

CHAPTER 26A

COMPREHENSIVE MAINTENANCE PLANS

Authority

N.J.S.A. 18A:7G-1 et seq.

Source and Effective Date

R.2003 d.451, effective November 17, 2003.
See: 35 N.J.R. 3476(a), 35 N.J.R. 5247(a).

Chapter Expiration Date

Chapter 26A, Comprehensive Maintenance Plans, expires on October 1, 2006.

Chapter Historical Note

Chapter 24 of Title 6, Comprehensive Maintenance Plans, was recodified as N.J.A.C. 6A:26A and amended by R.2003 d.451, effective November 17, 2003. Subchapter 4, Required Maintenance Budget Amount and Maintenance Reserve, Subchapter 6, Withholding of State Support for Non-Compliance, and Subchapter 7, Appeals, were adopted as new rules. See: Source and Effective Date. See, also, section annotations.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

- 6A:26A-1.1 Purpose
- 6A:26A-1.2 Scope
- 6A:26A-1.3 Definitions

SUBCHAPTER 2. REQUIRED MAINTENANCE ACTIVITIES AND EXPENDITURES

- 6A:26A-2.1 Required maintenance activities
- 6A:26A-2.2 Required maintenance expenditures

SUBCHAPTER 3. DISTRICT COMPREHENSIVE MAINTENANCE PLANS

- 6A:26A-3.1 Requirements for comprehensive maintenance plans
- 6A:26A-3.2 Submission and review of comprehensive maintenance plans
- 6A:26A-3.3 Requirements for a maintenance package for newly completed school facilities projects

SUBCHAPTER 4. REQUIRED MAINTENANCE BUDGET AMOUNT AND MAINTENANCE RESERVE

- 6A:26A-4.1 Required maintenance budget amount
- 6A:26A-4.2 Maintenance reserve account

SUBCHAPTER 5. THE MAINTENANCE FACTOR IN STATE DEBT SERVICE AID

- 6A:26A-5.1 The maintenance factor in State debt service aid

SUBCHAPTER 6. WITHHOLDING OF STATE SUPPORT FOR NON-COMPLIANCE

- 6A:26A-6.1 Withholding of State funds for non-compliance

SUBCHAPTER 7. APPEALS

- 6A:26A-7.1 Appeals of Commissioner's determinations

SUBCHAPTER 1. GENERAL PROVISIONS

6A:26A-1.1 Purpose

These rules are intended to implement the provisions of the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c.72, specifically sections 3, 9(b)(3) and 13(d) of EFCFA (N.J.S.A. 18A:7G-3, 9(b)(3) and 13(d)), requiring the Commissioner of the Department of Education to promulgate rules requiring districts to have comprehensive maintenance plans for school facilities and make the appropriate investment in the maintenance of school facilities.

Recodified from N.J.A.C. 6:24-1.1 by R.2003 d.451, effective November 17, 2003.
See: 35 N.J.R. 3476(a), 35 N.J.R. 5247(a).

6A:26A-1.2 Scope

(a) These rules shall apply to every district that owns school facilities or operates school facilities owned by another party, when the operating district is responsible for maintenance of the school facilities.

(b) Each district that operates school facilities owned by other districts shall include such school facilities in the operating district's comprehensive maintenance plan, and shall forward a copy of the comprehensive maintenance plan to the owning district.

Recodified from N.J.A.C. 6:24-1.2 by R.2003 d.451, effective November 15, 2003.
See: 35 N.J.R. 3476(a), 35 N.J.R. 5247(a).

6A:26A-1.3 Definitions

As used in this chapter, unless the context clearly indicates otherwise the following words and terms shall have the following meanings:

"Act" or "EFCFA" means the Educational Facilities Construction and Financing Act, P.L. 2000, c.72.

"Annual maintenance budget amount" means the amount required to be included in the district's annual budget certified for taxes as a deposit into the maintenance reserve account or in the required maintenance line-item accounts.

“Area cost allowance” means \$138.00 per square foot for the 2000-2001 school year and shall be inflated by an appropriate cost index for the 2001-2002 and 2002-2003 school years. Thereafter, pursuant to N.J.S.A. 18A:7G-3, it shall be established as part of the Biennial Report issued by the Department pursuant to N.J.S.A. 18A:7F-4(c). The area cost allowance used in determining preliminary eligible costs of school facilities projects shall be that of the year of application for approval of the school facilities project.

“Authority” means the New Jersey Economic Development Authority established pursuant to N.J.S.A. 34:1B-1 et seq. and its subsidiary, the New Jersey Schools Construction Corporation.

“Building system” means a set of related or similar building components that work together to perform a major function in a building or facility.

“Capital maintenance” means maintenance intended to extend the useful life of a school facility, including upgrades and replacements of building systems, such as structure, enclosure, mechanical, plumbing and electrical systems, and can be considered to constitute or be part of a school facilities project.

“Capital project” means a school facilities project, other capital project or land acquisition project pursuant to N.J.A.C. 6A:26-7.1.

