

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

SCOTCH PLAINS-FANWOOD PUBLIC SCHOOLS
ADDENDA BIDDING NOTICE REVIEW
OFAC CASE #INV-015-16

REPORT OF EXAMINATION
MAY 2016

**SCOTCH PLAINS-FANWOOD PUBLIC SCHOOLS
ADDENDA BIDDING NOTICE REVIEW**

INVESTIGATIVE SUMMARY

The Department of Education, Office of Fiscal Accountability and Compliance (OFAC) received notification from the New Jersey School Development Authority of a potential violation of the Public School Contracts Law, N.J.S.A. 18A:18A-21(c)(2) – Notice of revisions or addenda to advertisements. The notification indicated an installation of a security system project (project) was initiated by Scotch Plains-Fanwood Public Schools (District) and the addenda to the bid specifications were forwarded to bidders. However, the requisite seven day notice requirement attaching to the addenda was not adhered to. The OFAC conducted a review of the timing of the notice of addenda to the bid specifications for the project. As a result of that review, the following was noted:

On May 7, 2015, the District advertised for the solicitation of competitive bids for the project at Brunner Elementary School. The bid solicitation included a notice the District would accept sealed bids to be opened on May 21, 2015. The addenda for the project dated May 14, 2015, was issued to each prospective bidder. The addenda was issued as a clarification to the bid specification documents.

N.J.S.A. 18A:18A-21c.(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 notification was made and must exclude Saturdays, Sundays, holidays and the bid opening date. As such, the calculation for the required seven day time period for addenda should have been May 12, 2015.

The number of calendar days between the issuance of addenda and the bid opening date of May 21, 2015, excluding Saturdays, Sundays, holidays and the bid opening date, equals five days.

Conclusion

The District violated 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.

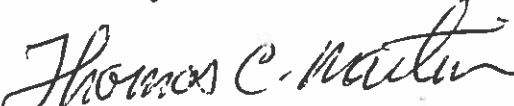
Examination of the bid documents and proposal submissions confirmed that, with the exception of the addenda violation, the District's bid process was compliant with the provisions of the Public School Contracts Law pertaining to the bid solicitation. However, addenda was issued in less than the required seven day time period.

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).

Because all bidders were contacted with respect to the District's modifications made to bid specifications 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.

Submitted by:


Thomas C. Martin, Manager
Investigations Unit

Approved by:


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

Investigator

Francesco Frangella

Scotch Plains-Fanwood Public Schools

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SCOTCH PLAINS, NEW JERSEY 07076

Deborah S. Saridaki
Business Administrator
Board Secretary

Phone: (908) 232-6161 ext 4013
Fax: (908) 889-0258

July 11, 2016

To Whom It May Concern:

The following resolution was adopted by the Scotch Plains-Fanwood Board of Education at its regular public meeting on June 30, 2016:

Public School Contracts
Law Violation – OFAC
Case #INV-015-16-CAP

Motion by Ms. Cleary, seconded by Dr. Kulikowski, that the Board of Education approves the following resolution:

The Scotch Plains-Fanwood Board of Education approves submission of a Corrective Action Plan (CAP) to the Office of Fiscal Accountability and Compliance (OFAC) certifying that the findings were discussed at the June 16, 2016 Agenda Meeting and the corrective action plan addresses the issues raised in the findings.

Carried 9-0-0

I, Deborah S. Saridaki, Board Secretary, certify that the information submitted herewith is correct and true to the best of my knowledge.

Deborah S. Saridaki

**2014-2015 ANNUAL AUDIT
CORRECTIVE ACTION PLAN**

SCHOOL DISTRICT NAME: Scotch Plains-Fanwood Board of Education COUNTY Union

TYPE OF EXAMINATION: Notification by NJ School Development Authority

DATE OF BOARD MEETING: June 30, 2016

CONTACT PERSON: Deborah S. Saridaki, Business Administrator

TELEPHONE NUMBER: (908) 232-6161 x4013 FAX NUMBER: (908) 889-0258

RECOMMENDATION NUMBER	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	INDIVIDUAL RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
OFAC Case #INV-15-16	For all contracts for construction work, notice shall be provided no later than seven (7) days, <u>Saturdays, Sundays, or holidays excepted</u> , prior to the date for acceptance of bids, as per N.J.S.A. 18A:18A-21c.(2).	The Business Administrator will coordinate with architects, engineers and other professional service providers to insure that when issuance of addenda or clarification is required, that the District is in compliance with N.J.S.A. 18A:18A-21c.(2).	Deborah S. Saridaki School Business Administrator	June 30, 2016


SCHOOL ADMINISTRATOR

6/13/16
DATE


BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

6/13/2016
DATE