

**Policy**

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Pay-to-Play

The Board of Education shall maintain honest and ethical relations with vendors and shall guard against favoritism, improvidence, extravagance and corruption in purchasing and contracting procedures and practices. Therefore the Board of Education prohibits "pay-to-play."

- A. No member of the Board will vote upon or otherwise participate in the awarding of any contract in the amount that exceeds \$17,500 to any individual, firm, partnership, corporation, association or other business entity which has contributed funds including campaign contributions to that member of the Board of Education within the preceding one-year period.
  - 1. Contributions to any member of the school board from any individual, firm, partnership, association, or other business entities doing business with the school district are prohibited during the term of a contract.
  - 2. Contributions that are prohibited include cash contributions, in-kind contributions and pledges to make contributions of any kind to a candidate for or holder of public office, or any other thing of value.
  - 3. When a business entity is a natural person (an individual), a contribution by that person's spouse or child that resides therein, shall be deemed a contribution by the business entity. When a business entity is other than a natural person, a contribution by any person or other business entity having an interest therein shall be deemed a contribution by the business entity.
  - 4. Provisions of this ban on pay-to-play will not apply to a contract when a public emergency requires the immediate delivery of goods or services.
  
- B. Not later than 10 days prior to entering into any contract having an anticipated value in excess of \$17,500, except for a contract that is required by law to be publicly advertised for bids, any business entity bidding thereon or negotiating therefore, shall submit along with its bid or price quote, a list of political contributions made by the corporation, its principals and employees, or others on its behalf, along with the date and amount of each contribution and the name of the recipient of each contribution. If the required list of contributions is missing, incomplete or untimely, the contract is void ab initio, as a material defect that invalidates the contract. The Business Administrator will consult with the Board President, Superintendent, and legal counsel before a written determination is made to void a contract. The determination to void a contract must be approved at the next board meeting.
  
- C. In addition, the business entity may be subject to a fine imposed by the New Jersey Election Law Enforcement Commission.
  
- D. The school board directs the Board Secretary/Business Administrator to file this policy with the N.J. Secretary of State, Office of Secretary of State, Laws & Commission Section, (P.O. Box

Pay-to-Play (Continued)

300, Trenton, NJ, 08625-0300), to inform vendors of the requirements of this policy, and to keep the school board informed about the implementation of this policy.

- E. No school district employee shall solicit , receive or agree to receive any compensation, reward, employment, gift, meal, honorarium, travel, reimbursement, or anything of value from any person, firm, corporation, association, partnership or business that is in receipt of, or a potential bidder for, or an applicant for any contact, professional services contact, or purchase order from this school district.
  - 1. This provision shall not apply to the solicitation or acceptance of campaign contributions for announced candidates for elective public office, if the school official has no knowledge or reason to believe that the contribution was given with the intent to influence the school official in the discharge of their official duties.
  - 2. There shall be no threshold amount for contacts, professional services agreement, purchase order or other agreement to do business with this school district.
  - 3. Any employee with the authority to execute contacts on behalf of this district shall certify that the contract, agreement, or purchase order has been executed consistent with the terms of the policy.
  - 4. The Board shall determine on a case by case basis the consequence for any school district employee who violates the terms of this policy that may include termination of employment withholding of annual increments or demotion.

**Adopted by the Board:                    October 21, 2008**

**Amended:**

Key Words

Conflict of Interest, Contracts, Pay-to-Play, Ethical, Gift

<b><u>Legal References:</u></b>	<p><u>N.J.S.A.</u> 19:44A-1 <u>et seq.</u>  <u>N.J.S.A.</u> 18A:11-1  <u>N.J.S.A.</u> 18A:12-2</p> <p><u>N.J.S.A.</u> 18A:12-21 <u>et seq.</u>                  See Particularly  <u>N.J.S.A.</u> 18A:12-24(e)</p> <p><u>N.J.S.A.</u> 18A:16-1  <u>N.J.S.A.</u> 18A:27-4.1</p> <p><u>N.J.A.C.</u> 6A:4-1.1 <u>et seq.</u>  <u>N.J.A.C.</u> 6A:10A-4.1 <u>et seq.</u></p> <p><u>N.J.A.C.</u> 6A:28-1.1 <u>et seq.</u>  <u>N.J.A.C.</u> 6A:32-3.2</p>	<p>Contributions and Expenditures                  General mandatory powers and duties                  Inconsistent interests or office prohibited                  School Ethics Act</p> <p>Officers and employees in general                  Appointment, transfer, removal or renewal of officers and employees; exceptions                  Appeal able decisions                  Role of the Abbott district board of education</p> <p>School Ethics Commission                  Requirement for Code of Ethics for school board members and charter school board of trustee members</p>
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Malik, Vasil/Toms River, C06-98, C08-98, 9/22/98

Pay-to-Play (Continued)

Ferraro/Keansburg, 2002 S.L.D., Sept. 23

Gallagher/Keansburg, 2002 S.L.D., Nov. 6

Keelen,/Keansburg, 2003 S.L.D., Sept. 22

Atallo/Paterson, C37-03, 5/25/04

Pirillo/Washington Township, C12-04, 9/30/04

Lobosco, Commr. 06: Jan. 10

School Ethics Commission, Advisory Opinion, A14-03

School Ethics Commission, Advisory Opinion, A17-04

**Possible**

**Cross References:** \*4111 Recruitment, selection and hiring  
\*4119.21 Conflict of interest  
\*9270 Conflict of interest

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