“Commissioner” means the Commissioner of Education or designee.

“Comprehensive Annual Financial Report” or “CAFR” means the official annual report of a governmental unit that includes all funds and account groups, as defined in N.J.A.C. 6A:23-1.2. The report summarizes the activities and operations performed by all units that constitute the reporting entity. The combined financial position and results of operations are presented as if there were a single operating unit.

“Comprehensive maintenance plan” means a multi-year maintenance plan developed by a school district covering required maintenance activities for each school facility in the district pursuant to this chapter.

“Department” means the New Jersey Department of Education.

“District” means a district board of education, as defined below, and includes a local or regional school district established pursuant to N.J.S.A. 18A:8-1 et seq. or 18A:13-1 et seq., a county special services school district established pursuant to article 8 of N.J.S.A. 18A:46-1 et seq., a county vocational school district established pursuant to article 3 of N.J.S.A. 18A:54-1 et seq., and a State-operated school district established pursuant to N.J.S.A. 18A:7A-34 et seq.

“District board of education” or “board” means the local board of education or State district superintendent in the case of a State-operated school district.

“Facility” means a school facility, temporary facility or other facility.

“Filing year” means the year in which the comprehensive maintenance plan is filed with the Department’s County Superintendent’s Office.

“Maintenance Reserve Fund” means the account established by a district pursuant to N.J.S.A. 18A:7G-13 into which a district deposits monies to be used exclusively for required maintenance of school facilities.

“Office” means the Office of School Facilities in the Division of Finance in the Department of Education.

“Other facilities” means athletic stadiums, grandstands, greenhouses, garages, facilities used for non-instructional or non-educational purposes, and any structure, building or facility used solely for school administration.

“Replacement cost of the school facility” means the area cost allowance multiplied by the gross square footage of the building for the year specified in this chapter.

“Required maintenance” means specific maintenance activities required for system warranty purposes and which are necessary for the purpose of keeping a school facility open and safe for use or in its original condition, including repairs and replacements to a school facility’s heating, lighting, ventilation, security and fixtures to keep the facility or fixtures in effective working condition, and which does not consist of routine maintenance or capital maintenance.

“Routine maintenance” means contracted custodial or janitorial services, expenditures for the cleaning of a school facility or its fixtures, the care and upkeep of grounds or parking lots, removal of illegal locks or unauthorized construction and the cleaning of, or repairs and replacements to, movable furnishings or equipment, or other expenditures which are not required to maintain the original condition over the school facility’s useful life.

“School facility” means and includes any structure, building or facility used wholly or in part for educational purposes by a district or community provider, and facilities that physically support such structures, buildings and facilities, such as district wastewater treatment facilities, power generating facilities, steam generating facilities and other central service facilities, including central kitchens and maintenance shops, but shall exclude other facilities as defined in this section.

(b) The board resolution shall include a certification that the comprehensive maintenance plan:

1. Is complete and in compliance with this chapter; and
2. Includes activities and expenditures for each school facility that qualify as required maintenance pursuant to N.J.A.C. 6A:26A-2 and are reasonable to ensure such facilities are kept open and safe for use or in its original condition and maintain the validity of warranties.

(c) The County Superintendent shall notify a district if a comprehensive maintenance plan is reviewed and found to be deficient based upon the standards set forth in this chapter. In response to such notification, the district shall submit a revised comprehensive maintenance plan to the County Superintendent, addressing the deficiencies identified by the County Superintendent. The revised comprehensive maintenance plan shall be submitted within 30 days from the date of notification. If a district does not receive notification by the County Superintendent within 90 days from submission date, the plan shall be deemed approved.

(d) The County Superintendent shall review the implementation of the comprehensive maintenance plans in each district at the time of cyclical evaluations of the district pursuant to N.J.S.A. 18A:33-1 et seq. and N.J.A.C. 6A:30-2 to ensure that the plan addresses required maintenance activities and that the reported activities actually occurred.

New Rule, R.2003 d.451, effective November 17, 2003.
See: 35 N.J.R. 3476(a), 35 N.J.R. 5247(a).

6A:26A-3.3 Requirements for a maintenance package for newly completed school facilities projects

(a) As a condition for the completion of a school facilities project, the district shall obtain from the architect or engineer a certification that the contractor for the school facilities project has provided a maintenance package containing all of the following:

1. Manufacturer's warranties;
2. Owner's and training manuals;
3. Required maintenance and testing instructions; and
4. A summary of (a)1 through 3 above.

(b) The maintenance package shall cover the useful life of the school facilities project and be incorporated into the district's comprehensive maintenance plan.

(c) At the completion of a school facilities project, the district shall certify in writing to the Office that the architect, engineer or contractor provided all of the required items listed in (a) above in order to close out the school facilities project.

Recodified from N.J.A.C. 6:24-3.2 and amended by R.2003 d.451, effective November 17, 2003.

See: 35 N.J.R. 3476(a), 35 N.J.R. 5247(a).
In (a)2, inserted "and training" preceding "manuals"; added (c).

