII housing
- **Series 2002 I:** \$2,145,000; student union alterations, rehabilitation, renovations
- **Series 2002 J:** \$29,620,000; athletic building addition, Havermeyer House acquisition and renovation

- **Series 2003 F:** \$1,820,000; refunding of Series 1993 D bonds
- **Series 2003 G:** \$9,300,000; refunding of Series 1993 E bonds
- **Series 2003 H:** \$18,930,000; refunding of Series 1999 E bonds
- **Series 2004 E:** \$53,980,000; student residence hall, parking garage, and other roadway and campus improvements
- **Series 2006 D:** \$49,085,000; academic building, completion of Phase VII housing, Phase IX housing and parking garage, Sustainability Education Center, renovations
- **Series 2006 I:** \$106,820,000; partial refunding of Series 2001 D, Series 2002 H, Series 2002 I, Series 2002 J, Series 2004 E and Series 2006 D bonds

### The Richard Stockton College of New Jersey

- **Series 1973 C:** \$1,780,000; College Center
- **Series 1973 D:** \$5,700,000; student apartments
- **Series 1980 B:** \$9,790,000; dormitories
- **Series 1981 D:** \$3,860,000; College Center Annex
- **Series 1985 A:** \$10,980,000; refunding of Series 1980 B bonds
- **Series 1985 C:** \$4,370,000; refunding of Series 1981 D bonds
- **Series 1985 F:** \$7,810,000; dormitories and parking expansion
- **Series 1987 B:** \$1,000,000; convenience center
- **Series 1988 A:** \$3,294,000; student housing renovations
- **Series 1992 B:** \$10,600,000; refunding of Series 1985 A bonds
- **Series 1992 C:** \$7,330,000; refunding of Series 1985 F bonds
- **Series 1993 F:** \$6,690,000; library addition and arts and sciences building
- **Series 1996 B:** \$1,680,000; refunding of Series 1985 C bonds
- **Series 1996 F:** \$19,280,000; recreation center
- **Series 1998 C:** \$13,110,000; student housing facility and commons building
- **Series 2002 B:** \$8,340,000; refunding of Series 1992 B and Series 1992 C bonds
- **Series 2005 C:** \$31,150,000; F-Wing and J-Wing academic building renovations, student housing renovations, office building acquisition and renovation, electrical power improvements, refunding of Series 1993 F bonds
- **Series 2005 F:** \$28,180,000; refunding of Series 1996 F and Series 1998 C bonds
- **Series 2006 F:** \$50,365,000; student housing, parking, energy conservation projects, land acquisition, Holocaust Resource Center and Alton Auditorium renovations, electrical upgrades

- **Series 2007 G:** \$40,250,000; student housing, various safety and infrastructure improvements
- **Series 2008 A:** \$136,910,000; Campus Center, College Walk renovations, site and roadway improvements, refunding of Series 2005 C bonds

### Rider University

- **1971 Series A:** \$3,700,000; Student Union
- **1987 Series B:** \$21,400,000; administration building
- **1992 Series D:** \$31,735,000; academic buildings and refunding of 1987 Series B bonds
- **1995 Series B:** \$4,819,851.19; equipment acquisition
- **2002 Series A:** \$27,560,000; refunding of 1992 Series D bonds
- **2004 Series A:** \$14,735,000; student residence hall and recreation center
- **2007 Series C:** \$22,000,000; student residence facility, various renovation, construction and infrastructure improvements

