

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

**MAGNOLIA PUBLIC SCHOOL DISTRICT**  
**ADDENDA BIDDING NOTICE REVIEW**  
**OFAC CASE #INV-020-16**

**REPORT OF EXAMINATION**

**MAY 2016**

**MAGNOLIA PUBLIC SCHOOL DISTRICT  
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 a roof project (project) was initiated by Magnolia Public School District (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:

The District utilized the shared services of the Sterling High School Board Of Education, South Jersey Technology Partner (SJTP) for the project at the Magnolia Elementary School. On January 15, 2015, the SJTP advertised for the solicitation of competitive bids for various construction projects (general bid) which included roofing. The general bid solicitation included a notice that SJTP would accept sealed bids to be opened on January 30, 2015. Addenda #1 dated January 21, 2015, and addenda #2 dated January 29, 2015, was issued to each prospective bidder citing revisions, modifications or clarifications 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 the addenda #1 and #2 began January 21, 2015 and January 29, 2015 respectively.

The number of calendar days between the issuance of the addenda #1 and the bid opening date of January 30, 2015, excluding Saturdays, Sundays, holidays and the bid opening date equals the required seven days. The number of calendar days between the issuance of the addenda #2 and the bid opening date of January 30, 2015, excluding Saturdays, Sundays, holidays and the bid opening date equals one day.

### 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 #1 to bid specifications.

Examination of the bid documents and proposal submissions confirmed that, with the exception of the addenda violation, the bid process was compliant with the provisions of the Public School Contracts Law pertaining to the bid solicitation. However, the 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).

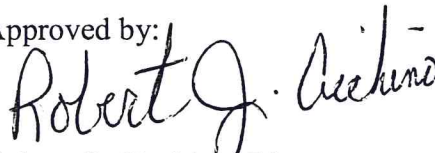
Because all bidders were contacted with respect to the District's modifications to the bid specification documents and no objections were made by any of the bidders, the OFAC will not seek a withholding of State funds under the provisions of N.J.A.C. 6A:26-14.1.

Submitted by:



Thomas C. Martin, Manager  
Investigations Unit

Approved by:



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

Investigator

Francesco Frangella



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

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SCHOOL DISTRICT NAME Magnolia Public School District

COUNTY Camden County

DATE OF BOARD MEETING: June 16, 2016

OFAC Case #INV-020-16

CONTACT PERSON: Greg Gontowski, Business Administrator

TELEPHONE NUMBER: 856-962-8822 ext. 110

EMAIL: ggontowski@woodlynne.k12.nj.us

| RECOMMENDATION<br>NUMBER | CORRECTIVE ACTION  | METHOD OF<br>IMPLEMENTATION  | INDIVIDUAL<br>RESPONSIBLE FOR<br>IMPLEMENTATION | COMPLETION<br>DATE OF<br>IMPLEMENTATION            |
|--------------------------|--|--|---|--|
| 1                        | <p>Prior to utilizing the procurement services under a shared service agreement, the Board and/or the School District will thoroughly review the bid solicitation, addendums and successful bid with the specific intent of confirming conformance and compliance with the Public School Contracts Law, <u>N.J.S.A. 18A:18-1 et al.</u></p> <p>In the event violations of the bidding requirements of <u>N.J.S.A. 18A:18-1 et al.</u>, are found to have occurred, the Board and/or District will not utilize the services of the shared services agreement.</p> | <p>To be implemented by the Board through Greg Gontowski and/or employees of the District authorized and directed to review the bidding process by Mr. Gontowski</p> | <p>Greg Gontowski</p>                           | <p>From:<br/>June 16, 2016<br/>moving forward.</p> |

Walter L. Purns  
Chief School Administrator

6/21/16  
Date



Board Secretary/Business Administrator

6/21/16  
Date