

**LFN 2011-16**

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# Local Finance Notice

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## The Qualified Purchasing Agent Law and Boards of Education

This Local Finance Notice supplements Notice 2010-4, concerning the law that amended the Qualified Purchasing Agent (QPA) program (P.L. 2009, c. 166). It specifically addresses boards of education that fall under the Public Schools Contract Law. It covers changes to bid thresholds, the issuance of Qualified Purchasing Agent (QPA) certificates, and related issues. The amendments took effect on January 1, 2011. It also corrects previous guidance issued to boards of education concerning bid thresholds.

Earlier this year the Division advised boards of education that a district's bid threshold in the absence of a QPA would be \$17,500. A review of that advice has shown it was in error. That advice referenced a portion of the Local Public Contracts Law that has been determined to not apply to the Public School Contracts Law.

**As a result, districts without a QPA may continue to operate under the \$26,000 base amount of the two-tier bid threshold as described in [Local Finance Notice 2010-13](#).** Public school personnel holding a QPA certificate are subject to provisions of the law concerning appointment of a QPA and continuing education requirements described below.

**Vacancy where the Purchasing Agent is a QPA/No Change in Bid Threshold:** The QPA law provides a vacancy provision for those districts that had previously appointed a QPA as their purchasing agent. If a QPA vacates the position, the board may appoint, for one year from the date of the vacancy, a person who does not possess a QPA certificate as "temporary purchasing agent."

With permission of the Director of the Division, a temporary purchasing agent may be appointed for an additional one-year term. Permission is normally granted based upon the temporary purchasing agent working toward obtaining the QPA. No contracting unit may have a temporary purchasing agent for more than two consecutive years.

School boards using this vacancy provision do not have to lower their bid threshold during the time of the two year vacancy and can still use the maximum bid threshold.

**Distribution**  
School Business Administrators

**QPA Applicants that are School Business Administrators**

Commencing January 1, 2011, most applicants for the QPA certificate will be required to pass a certification exam administered by the Division. The QPA law, however, provides that applicants who possess a School Business Administrator (SBA) certificate issued by the New Jersey Department of Education, and have acquired at least three years of experience relative to public procurement can apply for and obtain a QPA certificate without having to take the certification exam. Possession of a "Certificate of Eligibility" or a "Provisional Certificate" is **not** acceptable to obtain the certification. An application for these applicants is available and can be downloaded from the [Division's website](#) as "SBA Qualified Purchasing Agent" under the "Application for Certification and/or Examination section."

Further, although the amendments now enable Assistants to the School Business Administrator or Board Secretary to obtain a QPA certificate, there has been no amendment to N.J.S.A. 18A:18A-2, which designates that a person holding the title of SBA, Board Secretary, or Business Manager is the purchasing agent with the authority, accountability and responsibility for the purchasing activities of the school board. Therefore, although an Assistant SBA may have obtained a QPA certificate, they cannot be named as the purchasing agent, unless there is no one appointed to one of the above titles.

Concurrently, if the person in the title of SBA, Board Secretary or Business Manager does not possess a QPA certificate, unless using the "temporary" provision above, the school board cannot utilize the \$36,000 bid threshold, until such time as that person obtains a QPA certificate. These school boards are limited to the \$26,000 bid threshold.

**QPA Application Fee**

Previously, there was no fee required for the QPA application. All applicants must now provide a \$150 non-refundable fee made payable to the State Treasurer with their application.

**Persons Serving as Purchasing Agent for Three Years without a QPA Certificate**

The law provides a waiver for individuals who have been performing the duties of a purchasing agent for at least three consecutive years prior to the first day of the sixth month following the approval of QPA regulations. They may take the QPA certification exam without having to complete the courses necessary to sit for the exam. Details on this will be forthcoming when the rules are adopted.

**Activities to be Implemented Later****QPA Certification Exam and Course Requirements**

Individuals who want to obtain a QPA, but do not meet the SBA Certification exception to obtain a QPA, will have to pass an examination to obtain the certificate. The examination is under development and will be scheduled once it is completed. In order to participate in the exam, applicants will be required to complete several public procurement classes provided by the Rutgers Center for Government Services.

While the courses will formally be authorized through regulation, they are expected to include the three Public Purchasing Program and Municipal Finance Administration (or equivalent school related) courses.

The basic requirements to take the exam include U.S. citizenship, high school diploma or equivalent, and being a person of good moral character. In addition, applicants must possess two years of college education and two years of full-time governmental experience performing duties relative to public procurement. Additional years of experience may be substituted for the years of college education on a year to year basis.

In addition the law requires all existing and future QPAs to complete a course in “green” procurement, also known as “environmentally preferred procurement (EPP).” The course is still in the development stages. It is possible that the course may be offered online. Details on registering for and completing the course will be provided when available. If the EPP course is available by the time the exam is completed, the course material will be included in the exam.

**Continuing Education/Renewal of QPA Certifications:** All existing and future QPA certificates, including those held by School Business Administrator certificate holders, will now be subject to renewal every three years by obtaining continuing education contact hours. No certificate is due for renewal at this time. The Division has yet to establish, by regulation, the number of hours required for renewal every three years, the fee for renewals, and the schedule for renewals.

Subject areas and minimum number of hours required in each area will also be established by the Division. All persons possessing a QPA certificate at the time such regulations are promulgated will have at least three years from that point to renew their certification. In addition, the amendments provide for a six month grace period to renew certifications.

Renewal of QPA certifications is mandatory with these amendments. Once the rules are adopted, certifications must be renewed each three year cycle to remain current. Failure to renew for a cycle will result in lapse of the certification. Those persons who allow their QPA certifications to lapse will be required to pass the exam to obtain a new certification, regardless of the means by which the original one was obtained. This provision also applies to QPA certifications of those who hold the School Business Administrator certificate.

Because there are many people who already have their QPA certification, renewal dates for this group to renew their certification will be staggered through the first year that renewals are due.

Completion of continuing education hours will be through attendance at programs and courses approved by the Division. Once the regulations for renewal have been promulgated, the Division will provide further information regarding obtaining continuing education hours and submission of renewal applications. Continuing education programs will not be approved until the regulations are adopted.

Individuals who obtained their QPA certification by means of completing the Registered Public Purchasing Official (RPPO) or Registered Public Purchasing Specialist (RPPS) programs administered by the Rutgers Center for Government Services will not be required to renew such certifications to maintain their QPA certification. Only the QPA certification must be renewed through the rules and guidelines to be established by the Division.

### Adoption of Regulations

The QPA law provides for immediate adoption of rules upon publication in the New Jersey Register, with a comment process to follow and readoption within a year. This process serves to expedite the program. The rules are expected to be adopted later this year. Draft rules will be circulated to the various procurement and professional associations prior to their adoption.

Questions about this Notice can be referred to the Division’s Certification Unit at (609) 292-9757, or by email at [dkaminski@dca.state.nj.us](mailto:dkaminski@dca.state.nj.us).

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Thomas H. Neff, Director

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| 2    | model ordinance and resolution | <a href="http://www.nj.gov/dca/lgs/lpcl/#ModProcForms">www.nj.gov/dca/lgs/lpcl/#ModProcForms</a>           |