



State of New Jersey

DEPARTMENT OF EDUCATION

PO BOX 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHRISTOPHER D. CERF
Commissioner

December 14, 2012

Mr. Ronald Lee, Superintendent
City of Orange Township School District
451 Lincoln Avenue
Orange, NJ 07050

Dear Mr. Lee:


SUBJECT: Public School Contracts Compliance Review – OFAC Case #INV-131-12
Orange Preparatory Academy Gym Light Replacement

The Department of Education, Office of Fiscal Accountability and Compliance has completed a review of the timing of the notice of addenda to the bid specifications for the Orange Preparatory Academy Gym Light Replacement. The review disclosed a violation of N.J.S.A. 18A:18A-21c.(2) that is detailed in the attached Report of Examination. Please provide a copy of the report to each board member.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," pursuant to N.J.A.C. 6A:23A-5.6, the City of Orange Township Board of Education is required to publicly review and discuss the findings in this report at a public board meeting no later than 30 days after receipt of the report. Within 30 days of the public meeting, the board must adopt a resolution certifying the finding was discussed at a public meeting and the board approved a corrective action plan which addresses the finding raised in the report and/or submit an appeal of the finding if in dispute. A copy of the resolution and the approved corrective action plan and/or notice of intent to appeal must be sent to this office within 10 days of adoption by the board. Direct your response to my attention.

Also, pursuant to N.J.A.C. 6A:23A-5.6(e), you must post the findings of the report and the board's corrective action plan on your school district's website. Should you have any questions, please contact Mr. Thomas C. Martin, Manager, Investigations Unit, at (609) 633-9615.

Sincerely,


Robert J. Ciochitto, Director
Office of Fiscal Accountability and Compliance

RJC/ktf/I:\kfeltes\EDA Cases\Orange\Orange NJSDA ROE.doc
Attachment

c: David Corso
Barbara Morgan
Thomas C. Martin
Monica Tone
Karl Feltes
Karen Schaffer

www.nj.gov/education

STATE OF NEW JERSEY
DEPARTMENT OF EDUCATION
OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE
INVESTIGATIONS UNIT

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
PUBLIC SCHOOL CONTRACTS LAW COMPLIANCE REVIEW – ADDENDA
OFAC CASE #INV-131-12

REPORT OF EXAMINATION
DECEMBER 2012

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
PUBLIC SCHOOL CONTRACTS LAW COMPLIANCE REVIEW**

The Department of Education, Office of Fiscal Accountability and Compliance (OFAC), conducted a review of the bidding process utilized by the City of Orange Township School District (district) for a project entitled Orange Preparatory Academy, Gym Light Replacement. The review was initiated upon notification of a potential Public School Contracts Law violation identified by the New Jersey School Development Authority. As a result of that review, the following deficiency was noted:

1. The district failed to comply with provisions of N.J.S.A. 18A:18A-21c.(2) by failing to provide the required seven-business days notice of addenda to bid specifications.

On November 8, 2010, the City of Orange Township Board of Education advertised for the solicitation of competitive bids for a project titled, Orange Preparatory Academy, Gym Light Replacement. The bid solicitation included a notice the district would accept sealed bids to be opened on December 7, 2010, at 3:00 p.m. An addendum to the bid specifications, dated November 30, 2010, was issued to each prospective bidder. The addendum was issued as a revision, modification and/or clarification to the bid specification documents. The bid opening date remained unchanged.

N.J.S.A. 18A:18A-21 c.(2) provides:

"For all contracts for construction work, notice shall be provided no later than seven days, Saturdays, Sundays, or holidays excepted, prior to the date for acceptance of bids, [Emphasis added.] to any person who has submitted a bid or who has received a bid package in any of the following ways: i) in writing by certified mail or ii) by certified facsimile transmission, meaning that the sender's facsimile machine produces a receipt showing date and time of transmission and that the transmission was successful or iii) by a delivery service that provides certification of delivery to the sender."

Based upon the provisions of the statute, the calculation of the required seven day time period begins on the date of notification and must exclude Saturdays, Sundays, holidays and the bid opening date. As such, the calculation for the required seven day time period for the addendum began on November 30, 2010. The number of calendar days between the issuance of the addendum and the bid opening date of December 7, 2010, excluding Saturdays, Sundays, holidays and the bid opening date, is five days.

Conclusion:

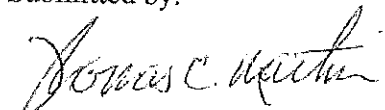
Examination of the bid documents and proposal submissions confirmed that, with the exception of the addendum violation, the district's bid process was materially compliant with the provisions of the Public School Contracts Law pertaining to the bid solicitation. The OFAC review confirmed that the addendum was issued in less than the required seven day time period contrary to statute.

Based upon the OFAC confirmation that each bidder received the addenda and no objections were made by any of the bidders, the OFAC will not seek a withholding of State funds under the provisions of N.J.A.C. 6A:26-14.1.

Recommendation:

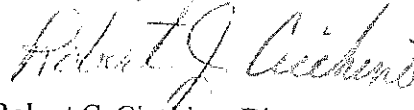
The district must develop and submit to the OFAC a corrective action plan that will identify the procedures the district will implement to ensure future compliance with N.J.S.A. 18A:18A-21c.(2).