### Rowan University

- **Series 1971 A:** \$1,205,000; student apartments
- **Series 1974 E:** \$6,080,000; student union
- **Series 1975 B:** \$580,000; Winans Dining Hall
- **Series 1976 B:** \$2,555,000; student apartments
- **Series 1979 A:** \$1,710,000; student housing facility
- **Series 1982 D:** \$1,760,000; computer facility acquisition
- **Series 1983 C:** \$10,365,000; student housing facility
- **Series 1983 D:** \$3,500,000; student housing facility
- **Series 1983 G:** \$3,385,000; student union renovations
- **Series 1985 E:** \$1,545,000; refunding of Series 1982 D bonds
- **Series 1986 C:** \$11,940,000; refunding of Series 1983 C bonds
- **Series 1986 E:** \$3,280,000; refunding of Series 1983 G bonds
- **Series 1991 A:** \$9,000,000; student recreation center
- **Series 1993 A:** \$9,600,000; new library facility
- **Series 1993 B:** \$1,765,000; refunding of Series 1976 B bonds
- **Series 1993 C:** \$10,955,000; refunding of Series 1986 C bonds
- **Series 1994 C:** \$6,145,000; cogeneration plant and equipment acquisition
- **Series 1996 E:** \$40,785,000; School of Engineering and renovations

# Historical Financings

## Rowan University (continued)

- **Series 1997 B:** \$6,770,000; engineering building expansion and renovations
- **Series 1997 C:** \$9,035,000; refunding of Series 1991 A bonds
- **Direct Loan Program (1999):** \$3,000,000; equipment acquisition
- **Series 2000 B:** \$51,620,000; science academic building
- **Series 2001 B:** \$8,790,000; student center renovations
- **Series 2001 C:** \$60,930,000; land acquisition, refunding of Series 1979 A, Series 1993 A, Series 1994 C, Series 1996 E bonds
- **Series 2002 K:** \$14,920,000; various renovations, land acquisition, sub-station and boilers
- **Series 2003 I:** \$64,910,000; land and computer acquisition, education building, apartment complex, chiller plant, Triad Apartment and Academy Street School renovations
- **Series 2003 J:** \$4,555,000; refunding of Series 1993 B and Series 1993 C bonds
- **Series 2003 K:** \$14,700,000; land and computer acquisition, education building, apartment complex, chiller plant, Triad Apartment and Academy Street School renovations
- **Series 2004 C:** \$61,275,000; Academic building, townhouse complex, cogeneration plant, chiller, student center renovations, and other improvements
- **Series 2005 D:** \$51,840,000; refunding of Series 1997 B and partial refunding of Series 2000 B bonds
- **Series 2006 G:** \$69,405,000; various renovation projects and partial refunding of Series 2002 K and Series 2003 I bonds
- **Series 2006 H:** \$20,000,000; apartment complex, academic building, property acquisition, various renovation projects
- **Series 2007 B:** \$121,355,000; refunding of Series 1997 C bonds and a partial refunding of Series 2001 B, Series 2001 C, Series 2002 K, Series 2003 I and Series 2004 C bonds
- **Series 2008 B:** \$35,205,000; debt restructuring

## Rutgers, The State University

- **Series 1974 A:** \$6,725,000; student apartments

## Saint Peter's College

- **1975 Series B:** \$6,000,000; Recreational Life Center
- **1977 Series A:** \$7,290,000; refunding of 1975 Series B bonds

- **1992 Series B:** \$11,215,000; student housing facility
- **1998 Series B:** \$36,815,000; student housing facility, refunding of 1977 Series A and 1992 Series B bonds 1999 Tax-Exempt Lease: \$663,000; equipment acquisition
- **2007 Series G:** \$36,053,465; partial refunding of 1998 Series B bonds and bank loans
- **2007 Series I:** \$3,848,461; taxable partial refunding of 1998 Series B bonds
- **2008 Series H:** \$5,000,000; capital improvements
- **2008 Series I:** \$3,728,462; conversion of 2007 Series I bonds from taxable to tax-exempt bonds

