

**Legal References**

---

RELATIONS WITH VENDORS

**QSAC Monitored:**

Section 3: Governance  
Section 4: Fiscal Management

**Mandated:**

N.J.A.C. 6A:23A-6.3 (“accountability regulations”) requires that school districts have policies to ensure that the district will maintain honest and ethical relations with vendors and shall guard against favoritism, improvidence, extravagance and corruption in its contracting processes and practices. Specifically, under N.J.A.C. 6A:23A-6.3 the school board will not vote upon or award a contract in the amount of \$17,500 or greater to any business entity which has made a contribution reportable by the recipient under P.L. 1973, c. 83 (N.J.S.A. 19:44A-1 et seq.) to a member of the district board of education during the previous one-year period. Such contributions, to any member of the school board, from any entity doing business with the district are prohibited during the term of the contract, including contributions by a vendor’s spouse or child, or contributions by any person having an interest in the business entity. Section 2 of P.L. 2005, c. 271 (N.J.S.A. 19:44A-20.26) requires disclosure of contributions when contracts are required by law to be publicly bid. However, under N.J.A.C. 6A:23A-6.3(a) 5 these limitations do not apply when a district emergency requires the immediate delivery of goods or services.

Further, N.J.A.C. 6A:23A-5.2 requires districts to have a policy establishing strategies to minimize the cost of public relations and professional services.

**Other Reasons:**

N.J.S.A. 52:32-44 (b) requires all business organizations that do business with a local board of education to be registered with the State and provide proof of that registration to the board before the board may enter into a contract with the business.

N.J.A.C. 6A:7-1.8(b) forbids the district from entering into any contract for goods or services with any supplier who discriminates as described, either in employment practices, benefits, or services to pupils or employees. The state department of education requires that the district multi-year equity plan must include assurance that the district does not enter into contracts with persons, agencies or organizations that discriminate in employment or in the provision of benefits or services to the district on the basis of any of the categories listed in the statutes.

**Recommendation:**

A policy directing the chief school administrator and/or business official to develop regulations that address the requirement of assurance that vendors satisfy N.J.A.C. 6A:7-1.8 (b). The policy should address general procedures for vendors and their representatives on school property, as well as appropriate conduct in their relationships/contacts with district employees.

RELATIONS WITH VENDORS (continued)

<b>Legal References:</b>	<u>N.J.S.A.</u> 10:5-1 <u>et seq.</u>	Law Against Discrimination
	<u>See particularly:</u>	
	<u>N.J.S.A.</u> 10:5-31 through -35	
	<u>N.J.S.A.</u> 18A:6-8	Interest of school officers, etc., in sale of textbooks or supplies, royalties
	<u>N.J.S.A.</u> 18A:11-1	General mandatory powers and duties
	<u>N.J.S.A.</u> 18A:12-2	Inconsistent interests or office prohibited
	<u>N.J.S.A.</u> 18A:12-21 <u>et seq.</u>	<u>School Ethics Act</u>
	<u>N.J.S.A.</u> 18A:18A-1 <u>et seq.</u>	Public School Contracts Law
	<u>N.J.S.A.</u> 18A:19-1 <u>et seq.</u>	Expenditure of Funds
	<u>N.J.S.A.</u> 18A:54-20	Powers of board (county vocational schools)
	<u>N.J.S.A.</u> 52:32-44	Business registration for providers of goods and services
	<u>N.J.A.C.</u> 6A:7-1.8	Equality in employment and contract practices
	<u>N.J.A.C.</u> 6A:23A-5.2	Professional services; efficiency
	<u>N.J.A.C.</u> 6A:23A-6.3	Contributions to board members and contract awards
	<u>N.J.A.C.</u> 6A:28-1.1 <u>et seq.</u>	School Ethics Commission
	<u>N.J.A.C.</u> 6A:30-1.1 <u>et seq.</u>	Evaluation of the Performance of School Districts
	<u>N.J.A.C.</u> 6A:32-14.1	Review of mandated programs and services

Comprehensive Equity Plan, New Jersey State Department of Education

**Possible**

<b>Cross References:</b>	*1250	Visitors
	1313	Gifts to district employees
	*1330	Use of school facilities
	*2224	Nondiscrimination/affirmative action
	*3320	Purchasing procedures
	*4119.21	Conflict of interest
	*4219.21	Conflict of interest
	*9270	Conflict of interest

\*Indicates policy is included in the Critical Policy Reference Manual.

Date: January 2015