

CHAPTER 32

**SCHOOL FACILITIES PROJECTS: P.L. 2000, C.72,
SECTION 15 GRANT PROCEDURES**

Authority

P.L. 2000, c.72 §§ 15 and 26(b).

Source and Effective Date

R.2002 d.184, effective May 22, 2002.
See: 34 N.J.R. 876(a), 34 N.J.R. 2137(a)

Chapter Expiration Date

Chapter 32, School Facilities Projects: P.L. 2000, c.72, Section 15 Grant Procedures, expires on May 22, 2007.

Chapter Historical Note

Chapter 32, School Facilities Projects: P.L. 2000, c.72, Section 15 Grant Procedures, was adopted as new rules by R.2001 d.263, effective June 29, 2001. See: See: 33 N.J.R. 2702(a).

Chapter 32, School Facilities Projects: P.L. 2000, c.72, Section 15 Grant Procedures, was readopted as R.2002 d.184, effective May 22, 2002. See: Source and Effective Date. See, also, section annotations.

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APPENDIX 1

APPENDIX 2

SUBCHAPTER 1. GENERAL PROVISIONS

19:32-1.1 Applicability and scope

These rules are promulgated by the New Jersey Schools Construction Corporation (the "Corporation"), a subsidiary of the New Jersey Economic Development Authority (the "Authority") to implement Section 15 of the Educational Facilities Construction and Financing Act, P.L. 2000, c.72 (N.J.S.A. 18A:7G-15) (the "Act"). Section 15 of the Act establishes a grant program to fund the State share of the final eligible costs of school facilities projects undertaken by school districts whose district aid percentage as defined in the Act is less than 55 percent and which elect not to have the Corporation undertake the construction of the school facilities project. These rules also apply to a school whose district aid percentage is less than or equal to 55 percent, providing this district has had a school facilities project approved by the Department pursuant to Section 9(c) of the Act and the district elects not to have the Corporation undertake the construction of the school facilities project. These rules are adopted in order to provide the mechanism whereby school districts which are eligible to receive grants from the Corporation can receive such grants and to ensure that these grant funds are used properly by the school districts. Any district applying for a grant or having received

a grant pursuant to the Act shall at a minimum comply with the requirements of this chapter, as applicable.

Amended by R.2002 d.184, effective June 17, 2002.

See: 34 N.J.R. 876(a), 34 N.J.R. 2137(a).

Rewrote section.

Amended by R.2004 d.411, effective November 1, 2004.

See: 36 N.J.R. 935(a), 36 N.J.R. 4954(a).

Inserted "New Jersey Schools Construction Corporation (the "Corporation"), a subsidiary of the" preceding "New Jersey Economic Development Authority"; substituted references to the Corporation for the Authority throughout.

19:32-1.2 Construction of rules

This chapter shall be liberally construed to permit the Corporation to discharge its statutory functions under the Act.

Amended by R.2004 d.411, effective November 1, 2004.

See: 36 N.J.R. 935(a), 36 N.J.R. 4954(a).

19:32-1.3 Definitions

(a) The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise. Words in the singular shall include the plural and words in the plural shall include the singular where the context so requires.

"Act" means the Educational Facilities Construction and Financing Act, P.L. 2000, c.72, N.J.S.A. 18A:7G-1 et seq.

"Agreement" or "Grant agreement" means the grant agreement (and all attachments thereto) between the Corporation and the district. The agreement shall set forth the terms and conditions of the grant, amount of the grant, final eligible costs, State share, local share, and disbursement schedule.

"Approved costs" means costs of the school facilities project which are eligible to be paid from the proceeds of the grant and have been paid or shall be paid by the district.

"Authority" means the New Jersey Economic Development Authority established pursuant to P.L. 1974, c.80 (N.J.S.A. 34:1B-1 et seq.)

"Authority bonds" means bonds issued by the Authority pursuant to N.J.S.A. 18A:7G-14, proceeds of which may fund all or part of the grant.

"Authorized officer" means:

1. With respect to the district, any person or persons authorized pursuant to a resolution of the governing body of the district to perform any act or execute any document relating to the grant and the grant agreement, including the school business administrator; and

2. With respect to the Corporation, any person or persons authorized to perform any act or execute any document relating to the grant and the grant agreement.

"Bond counsel" means any lawyer or firm of lawyers nationally recognized in the field of municipal finance and satisfactory to the Authority.

"Capital reserve account" means the account of the district established pursuant to N.J.A.C. 6A:26-9.1.

"Change order" means a written order, directing or authorizing some change, in whatever degree to a design consultant contract or construction contract, including, but not limited to, an increase or decrease in the scope of work to be performed by the design consultant or the contractor, as the case may be, or an acceleration of time for the performance of such work, or a change in the sequence in which such work is being performed.

"Checklist" means a form to be provided by the Corporation and to be completed by the district at various milestones in the design and construction of the school facilities project prior to receiving certain disbursements of the grant. There may be a design phase checklist, a construction phase checklist, a final completion checklist or a checklist or other certification to be submitted by the district for other stages in the completion of a school facilities project. The district may file a checklist electronically if such option is made available to the district by the Corporation.

"Closeout" means the process by which the Corporation determines that all applicable administrative actions and all required work have been completed by the district.

"Code" means the "Internal Revenue Code of 1986, as amended," as the same may from time to time be amended and supplemented, including any regulations promulgated thereunder, any successor code thereto, and administrative and judicial interpretations thereof.

"Commencement date" means the date on which a grant agreement has been fully executed by all the parties thereto and the district has delivered, to the satisfaction of the Corporation, the documentation required by the grant agreement and N.J.A.C. 19:32-2.4.

"Commissioner" means the Commissioner of the New Jersey Department of Education or his or her designee.

"Completion date" means the date specified by the district for completion of the school facilities project which may be changed by the district upon notice to the Corporation.

"Construction contract" means an agreement between the district and the contractor governing the construction of all or a portion of a school facilities project and any documents attached thereto and amendments thereof. There may be one or more construction contracts for a school facilities project.