IN THE MATTER OF

LAURA LORENTZEN, : ASSOCIATE PROFESSOR. :

KEAN UNIVERSITY

STATE ETHICS COMMISSION

**Commission Case No. 49-14** 

**DECISION** 

## **BACKGROUND**

This matter arises from a request for an exception to *N.J.S.A.* 52:13D-19 submitted by Ramapo College of New Jersey ("Ramapo") on behalf of Dr. Laura Lorentzen ("Lorentzen"), Associate Professor, Kean University ("Kean"). Ramapo seeks to enter into a contract with Dr. Lorentzen to provide services related to the New Jersey Higher Education Partnership for Sustainability. Dr. Lorentzen currently serves as an Associate Professor of Biology in the School of Natural Sciences at Kean. As a full-time faculty member with Kean, Lorentzen is a State employee subject to the contracting prohibitions contained in Section 19 of the Conflicts Law. Dr. Lorentzen is seeking a contract with Ramapo to work as a consultant during July and August, the two months that she is not under contract with Kean.

Dr. Lorentzen previously served as Executive Director of the New Jersey Center for Science, Technology & Mathematics at Kean. Dr. Lorentzen has also participated in various science organizations in furtherance of her academic endeavors, including service as a member and President of the New Jersey Junior Academy of Science; membership in the Society for Neuroscience and the American Physiological Society; and past Editor-in-Chief of the AWIS Magazine for Association for Women in Science.

Dr. Lorentzen is employed under a 10-month contract with Kean. She is not paid by Kean during the months of July and August. She seeks to enter into a contract with Ramapo to provide consulting services for the months of July and August. The proposed consultant contract with Ramapo would not exceed \$12,000.

## **ISSUE**

The issue presented is whether Dr. Lorentzen qualifies for an exception under Section 19(b) of the Conflicts Law allowing her to enter into a contract to provide professional consulting services to the NJHEPS for Ramapo College.

<sup>&</sup>lt;sup>1</sup> The New Jersey Higher Education Partnership for Sustainability ("NJHEPS") was founded in 1999 by two Ramapo faculty members with the assistance of a Dodge Foundation grant. NJHEPS is currently located in Ramapo's Sharp Sustainability Education Center ("Center"). The Center houses a "smart" classroom, a display gallery, an office, and support space. The mission of NJHEPS is to transform the higher education community to consistently practice sustainability and to more effectively contribute to the world's emerging understanding of sustainability through teaching, research, outreach, operations, and community life. There are more than 40 higher education institutions currently participating in NJHEPS.

## **ANALYSIS**

*N.J.S.A.* 52:13D-19 provides, in pertinent part:

a. No ... State officer or employee shall knowingly ...undertake or execute, in whole or in part, any contract, agreement, sale or purchase of the value of \$ 25.00 or more, made, entered into, awarded or granted by any State agency, except as provided in subsection b. of this section. ...

b. The provisions of subsection a. of this section shall not apply to (a) purchases, contracts, agreements or sales which (1) are made or let after public notice and competitive bidding or which (2), pursuant to section 5 of chapter 48 of the laws of 1944 (C. 52:34-10) or such other similar provisions contained in the public bidding laws or regulations applicable to other State agencies, may be made, negotiated or awarded without public advertising for bids, ...[emphasis added]

N.J.S.A. 18A:64-54, which applies specifically to New Jersey State colleges, provides:

a. Any purchase, contract or agreement for the performance of any work or the furnishing or hiring of materials or supplies, the cost or price of which, together with any sums expended for the performance of any work or services in connection with the same project or the furnishing of similar materials or supplies during the same fiscal year, paid with or out of college funds, does not exceed the total sum of \$26,200 or, commencing January 1, 2005, the amount determined pursuant to subsection b. of this section, in any fiscal year may be made, negotiated and awarded by a contracting agent, when so authorized by resolution of the board of trustees of the State college without public advertising for bids and bidding therefore.

N.J.S.A. 18A:64-56(a), which also applies to New Jersey State colleges, provides:

Any purchase, contract or agreement of the character described in section 4 of P.L.1986, c.43 (C.18A:64-55) may be made, negotiated or awarded by the State college by resolution at a public meeting of its board of trustees without public advertising for bids or bidding therefore if:

- a. The subject matter thereof consists of: ...
- (15) Professional consulting services; ...

Dr. Lorentzen seeks permission to enter into a contract with Ramapo to provide professional consulting services to the NJHEPS. Section 19(b) of the Conflicts Law authorizes the Commission to permit State employees to enter into contracts that are not awarded pursuant to public notice and competitive bidding as long as they meet one of the exceptions identified in *N.J.S.A.* 52:34-10 or "such other similar provisions contained in the public bidding laws or regulations applicable to other State agencies, [which] may be made, negotiated or awarded without public advertising for bids."

Ramapo follows the contracting provisions of the State College Contracts Law. *N.J.S.A.* 18A:64-52, *et seq.* The State College Contracts Law contains a provision which permits Ramapo to enter into contracts which are "made, negotiated or awarded by the State college by resolution at a public meeting of its board of trustees without public advertising for bids or bidding" if the subject matter of the contract consists of twenty-seven listed categories. *N.J.S.A.* 18A:64-56(a). One of the enumerated categories of exceptions is for professional services contracts. *N.J.S.A.* 18A:64-56(a)(15). Similarly, Ramapo is permitted to award contracts valued up to \$26,200.00 without public notice or bidding if approved by a resolution of the board of trustees. *N.J.S.A.* 18A:64-54(a).

The Commission has considered and approved many requests for Section 19 exceptions for contracts awarded pursuant to public notice and competitive bidding. On a few occasions, the Commission has approved requests for exceptions that would permit employees to enter into contracts that were not awarded after competitive bidding, most commonly in situations where the State employee is the "sole source" of supply for a good or service.<sup>2</sup> Most notably, the Commission has authorized State employees to act as subject matter experts for the Civil Service Commission. This, however, is the first case in which the Commission has been asked to consider an exception to Section 19 of the Conflicts Law based on a provision of the State College Contracts Law. While the list and scope of exceptions to the public bidding requirements under the State College Contracts Law is greater than the exceptions under the State bidding laws applicable to State departments and agencies, the underlying concern addressed by the contracting prohibition, which is to prevent favoritism toward State employees in the award of State contracts, is protected under the State College Contracts Law by the requirement that contracts awarded without public notice or competitive bidding be reviewed and approved by a resolution of the college's board.

The proposed contract between Lorentzen and Ramapo meets the criteria for an exception under section 19(b) of the Conflicts Law because it is valued at less than \$26,200 and because it is a contract for professional services.

## **DECISION**

The Commission grants Dr. Lorentzen's approval to enter into the requested professional consulting services contract with Ramapo pursuant to *N.J.S.A.* 52:13D-19(b).

<sup>&</sup>lt;sup>2</sup> One of the enumerated exceptions to Section 19(a) pursuant to N.J.S.A. 52:34-10 is for sole source suppliers.

DECISION RENDERED BY THE STATE ETHICS COMMISSION ON THE  $22^{ND}$  DAY OF JULY, 2014