Submitted by:



Thomas C. Martin, Manager
Investigations Unit

Approved by:



Robert C. Cicchino, Director
Office of Fiscal Accountability and Compliance

Investigator

Karl T. Feltes

ORANGE BOARD OF EDUCATION PUBLIC SCHOOL DISTRICT

Administrative Office
451 Lincoln Avenue, Orange, New Jersey 07050

JANUARY 8, 2013

C13-007

RESOLUTION TO APPROVE AND ACCEPT THE OFAC PUBLIC SCHOOL CONTRACT COMPLIANCE AUDIT FINDINGS, RECOMMENDATIONS AND CORRECTIVE ACTION PLAN FOR THE ORANGE PREPARATORY ACADEMY GYMNASIUM LIGHT REPLACEMENT PROJECT (OFAC CASE #INV-131-12)

WHEREAS, the Department of Education, Office of Fiscal Accountability and Compliance (OFAC) has completed a review of the timing of the notice of addenda to the bid specifications for Orange Preparatory Academy Gym Light Replacement; and

WHEREAS, the OFAC has determined that according to N.J.S.A 18A:18A-21 c.(2) the district bid addenda notice did not provide contractors with the required seven-business days prior to the date for acceptance of the bids; and

WHEREAS, the OFAC has indicated that based upon the confirmation that each bidder received the addenda and no objections were made by any of the bidders, the OFAC will not seek a withholding of State funds under the provisions of N.J.A.C. 6A:26-14.1; and


WHEREAS, the Board Secretary has prepared specific action plan and disposition for the OFAC audit recommendation on the attached schedule; and

NOW, THEREFORE, BE IT RESOLVED, that the Orange Board of Education, hereby accepts and approve the OFAC audit Recommendation, Corrective Action Plan; and

BE IT FURTHER RESOLVED, that a copy of the OFAC findings, Audit Recommendations Corrective Action Plan be placed on district website, on file in the Office of Business Administration and a copy forwarded to Essex County Superintendent of Schools office and the to OFAC for record purposes.

ROLL CALL CHECKLIST		YEA	NAY
Stephanie Brown		Absent	
Marion Graves-Jackson	S	✓	
Eunice Y. Mitchell		✓	
Daniela Small-Bailey		✓	
David Wright		Absent	
Arthur J. Griffa School Board Vice-President	M	✓	
Patricia Arthur School Board President		✓	

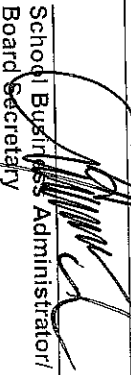
Attested to by:

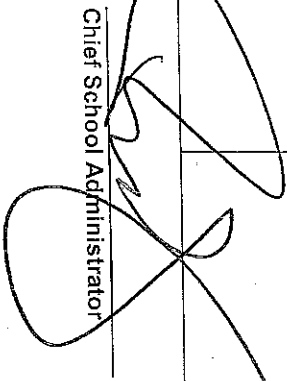

School Business Administrator/
Board Secretary

**NEW JERSEY DEPARTMENT OF EDUCATION
OFFICE OF FISCAL ACCOUNTABILITY AND COMPLIANCE
CORRECTIVE ACTION PLAN**

NAME OF DISTRICT: ORANGE BOARD OF EDUCATION (13)
 COUNTY: ESSEX (3880)
 TYPE OF EXAMINATION: PUBLIC SCHOOL CONTRACTS COMPLIANCE REVIEW – OFAC case #1NV-131-12
 BOARD MEETING DATE: ORANGE PREP ACADEMY GYM LIGHT REPLACEMENT
 CONTACT PERSON: JANUARY 8, 2013
 PHONE NUMBER: ADEKUNLE O. JAMES
 (973) 677-4190

FINDINGS / RECOMMENDATION	CORRECTIVE ACTION APPROVED BY BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION OF IMPLEMENTATION
<p>Findings: the district failed to comply with provisions of N.J.S.A. 18A:18A-21c.(2) by failing to provide the required seven-business days notice of addenda to bid specifications.</p> <p>Recommendation: the district must develop and submit to the OFAC a corrective action plan that will identify the procedures the district will implement to ensure future compliance with N.J.S.A. 18A:18A-21c.(2).</p> <p>It was also noted that based upon OFAC confirmation that each bidder received the addenda and no objections were made by any of the bidders, the OFAC will not seek a withholding of State funds under the provisions of N.J.A.C. 6A:26-14.1.</p>	<p>Henceforth, the district and district architect will make sure that all future bid addenda when provided must meet the seven-business days notice requirements. As indicated, for all contracts for construction work, notice shall be provided no later than seven days Saturdays and Sundays, or holidays excepted, prior to the date for acceptance of bids.</p>	<p>The district Business Administrator and Assistant Business Administrator will collaborate with the architect and review all bid addenda to make sure that the required seven-business days notice is provided to prospective contractors</p>	<p>Business Administrator/ Board Secretary Assistant Business Administrator District architect KNTM Associates</p>	<p>JUNE 2013</p>


 School Business Administrator/
 Board Secretary


 Chief School Administrator

1/9/13
 Date.