

2018 Frequently Asked Questions About Filing Personal/Relative And Financial Disclosure Statements

I. STATUTORY REQUIREMENTS TO FILE

Q1: What are the School Ethics Commission’s “Disclosure Statements”?

A: “Disclosure Statements” are electronic forms created by the School Ethics Commission (Commission) pursuant to N.J.S.A. 18A:12-25 and N.J.S.A. 18A:12-26, and which all school officials must annually file through the County Office of Education. There are two parts to the electronic statements. The first part, the Personal/Relative Disclosure Statement, discloses certain personal information, as well as information regarding the school official’s relatives. The second part, the Financial Disclosure Statement, discloses certain financial information. Collectively, the Personal/Relative and Financial Disclosure Statements are referred to as Disclosure Statements.

Q2: What is the deadline for *returning* school officials to file their Disclosure Statements?

A: The School Ethics Act (Act) requires all returning school officials to file their Disclosure Statements by **April 30**. The board secretary must provide the names of all returning school officials on the **February 1 List of School Officials (February 1 List)**, and those on the List must file by **April 30**.

Q3: When are new Board members, who are elected in November but not sworn-in until January, required to file their Disclosure Statements?

A: These “new” school officials must be listed on the **February 1 List**, but must file within thirty (30) days of taking office, i.e., being sworn in as a Board member.

Q4: When are all other new Board members, who are elected or appointed other times during the year, required to file Disclosure Statements?

A: Newly elected or appointed Board members who take office before **April 30** must have their names added to the **February 1 List**, and must file their Disclosure Statements within thirty (30) days of taking office or being appointed. Board members who take office after **April 30** must have their names added to the **June 1 List of School Officials (June 1 List)**, and must file their Disclosure Statements within thirty (30) days of taking office or being appointed.

Q5: When must other school officials, e.g., administrators, file Disclosure Statements?

A: Newly hired or appointed administrators who assume their position before **April 30** must have their names added to the **February 1 List**, and must file their Disclosure Statements within thirty (30) days of assuming the position. Administrators who are hired or appointed after **April 30** must have their names added to the **June 1 List**, and must file within thirty (30) days of assuming the position.

Q6: When are Charter School or Renaissance School trustees or Charter School or Renaissance School administrators required to file Disclosure Statements?

A: Charter School trustees and administrators must *initially* file Disclosure Statements within thirty (30) days of the grant of a charter. Renaissance School trustees and administrators must file within thirty (30) days of the execution of a contract. Thereafter, all newly-appointed Charter School Trustee and administrators have thirty (30) days from assuming the position to file their Disclosure Statements. After the Charter School or Renaissance School has been established, all Charter School trustees, Renaissance School trustees, and administrators must annually file their Disclosure Statements by **April 30**.

Q7: When a school official retires, resigns or leaves, does the name of a school official come off of the List?

A: No. Names are never deleted from the list of school officials unless they are listed in error. No name may be deleted without the consent and assistance of the Commission.

II. WHO MUST FILE

Q1: Who is required to file the Disclosure Statement?

A: School officials are required to file Disclosure Statements. A “school official” is defined as a Board member, a member of the board of trustees of a Charter School or Renaissance School, an administrator of a local school board, Charter School, Renaissance School or an employee or officer of the New Jersey School Boards Association (NJSBA), but not any member of the secretarial, clerical or maintenance units of the NJSBA. An “administrator” is defined as any officer, other than a Board member or trustee, or employee of a local school who: (i) holds a position, which requires a certificate that authorizes the holder to serve as school administrator, principal, or school business administrator; or (ii) holds a position, which does not require that the person hold any type of certificate but is responsible for making recommendations regarding hiring or the purchase or acquisition of any property or services by the local District; or (iii) holds a position, which requires a certificate that authorizes the holder to serve as supervisor and who is responsible for making recommendations regarding hiring or the purchase or acquisition of any property or services by the local District. N.J.S.A. 18A:12-23. Pursuant to N.J.S.A. 18A:12-23.1, administrators and Charter School trustees are regarded as “school officials.”

Q2: Must board attorneys file Disclosure Statements?

A: Board attorneys employed by private firms are not school officials required to file Disclosure Statements. Board attorneys who are employees of the District, Charter School or Renaissance School, and who fall within the definition of “administrator,” must file the Disclosure Statements. See, Advisory Opinion A15-99 <http://www.state.nj.us/education/legal/ethics/advisory/cat7/>.

Q3: If a school official serves in more than one District, Charter School or Renaissance School, must s/he file statements in each entity?

A: Yes. The school official must be listed as a school official on *each* District, Charter School, or Renaissance School's list of school officials, and must file Disclosure Statements for *each* District, Charter School, or Renaissance School.

Q4: If a school official has already filed in one District, Charter School or Renaissance School and leaves to work/serve in another District, Charter School or Renaissance School must s/he file in the new position?