SUBCHAPTER 4. REQUIRED MAINTENANCE BUDGET AMOUNT AND MAINTENANCE RESERVE

6A:26A-4.1 Required maintenance budget amount

(a) The required annual maintenance budget amount for each district, as reported in its comprehensive maintenance plan shall be included in the district's annual budget certified for taxes in the required maintenance line-item accounts and/or as a deposit into the maintenance reserve in accordance with N.J.A.C. 6A:26A-4.2.

(b) The required annual maintenance budget amount shall be calculated by totaling the sum of the replacement cost as of the current year for each school facility multiplied by 0.002 and shall correspond to the amount reported in the most recent comprehensive maintenance plan submitted pursuant to N.J.A.C. 6A:26A-3.

1. The required annual budget amount can be adjusted up or down, with the County Superintendent's approval, based upon prior year expenditures to ensure an overall expenditure of two percent on required maintenance per school facility over 10 years.

2. The replacement cost of the current year of a school facility shall be calculated by multiplying the area cost allowance by the current gross square footage of the building.

(c) If a district does not annually budget the required amount, calculated pursuant to this section, in the budget certified for taxes, the County Superintendent shall not approve the district's budget unless the County Superintendent determines that the district may budget less than the full amount as follows:

1. If a district determines that it cannot budget the required amount, the district shall submit proof acceptable to the County Superintendent of its inability to budget the required amount when it submits its budget to the County Superintendent. This proof shall be accompanied by a plan to ensure that the required two percent be expended over 10 years pursuant to EFCFA and this chapter.

i. If the County Superintendent concurs with the district's explanation of its inability to budget the full

amount and approves of its plan, the district may budget less than the full amount as approved by the County Superintendent. The County Superintendent will not reject the district's budget on this ground.

ii. If the County Superintendent does not concur with the district's explanation of its inability to budget the full amount or does not approve of its plan, the district shall budget the full amount. The County Superintendent will not approve any budget that does not comply with this section.

6A:26A-4.2 Maintenance reserve account

(a) A district shall establish, by board resolution, a maintenance reserve account to be used to implement required maintenance of a district. Funds from the maintenance reserve account may not be used for routine or capital maintenance.

(b) A district may make deposits into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district as follows:

1. Transfer of undesignated, unreserved general fund balance; or
2. Transfer of excess, undesignated, unreserved general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes.

(c) Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

1. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account.

(d) In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end.

(e) At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be reserved and designated in the subsequent year's budget.

SUBCHAPTER 5. THE MAINTENANCE FACTOR IN STATE DEBT SERVICE AID

6A:26A-5.1 The maintenance factor in State debt service aid

(a) State debt service aid shall be calculated pursuant to N.J.A.C. 6A:26-3.8. The Maintenance Factor "M," pursuant to N.J.A.C. 6A:26-3.8(a), shall be 1.0 except when one of the following conditions applies, in which case the maintenance factor shall be as specified:

1. Effective July 18, 2010 (that is, 10 years from the date of the enactment of EFCFA, P.L. 2000, c.72 (N.J.S.A. 18A:7G-1 et seq.)), the maintenance factor for aid for reconstruction, remodeling, alteration, modernization, renovation or repair, or for an addition to a school facility, shall be zero for all school facilities projects for which the district fails to demonstrate that over the 10 years preceding issuance of the school bonds it incurred a net investment in maintenance of the related school facility of at least two percent of the replacement cost of the school facility, pursuant to N.J.S.A. 18A:7G-7(b) and N.J.A.C. 6A:26A-4.1, using the area cost allowance of the year 10 years preceding the year in which the school bonds are issued; or

2. For new construction, additions, and school facilities aided under N.J.S.A. 18A:7G-7(b) supported by financing issued for projects approved by the Commissioner after July 18, 2000, beginning in the fourth year after occupancy of the school facility, the maintenance factor shall be reduced according to the following schedule for all school facilities projects for which the district fails to demonstrate in the prior fiscal year an investment in maintenance of the related school facility of at least two-tenths of one percent of the replacement cost of the school facility, determined pursuant to N.J.S.A. 18A:7G-7(b) and N.J.A.C. 6A:26A-4.1.

(b) A district's failure to make the required expenditures for maintenance for existing or new facilities pursuant to (a) above shall result in a Maintenance Factor (M) of less than one, and shall reduce debt service aid as follows:

Annual Maintenance Percentage	Maintenance Factor (M)
.199 percent to .151 percent	75 percent
.150 percent to .100 percent	50 percent
Less than .100 percent	Zero

Recodified from N.J.A.C. 6:24-6.1 and amended by R.2003 d.451, effective November 17, 2003.
 See: 35 N.J.R. 3476(a), 35 N.J.R. 5247(a).
 In (a), amended the N.J.A.C. references in 1 and 2.

SUBCHAPTER 6. WITHHOLDING OF STATE SUPPORT FOR NON-COMPLIANCE