



New Jersey School Boards Association

The information contained in this document has been issued by the New Jersey Department of Education. As guidance to school board and trustee members, the NJSBA has provided sample answers as guidance in properly completing this form. The samples are not intended to constitute legal advice. Please consult with your board attorney or the School Ethics Commission for legal advice.

INSTRUCTIONS FOR FILING DISCLOSURE STATEMENTS AND DEFINITIONS - 2009

Requirements concerning the filing of this form are found in N.J.S.A. 18A:12-21 et seq.

INSTRUCTIONS

School officials who are required to complete annual disclosure statements as defined in the Definitions section below must complete **both** the PERSONAL/RELATIVE AND FINANCIAL DISCLOSURE STATEMENTS attached hereto. Please read all instructions and definitions completely before filling in the requested information.

- Timeline for filing: These statements must be filed by April 30th of each calendar year or within 30 days of assuming office or position if you are newly elected or appointed. Failure to file a statement by the deadline may subject you to disciplinary action up to and including removal pursuant to N.J.S.A. 18A:12-25.
- Complete all sections: The Personal/Relative Disclosure Statement includes information on the school official and relatives, based on the definitions below, and should be completed consistent with the 2009 calendar year. The Financial Disclosure Statement is based on the preceding calendar year. Fill in each line indicating not applicable with an “N/A” if appropriate, except Section I, Item 1 of the Financial Disclosure Form. **No section should remain completely blank.**
- The certification as to both statements must be dated and signed in the space provided. Signatures **must** be original when filed with your local Board Secretary or Charter School Designee.
- **Please remove this instruction page before returning to the Board Secretary or Charter School Designee to be filed with the Office of the Executive County Superintendent.**

Once completed, the original of both sides must be filed with the Board Secretary or the Designated Person of the Charter School who shall maintain a copy on file in the district or charter school and transmit the **original** to the **Office of the Executive County Superintendent** for reference by the public and periodic audits by the School Ethics Commission. The Executive County Superintendent shall maintain the original on file in the County Office.

DEFINITIONS

“Administrator” means any officer, other than a board member, or employee of a local school district or charter school district who:

- (i) holds a position which requires a certificate that authorizes the holder to serve as a 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 school district; or
- (iii) holds a position which requires a certificate that authorizes the holder to serve as a supervisor and who is responsible for making recommendations regarding hiring or the purchase or acquisition of any property or services by the local school district;

“Board Member” means any person holding membership whether by election or appointment on any board of education other than the State Board of Education;

“Board of Trustees” means the public agent authorized by the State Board of Education to supervise and control a charter school.

“Business” means any corporation, partnership, firm, enterprise, franchise, association, trust, sole proprietorship, union, political organization, or other legal entity, but shall not include a local school district or any other public entity;

“Income” for purposes of these rules shall be as defined by the Internal Revenue Service, except as otherwise provided in N.J.S.A. 18A:12-26(a)(1) and include loans that are not from lending institutions or family members.

“Interest” means the ownership or control of more than 10 % of the profits, assets, or stock of a business, but shall not include the control of assets in a labor union;

“Local School District” means any local or regional school district established pursuant to Chapter 8 or Chapter 13 of Title 18A of the New Jersey Statutes and any jointure commission, county vocational school, county special services district, education services commission, educational research and demonstration center, environmental education center, and educational information and resource center;

“Member of immediate family” means the spouse or dependent child of a school official residing in the same household;

“Related to the school official by marriage” as used in the statute shall be limited to mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, and sister-in-law;

“Relative” means the spouse, natural or adopted child, parent, or sibling of a school official;

“School Official” means a board member, a member of the board of trustees of a charter school, an administrator of a local school board or charter school or an employee or officer of the New Jersey School Boards Association, but not including any member of the secretarial, clerical or maintenance of the Association.

“Spouse” means the person to whom the school official is legally married under New Jersey Law.

ORIGINAL STATEMENTS WITH ORIGINAL SIGNATURE IN INK IS TO BE GIVEN TO BOARD SECRETARY TO FILE WITH THE EXECUTIVE COUNTY SUPERINTENDENT

**SCHOOL ETHICS COMMISSION
PERSONAL/RELATIVE DISCLOSURE STATEMENT
For Calendar Year 2009**

This personal/relative disclosure statement is required annually of all school officials in accordance with N.J.S.A. 18A:12-21 et seq., The School Ethics Act. The personal/relative disclosure statement must be filed by April 30th of each year or within 30 days of assuming office or position if newly elected or appointed. This statement is a public record. Before completing this statement, read all instructions and definitions.