A: Yes. A school official must file Disclosure Statements for *each* District, Charter School, or Renaissance School in which s/he serves as a school official.

Q5: Does an interim, per diem school administrator who is not considered an employee of the District, Charter School or Renaissance School have to file the Disclosure Statements?

A: Yes. Any person who falls within the definition of "administrator" pursuant to N.J.S.A. 18A:12-23 must file Disclosure Statements. The fact that an administrator may only be serving in an interim capacity does not relieve her/him from the obligation to file Disclosure Statements.

Q6: Is an interim, per diem, school administrator who serves only a portion of the calendar year required to file Disclosure Statements?

A: Yes. Any person who falls within the definition of "administrator" pursuant to N.J.S.A. 18A:12-23 must file Disclosure Statements, even if s/he only serves in this capacity for a part of the year.

Q7: Is a part-time school administrator required to file the Disclosure Statements?

A: Yes. Any person who falls within the definition of "administrator" pursuant to N.J.S.A. 18A:12-23 must file Disclosure Statements, even if s/he only serves in this capacity on a part-time basis.

Q8: Is a school administrator, who is paid by another District or is part of a shared services agreement, required to file Disclosure Statements in both Districts?

A: Yes. The "administrator" must file Disclosure Statements for *each* District, Charter School or Renaissance School in which s/he serves as an administrator.

Q9: Is a Board member, who serves on the County Educational Services Commission or on the County Vocational School District Board of Education in addition to a District, Charter School or Renaissance School, required to file Disclosure Statements for both entities?

A: Yes. The Board member must be listed as a school official on *each* District, Charter School, or Renaissance School's list of school officials, and must file Disclosure Statements for *each* District, Charter School, or Renaissance School in which s/he serves as a Board member.

Q10: May the District, Charter School or Renaissance School remove the name of any official when they leave?

A: No. A school official who serves even one day remains on the list of school officials. School officials can never be deleted unless their name was placed on the list in error.

Q11: If a school official, who was employed in a District, Charter School or Renaissance School or served as a Board member/Charter School trustee in 2017, leaves prior to or as of December 31, 2017, should that school official be placed on the February 1, 2018 List and file Disclosure Statements on or before April 30, 2018?

A: No. A school official who leaves prior to December 31, 2017, is not regarded as a school official for the **next** calendar year (2018). However, the departing school official should have filed Disclosure Statements in 2017.

Q12: Should a school official, who was employed in a District, Charter School or Renaissance School or served as a Board member/Charter School trustee in 2017 and part of 2018, but left prior to April 30, 2018, file Disclosure Statements on or before April 30, 2018?

A: Yes. A school official who serves in the District, Charter School or Renaissance School at any time in the 2017 calendar year must be included on the list of school officials for the following year *unless* s/he leaves prior to December 31, 2017. In addition, this school official must file Disclosure Statements on or before **April 30, 2018**, even if s/he leaves prior to this date.

Q13. If a Board member is not reappointed or re-elected in the spring election in 2018, does s/he have to file the Disclosure Statements for 2018?

A: Yes. When a Board member serves as a school official for even part of the 2018 calendar year, s/he must file Disclosure Statements.

Q14: Does a Board member, who served in 2018 and filed Disclosure Statements on or before April 30, 2018, have to file again if s/he is re-elected or re-appointed to the board in spring election of 2018?

A: No. In this scenario, the Board member has already fulfilled the requirement to file her/his Disclosure Statements for 2018.

Q15: If a school official has already filed Disclosure Statements as an official in a District, Charter School or Renaissance School, and then changes position in the same District, Charter School or Renaissance School, does s/he need to file *new* Disclosure Statements?

A: No. As long as the school official is employed in the *same* District, Charter School or Renaissance School, and has already filed his/her Disclosure Statements, a new filing is not required.

Q16: When does a Charter School or Renaissance School trustee's term of office begin?

A: The term begins when the trustee is sworn in at the first meeting of the Board of Trustees, which would occur after the Commissioner of Education has approved the charter. The Board of Trustees should maintain minutes which indicate when each trustee's term begins, and ends.

Q17: Does a school official have to file Disclosure Statements if that school official is on an approved leave?

A: Where a school official is on approved leave at the time that the filing is required, the Board Secretary, Charter School or Renaissance School Designee should duly note his/her approved leave on the list. In this instance, the school official would not have to file his/her Disclosure Statements *until* s/he returns leave.

III. COMPLETION OF THE STATEMENTS

Q1: How do I complete the Disclosure Statements?

A: School officials must provide an answer to **every question**, and failure to do so will result in the Disclosure Statements being return to the school official.

Q2: Why does the Financial Disclosure Statement ask for information 2017 when it is being completed in 2018?