## Seton Hall University

- **1976 Series A:** \$4,550,000; Law Center
- **1985 Series, Project A:** \$31,985,000; dormitory and recreation center
- **1988 Series, Project B:** \$23,000,000; dormitory
- **1989 Series, Project C:** \$53,535,000; Law School and parking garage
- **1991 Refunding Series A:** \$33,965,000; refunding of 1985 Series, Project A bonds
- **1991 Refunding Series B:** \$21,785,000; refunding of 1988 Series, Project B bonds
- **1991 Series, Project D:** \$28,970,000; library
- **1996 Series, Project E:** \$20,800,000; refunding of 1989 Series, Project C bonds
- **1998 Series, Project F:** \$7,620,000; refunding of 1991 Series, Project D bonds
- **1999 Series:** \$50,450,000; refunding of 1989 Series, Project C and 1991 Series, Project D bonds
- **2001 Refunding Series A:** \$22,840,000; refunding of 1991 Series A bonds
- **2001 Refunding Series B:** \$11,600,000; refunding of 1991 Refunding Series B bonds
- **2001 Series, Project G:** \$8,740,000; parking facility, additions, dormitory fire suppression project
- **2005 Series C:** \$57,750,000; McNulty Hall renovations for new Science and Technology Center, property acquisition for student housing, electrical substation, baseball/soccer field improvements

- **2006 Series A:** \$20,750,000; refunding of 1996 Series, Project E bonds
- **2008 Series D:** \$49,760,000; partial refunding of 2005 Series C bonds and refunding of 2006 Series A bonds
- **2008 Series E:** \$24,340,000; refunding of 2005 Series C bonds

### Stevens Institute of Technology

- **1983 Series A (Collateralized):** \$5,350,000; dormitory
- **1992 Series A:** \$18,995,000; athletic/recreation center, refunding of 1983 Series A bonds
- **1998 Series I:** \$17,000,000; renovations and maintenance, refunding of a portion of 1992 Series A bonds
- **2002 Series C:** \$59,585,000; Center for Technology Management, improvements to athletic fields
- **2004 Series B:** \$13,265,000; conversion of 6 brownstones to student residence halls
- **2007 Series A:** \$71,060,000; refunding of 2002 Series C and 2004 Series B bonds and partial refunding of 1998 Series I bonds

### The College of New Jersey

- **Series 1972 A:** \$9,270,000; dormitory and dining hall
- **Series 1976 D:** \$5,580,000 and **Series 1976 E:** \$1,086,000; student center
- **Series 1979 B:** \$2,300,000; athletic and recreation center
- **Series 1983 E:** \$2,810,000; sports fields
- **Series 1983 F:** \$9,000,000; dormitory
- **Series 1984 B:** \$9,110,000; gymnasium renovations
- **Series 1986 D:** \$10,050,000; refunding of Series 1983 F bonds
- **Series 1986 G:** \$10,400,000; refunding of Series 1984 B bonds
- **Series 1989 C:** \$34,680,000; student residence
- **Series 1992 A:** \$9,955,000; cogeneration plant
- **Series 1992 E:** \$56,160,000; refunding of Series 1986 D, Series 1986 G, Series 1989 C bonds
- **Series 1994 B:** \$24,890,000; dormitories and parking garage
- **Series 1996 A:** \$75,185,000; academic building, nursing building, student residence, renovations
- **Series 1999 A:** \$146,455,000; School of Business, Social Sciences Building, dormitory additions, refunding of Series 1994 B and Series 1996 A bonds

- **Series 2002 C:** \$53,155,000; refunding of Series 1992 A and Series 1992 E bonds
- **Series 2002 D:** \$138,550,000; library, parking garages/decks, apartments, various renovations and additions
- **Series 2008 D:** \$287,790,000; debt restructuring

### Thomas Edison State College

- **Direct Loan Program (1998):** \$1,300,000; equipment purchase
- **2005 Tax-Exempt Lease:** \$1,800,000; acquisition of various equipment, furniture and technology infrastructure
- **2007 Tax-Exempt Lease:** \$1,800,000; renovations and equipment acquisition

### Union County College

- **1973 Series A:** \$3,635,000; library/classroom building
- **Series 1989 B:** \$6,660,000; commons building
- **Series 1991 C:** \$3,945,000; computer laboratories