*Local school board members and charter school trustees, as school officials covered by the School Ethics Act, must annually complete a Personal/Relative Disclosure Statement and a Financial Disclosure Statement. The original of both forms must be filed with the district's board secretary or charter school designee on or before April 30 or within 30 days of taking office or appointment, whichever is applicable. One copy is kept in the local board or charter school office, with the original being filed in the office of the county superintendent for reference by the public and periodic audits by the School Ethics Commission. These disclosure statements are public records with the duplicate filing being intended to facilitate public access. Failure to comply with these filing requirements constitutes a violation of the School Ethics Act and subjects the school official to penalty up to and including removal. **To assist our membership, NJSBA simulates the completion of the disclosure statements below.***

SECTION I. Personal Information

*School officials who are required to complete annual disclosure statements as defined in the Definitions section above must complete **both** the PERSONAL/RELATIVE AND FINANCIAL DISCLOSURE STATEMENTS attached hereto. Please read all instructions and definitions completely before filling in the requested information.*

First Name: **Michael** Middle: **Jarrad** Last Name: **Smith**

Please place an "x" in the space that identifies the capacity in which you are filing this form:

Board Member X Administrator _____ Employee of the NJSBA _____ Charter School Trustee _____

School District or Charter School: **Hometown Bd. of Education** County: **Mercer**

Home Address: **413 North State Street, Hometown, NJ 08111** (School Administrators may use school address)

If a Board Member - Term of Office: **April 15, 2008** (year) to **April 20, 2011** (year)

Spouse's Name **LaTonya** Middle: **Michelle** Last Name: **Smith**

SECTION II. Relative Information

Please complete numbers 1, 2, and 3 below. If not applicable, please indicate "N/A." If additional space is required, please attach separate sheet(s).

1. Is any person related to you, or related to you by marriage, employed by the school district or a charter school in which you hold office or are employed? If you are an employee of the NJSBA, is any person so related to you employed by any school district or charter school?

Name	Relationship	District/Charter School	Position
<i>Joanne Bradford</i>	<i>Sister-in-Law</i>	<i>Hometown School District</i>	<i>Guidance Counselor</i>
<i>Valerie Williams</i>	<i>Sister</i>	<i>Hometown School District</i>	<i>Per Diem Substitute</i>
<i>Taylor Smith</i>	<i>Son</i>	<i>Hometown School District</i>	<i>Summer Student Worker</i>

What must be reported? The Act requires that the school official report whether any relative or person related to the school official by marriage is employed by the school district or charter school in which the school official holds office or is employed and if so, the name and position of each such relative. For officers and employees of the NJSBA, relative employment in any school district must be reported. Neither the Act nor its implementing regulations define the term “related to you.” In the absence of such a definition, it is recommended that you report your “relatives” and those “related to you by marriage” as defined above.

- *Michael Smith’s sister-in-law, Joanne Bradford, is employed as a guidance counselor by the school district. She falls under the definition of “related to the school official by marriage” and must be identified on the form. Michael Smith’s sister;*
- *Valerie Williams, as a per diem substitute, receives compensation from the district and therefore, must be reported.*
- *Michael’s son, Taylor Smith, as a student worker during the summer months must also be reported.*

2. Are you or is any person related to you or related to you by marriage, a **party to a contract** with your school district or a charter school? If you are an employee of the NJSBA, are you or is any person so related to you, a party to a contract with any school district? If so, please set forth:

Name	Relationship	Nature of Contract	District/Charter School
<i>Kevin Smith</i>	<i>Brother</i>	<i>American Brokers – Liability Ins. Co.</i>	<i>Hometown School District</i>

What must be reported? The Act requires that the school official report whether the school official, any relative or person related to the school official by marriage is a party to a contract with the school district or charter school in which the school official holds office or employment and if so, the nature of the contract. For officers and employees of the NJSBA, any school district contract relationship must be reported. Neither the Act nor its implementing regulations define the term “related to you.” In the absence of such a definition, it is recommended that you report your “relatives” and those “related to you by marriage” as defined above.

- *Michael Smith’s brother, Kevin, is a principal partner controlling more than 10 percent of the assets of the company that provides the district’s liability insurance coverage. Because his holdings exceed 10 percent of the company’s assets, he has an “interest” in the company, according to the School Ethics Act. He would, therefore, be considered to be a party to a contract with the school district.*

3. Do you or does any relative **receive compensation from or have any interest in any business** that is a party to a contract with the school district or charter school in which you hold office or are employed? If you are an employee of the NJSBA, do you or does any relative receive compensation from or hold an interest in any business that is a party to a contract with any district? If so, list the name of each business and if applicable, school district.

