

New Jersey Commission on Higher Education

GUIDELINES FOR SUBMITTING GRANT APPLICATIONS FOR THE CAPITAL IMPROVEMENT FUND PROGRAM

July 2007

Deadlines: Grant applications will be on a Commission meeting agenda only if received at least four weeks in advance of the meeting date and if the application is complete and consistent with the law and regulations.

Number of copies: An institution must submit the original and five copies of each proposal. The original must contain authentic signatures for the transmittal letter and the required governing board resolutions and institutional certifications. The institution must also submit one copy of its current capital facilities plan and a copy of the governing board resolution adopting the plan.

Note: Prior to submitting a proposal, an institution should review its existing capital plan to ensure that it addresses deferred maintenance needs. If the plan does not specifically address deferred maintenance needs, the plan should be amended to address them, and the governing board must approve the modified plan prior to submitting a proposal to the Commission.

Contents: Applications must include a narrative for each regulatory requirement listed below:

1. A complete description of the proposed capital improvement project, including design information, and for renewal and renovation projects, an explanation of modifications to the facilities other than repairs.
2. A copy of the institutional governing board's resolution approving the institution's application and committing the institution to support the annual operating costs of and maintenance requirements for the proposed project.
3. A summary of the institution's capital plan, including the total estimated need for renewal and renovation.
4. A description of how the proposed project addresses the institution's capital plan and meets the estimated need for renewal and renovation.
5. The estimated schedule for completing the project, including cash flow requirements.

6. Cost data for the project, along with identification of all sources of revenue to be used for any costs not funded by the grant.
7. Identification of all sources of revenue to be used for the institution's share of debt service on the bonds for the project.
8. The useful life of any equipment as determined either by reference to the Internal Revenue Service's Class Life Asset Depreciation Range System set forth in Revised Procedure 87-56, as amended, supplemented or superseded, or by appraisal of any independent engineering or accounting firm, as appropriate.
9. Certification by the institution that the project will comply with existing codes, statutes, and government guidelines, including the principles of affirmative action and equal employment opportunity where applicable, as specified in the Amending Act.
10. Certification by the institution of how the project addresses, as appropriate, the sustainability goals outlined in New Jersey Future's 1999 report on the Sustainable State Project, *Living with the Future in Mind: Goals and Indicators for New Jersey's Quality of Life*, as cited in Governor Christine Whitman's Executive Order Number 96 (1999). (Copies of the report are available at libraries or from New Jersey Future, 204 West State Street, Trenton, NJ 08608; phone: 609-393-0008; e-mail: njfuture@njfuture.org).

Additional Information: Cash flow requirements of the proposed project(s) must be shown on the attached form (CIFP-01). Institutions may obtain this form electronically as an Excel spreadsheet through the Commission's web site (www.state.nj.us/highereducation/cifp). Carefully specify these contract and cash flow projections, as they may affect the sale of bonds by the Educational Facilities Authority.

Note: Only projects that incurred or will incur expenses after July 1, 1999 are eligible for approval provided that the projects meet the requirements of the law and N.J.A.C. 9A:16-1.4; only project expenses incurred after July 1, 1999 shall be eligible for reimbursement. If a project incurred expenses both before and after July 1, 1999, the proposal and form CIFP-01 must clearly separate them.

For any building replacement proposed as an alternative to renewing or renovating a specific facility, the proposal shall include a justification for the replacement, including a comparison of the replacement costs with the costs of renewing or renovating that facility. *Note: The costs of constructing a new facility and of renovating an existing one should be calculated over the expected life of the facility and should include the cost to operate and maintain the new and renovated facilities.*

For any project that involves student support facilities, the proposal shall include a budget indicating that no more than five percent of the institution's total grant shall be used for this purpose and shall identify the specific State or Federal fire, health-safety, building, or other codes that will be remediated.

For any improvement, expansion, construction, reconstruction, or technology infrastructure projects proposed as alternatives or additions to renewal and renovation projects, the proposal shall explain how the institution shall meet its total estimated need for renewal and

renovation as contained in its capital plan. The explanation shall identify specific renewal and renovation projects, their funding sources, and a timetable for their completion. *Note: Please use the attached form "CIFP-02" to describe any equipment purchases. It is available electronically from the Commission's web site (www.state.nj.us/highereducation/cifp).*

For any improvement, expansion, construction, or reconstruction projects proposed for the purpose of maximizing Federal grant recoveries, the proposal shall explain how the capital improvement project shall maximize such recoveries. The explanation shall include both sources of funds and dollar estimates of the Federal grant fund recoveries that shall be generated by the project. *Note: The proposal must also indicate the likely use of the additional costs recovered, including whether the recoveries will address deferred or ongoing maintenance.*

Submission: Proposals should be sent to the Commission on Higher Education, Ms. Betsy Garlatti, Director of Finance and Research, P.O. Box 542, Trenton, NJ 08625-0542 (regular mail) or 20 West State Street, 7th Floor, Trenton, NJ 08608 (delivery service). The transmittal letter should include the name and telephone number of the individual(s) who can provide additional information.

If there are additional questions, please contact Ms. Garlatti at 609-292-3235 or via email at betsy.garlatti@che.state.nj.us.

Attachments:

- a. Contract and Cash Flow Analysis (CIFP-01)
- b. Itemization of Proposed Expenditures ... from the Higher Education Technology Infrastructure Fund (CIFP-02)