A: The Act requires that *financial* disclosures pertain to "the preceding calendar year." N.J.S.A. 18A:12-26.

Q3: If a school official has a relative who, on occasion, substitute teaches for the District, Charter School or Renaissance School, must that be reported on the Personal/Relative Disclosure Statement?

A: Yes. If a school official has a relative who, even on an interim basis, is compensated directly by the District, Charter School or Renaissance School, this information must be reported on the Disclosure Statements. If the relative is compensated through a separate company and not the District, the school official should note that s/he has a relative that receives compensation from a business which is a party to a contract with the District, Charter School or Renaissance School in which the official is employed.

Q4. Do members of my local board of education have to disclose their business interests?

A: Yes. The Act requires that all school officials disclose their business interests in their Disclosure Statements, as well as those of their relatives who have positions in the District, Charter School or Renaissance School.

Q5: What information must a school official disclose about his/her relatives?

A: The Act requires that a school official disclose: (1) whether any relative of the school official or any person related by marriage is employed by the District, Charter School or Renaissance School, as well as the name of such person(s); (2) whether the school official or a relative is a party to a contract with the District, Charter School or Renaissance School and, if so, the nature of the contract; and (3) whether the school official or a relative is employed by, receives any compensation from, or has any interest in, any business which is a party to a contract with the District, Charter School or Renaissance School with which the school official holds office or employment and, if so, the name of each such business. N.J.S.A. 18A:12-25.

Q6: Must a school official report that his/her child is receiving a scholarship?

A: If the funding is coming from the District, Charter School or Renaissance School or from some entity/organization that has ties to the District, Charter School or Renaissance School, and is for an amount greater than \$250.00, the scholarship information must be reported in Section I, item 2.

Q7: If the District, Charter School or Renaissance School pays for the conference registration and hotel directly with District, Charter School or Renaissance School purchase orders and no reimbursement of the school official takes place, must that be reported?

A: Yes. The statute requires the reporting of “prepaid expenses.” N.J.S.A. 18A:12-26a.

Q8. Do school officials have to list their attendance at training and conferences on their financial disclosure forms under fees/honorariums, gifts/reimbursements or prepaid expenses?

A: If the school official was reimbursed for an amount greater than \$250.00, s/he must list his/her District, Charter School or Renaissance School as a source of the reimbursement. Additionally, use of the term “prepaid expenses” in the statute suggests that the school official should include expenses (over \$250) that are paid directly to a hotel or other entity via purchase order.

Q9. Do school officials whose income is client-based, such as accountants and attorneys, have to list their clients as sources of income?

A: No. The Act provides that individual client fees, customer receipts or commissions on transactions received through a business organization need not be separately reported as sources of income.

Q10. If someone assists in the electronic preparation of the statements for the school official, how is this noted?

A: The school official *must* certify the statements; in so doing s/he affirms the accuracy of the contents and certifies that the Disclosure Statements contain no willful misstatement or omission of material fact and constitute a full disclosure with respect to all matters required by N.J.S.A. 18A:12-21 et seq. If another individual has assisted with the typing of the online response, the name of the individual must be included on the Disclosure Statements.

IV. FILING, RETENTION AND ACCESSABILITY

Q1: How long does a District, Charter School or Renaissance School have to retain a copy of a school official’s Disclosure Statements? How long does the County Office retain a school official’s Disclosure Statements?

A: Copies of Disclosure Statements must be retained by District, Charter School or Renaissance Schools for three (3) years. The original version of a school official’s Disclosure Statements, which are maintained by the County Office, must be retained for six (6) years.

Q2: How long will the Commission retain electronically submitted Disclosure Statements?

A: The Commission will retain Disclosure Statements for seven (7) years.

Q3. Who may view the Disclosure Statements?

A: Once filed, Disclosure Statements are public records that are accessible to any member of the public.

Q4. How does the public obtain a copy of a school official's Disclosure Statements?

A: Disclosure Statements for 2015, 2016, and 2017 are available to the public on the Department of Education's website. Disclosure Statements filed either electronically or by paper (prior to 2015) are available at the County Offices of Education or through the District, Charter School or Renaissance School under the Open Public Records Act (OPRA). The public may view the Disclosure Statements upon request, and these offices have procedures under OPRA that require payment of a small fee for the copy.

V. FAILURE TO FILE AND ENFORCEMENT

Q1: What if a school official fails to file his/her Disclosure Statements?

A: The Commission's staff will initiate efforts to secure compliance. However, if these efforts fail to secure compliance, the Commission will issue an Order to Show Cause (OTSC). If an OTSC is issued, and the school official *then* completes his/her Disclosure Statements, the Commission will recommend that the Commissioner of Education impose a penalty of reprimand. If an OTSC is issued, but the school official *still* fails to complete his/her Disclosure Statements, the Commission will recommend that the Commissioner of Education impose a penalty of removal.