Name	Relationship	Business	District/Charter School
<i>John J. Smith</i>	<i>Brother</i>	<i>AT&T</i>	<i>Hometown School District</i>
<i>Doris McCabe</i>	<i>Sister</i>	<i>National City Bank</i>	<i>Hometown School District</i>
<i>Donald Smith</i>	<i>Son</i>	<i>Weather-All Windows</i>	<i>Hometown School District</i>

What must be reported? The act requires that the school official report whether the school official or a relative is employed by, receives compensation from, or has an interest in any business which is a party to a contract with the

school district or charter school in which the school official holds office or employment and, if so, the name of each such business.

- *John J. Smith, the board member’s brother, works in Maryland for AT&T. AT&T is the school district’s long-distance telephone carrier. The relationship between a Maryland office of AT&T and the local sales division of AT&T may seem remote. However, Michael Smith’s brother is still employed by the corporation under contract with the district. This fact should be disclosed, according to NJSBA’s interpretation of the School Ethics Act.*
- *Doris McCabe, Michael Smith’s sister, works as a teller for a satellite branch of the National City Bank. The school district’s payroll account is currently handled by the bank’s main office. Even though Mrs. McCabe is not involved in the bank’s commercial or government banking operations and works at a location remote from that division, her employment should be disclosed.*
- *Donald Smith, the board member’s son by his first marriage, works as an installer for Weather-All Windows. The firm is under contract to replace the windows at Hometown High School.*

Michael Smith needs additional space to report compensation from or an interest in any business. In accordance with instructions on the Personal/Relative Disclosure Form, an additional piece of paper needs to be attached with the information.

Name	Relationship	Business	District/Charter School
Kevin Smith	Brother	American Brokers – Liability Ins. Co.	Hometown School District

- *Michael Smith’s brother, Kevin, is a principal partner controlling more than 10 percent of the assets of the insurance brokerage that provides the district’s liability coverage. Because his holdings in the firm exceed 10 percent of its assets, he has an “interest” in the firm, according to the School Ethics Act. Analysis: Michael Smith is in the unusual position of having relatives employed by four firms that have contracts with the school district. The employment of these four relatives provides good examples of the types of situations that must be disclosed.*

**SCHOOL ETHICS COMMISSION
FINANCIAL DISCLOSURE STATEMENT
(Discloses Information from Calendar Year 2008)**

This financial disclosure statement is required annually of all school officials in accordance with N.J.S.A. 18A:12-21 et seq., The School Ethics Act. The Act requires that information pertain to the preceding calendar year. The Financial Disclosure Statement must be filed by April 30th of each year or within 30 days of assuming office or position if newly elected or appointed. This statement is a public record. Before completing this statement, read all instructions and definitions.

School officials must also file a form dealing with financial information for themselves and members of their "immediate family" for the previous calendar year. As defined above, "immediate family" would be a spouse or dependent child residing in the household.

List the name and address of each source of income, earned or unearned, from which you or a member of your immediate family received in excess of \$2,000. If a publicly traded security is the source of income, the security need not be reported unless you or a member of your immediate family has an interest in the business organization. If you are a district employee, be sure to list the district board or charter school as a source of income. Client fees received through a business organization need not be separately reported.

SECTION I. Financial Information

Please provide the following information for yourself and members of your immediate family for the preceding calendar year. **If additional space is required, please attach separate sheet(s) as needed.**

1. THIS SECTION MUST BE COMPLETED: "N/A" IS NOT ACCEPTABLE

List the name and address of each source of income, earned or unearned, from which you or a member of your immediate family received in excess of **\$2,000**. If a **publicly traded security** is the source of income, the security need not be reported unless you or a member of your immediate family has an interest in the business organization. If you are a district employee, be sure to list the district board or charter school as a source of income. Client fees received through a business need not be separately reported.

Name of Source	Address of Source	Name of Recipient	Relationship
<i>Macro Management</i>	<i>10 Carnegie Blvd. Princeton, N.J. 08698</i>	<i>Michael J. Smith</i>	<i>Self</i>
<i>The College of New Jersey</i>	<i>Hillwood Lakes, N.J. 08615</i>	<i>LaTonya M. Smith</i>	<i>Spouse</i>
<i>Mercer Co. Community College</i>	<i>125 Old Trenton Rd. Trenton N.J. 08547</i>	<i>Michael J. Smith</i>	<i>Self</i>

What must be reported? Sources of income that exceeded \$2,000 during the previous calendar year. This includes "earned" income, such as wages, salaries, commissions, and "unearned" income, such as rents, lottery winnings, gambling winnings, alimony, child support, and proceeds from the sale of property. What does not have to be reported? Income from publicly traded securities, (e.g., stocks and bonds), or from financial institutions, (e.g., interest income from savings accounts and CDs) unless the school official or a member of his/her immediate family has an interest in the organization or institution. The School Ethics Act defines "interest" as holding more than 10 percent of the "profits, assets, or stock." In addition, control of assets in a labor union and individual client fees or commissions received through a business need not be reported.