### University of Medicine and Dentistry of New Jersey

- **Series 1995 B:** \$143,645,000; academic building
- **Series 1999 C:** \$15,720,000; building acquisition

### The William Paterson University of New Jersey

- **Series 1974 C:** \$4,025,000; student apartments
- **Series 1976 A:** \$5,685,000; student center
- **Series 1981 A:** \$12,405,000 and **Series 1981 B:** \$5,000,000; student residence
- **Series 1982 E:** \$2,200,000; Student Center Annex
- **Series 1985 B:** \$13,700,000; refunding of Series 1981 A bonds
- **Series 1991 F:** \$21,605,000; dormitory; refunding of Series 1985 B bonds
- **Series 1998 D:** \$6,575,000; partial refunding of Series 1991 F bonds
- **Series 1999 D:** \$12,785,000; dormitory
- **Series 2000 A:** \$26,425,000; land acquisition and academic building conversion
- **Series 2002 E:** \$42,125,000; refunding of Series 1991 F bonds, student center renovations and addition

# Historical Financings

## The William Paterson University of New Jersey (continued)

- **Series 2004 A:** \$30,035,000; two dormitories and roadway construction and improvements
- **Series 2005 E:** \$42,295,000; partial refunding of Series 1999 D, Series 2000 A and Series 2002 E bonds
- **Series 2008 C:** \$88,670,000; addition to Science Hall, refunding of Series 1998 D bonds

## Summary of State-Backed Transactions

### Higher Education Equipment Leasing Fund

- Higher Education Equipment Leasing Fund, Series 1994 A: \$100,000,000
- Higher Education Equipment Leasing Fund, Series 2001 A: \$87,385,000
- Higher Education Equipment Leasing Fund, Series 2003 A: \$12,620,000

### Higher Education Facilities Trust Fund

- Higher Education Facilities Trust Fund, Series 1995 A: \$220,000,000
- Higher Education Facilities Trust Fund, Series 2005 A: \$90,980,000; refunding of Series 1995 A bonds

### Higher Education Technology Infrastructure Fund

- Higher Education Technology Infrastructure Fund, Series 1998 A: \$55,000,000

### County College Capital Projects Fund

- County College Capital Projects Fund, Series 1999 A: \$19,295,000

### Higher Education Capital Improvement Fund

- Higher Education Capital Improvement Fund, Series 2000 A: \$132,800,000
- Higher Education Capital Improvement Fund, Series 2000 B: \$145,295,000
- Higher Education Capital Improvement Fund, Series 2002 A: \$194,590,000
- Higher Education Capital Improvement Fund, Series 2004 A: \$76,725,000
- Higher Education Capital Improvement Fund, Series 2005 A: \$169,790,000; partial refunding of Series 2000 A, Series 2000 B and Series 2002 A bonds
- Higher Education Capital Improvement Fund, Series 2006 A: \$155,460,000; partial refunding of Series 2000 A, Series 2000 B, Series 2002 A and Series 2004 A bonds

### Dormitory Safety Trust Fund

- Dormitory Safety Trust Fund, Series 2001 A: \$67,970,000
- Dormitory Safety Trust Fund, Series 2001 B: \$5,800,000 (federally taxable)
- Dormitory Safety Trust Fund, Series 2003 A: \$5,440,000

### Public Library Grant Program

- Public Library Grant Program, Series 2002 A: \$45,000,000

### Other

- Floating Rate Weekly Demand Equipment & Capital Improvement Revenue Bonds, 1985 Series A: \$50,000,000

# Financial Statements

## and Supplemental Financial Information

NJEFA is pleased to present its 2008 Financial Statements and Supplemental Financial Information on CD-Rom. This format represents our continued commitment to cost-efficient and environmentally responsible business practices. This annual report as well as the financial statements are available on our website, [www.njefa.com](http://www.njefa.com).





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