- “MacroManagement” is Michael Smith’s employer.
- The College of New Jersey employs Michael Smith’s Spouse, LaTonya M. Smith.
- Michael Smith is also an adjunct instructor at the local community college. His income from this second job exceeds \$2,000.

Michael Smith needs additional space to report sources of income and business/organizations in which an interest was held. In accordance with instructions on the Financial Disclosure Statement, an additional piece of paper needs to be attached with the following information:

Name of Source	Address of Source	Name of Recipient	Relationship
Acme Supermarket	Rt. 33 Mercerville N.J. 08597	Jamaica P. Smith	Daughter
Savings Bank of Hamilton F.S.B.	3 Quakerbridge Rd. Trenton, N.J. 08615	Michael J. Smith	Self
Investment Property	50 Wyndham Pl. Robbinsville N.J. 08459	Michael J. & LaTonya M. Smith	Self/Spouse
N. J. State Lottery	Brunswick Circle, Lawrenceville, N.J.	Michael J. Smith	Self

- Michael Smith’s teenage daughter, Jamaica, works part time at a local supermarket. Her income from this job during the previous calendar year exceeded \$2,000.
- Michael Smith holds 12 percent of the stock in a local financial institution. According to the School Ethics Act, he has an “interest” in the firm. His income from deposits in the bank and the returns on his stock investment exceeded \$2,000 in the previous calendar year. Therefore, the bank must be identified as a source of income. If Michael Smith did not have an “interest” in the bank, he would not have to report it as a source of income—even if interest or investment income exceeded \$2,000.
- Michael Smith and his spouse LaTonya own a condominium that they rent out. The School Ethics Act does not require the identification of real estate investments per se. However, it does require the reporting of unearned income, which includes “net income” from investment property. Since the school official received “net income” in excess of \$2,000 during the previous calendar year from this condominium, the condominium must be listed as a source of income. If Michael Smith and his spouse “owned” the condominium through a partnership or a corporation and their net income from the partnership or corporation exceeded \$2,000, they would identify the partnership or corporation as the source of income.
- Michael Smith hit five numbers in a Pick-6 Lottery drawing during the previous calendar year. His winnings exceeded \$2,000.

2. List the name and address of each source of **fees/honorariums** or **gifts/reimbursements** or **prepaid expenses** having an aggregate amount exceeding \$250 from any single source, excluding relatives, received by you or an immediate family member. Be sure to list any reimbursement received from the district or charter school for such things as **conference attendance, tuition/dues reimbursement, personal appearances, speeches, or writing**.

Name of Source	Address of Source	Name of Recipient	Relationship
Suburban Gourmet Magazine	9 River Rd., Yardley P.A.	Latonya M. Smith	Spouse
Amer. Association of Education	3 York Ave., Washington D.C.	Latonya M. Smith	Spouse
Hometown Bd. of Ed.	99 Park St. Mercer, N.J. 08614	Michael J. Smith	Self

What must be reported? Sources of fees and honoraria exceeding a total of \$250 from a single source—for example, fees for personal appearances, speeches, or writings received during the previous calendar year. You must also report sources of reimbursements or prepaid expenses exceeding \$250, including reimbursement for expenses during school board-related seminars and conferences, sources of monies repaid on a loan and gifts from nonrelatives. What does not have to be reported? Gifts from relatives (spouse, children, parents, or siblings).

- *LaTonya Smith contributed three articles as a freelance writer to Suburban Gourmet magazine during the previous calendar year. For each article, she received a fee of \$90, for a total of \$270.*
- *LaTonya also spoke at the annual meeting of a professional association in July of the previous calendar year. She received an honorarium of \$200 for her appearance. In addition, the same professional association paid her \$100 as a fee for an article that appeared in its journal. Mrs. Smith received a total of \$300 in fees and honoraria from this group during the previous calendar year.*
- *Michael Smith received reimbursement for meals and travel to the NSBA Annual Convention and NJSBA Workshop of the previous calendar year. The reimbursement from the local board of education exceeded \$250.*

Michael Smith needs additional space to report fees/honorariums, gifts/reimbursements and prepaid expenses. In accordance with instructions on the Financial Disclosure Statement, an additional piece of paper needs to be attached with the following information:

Name of Source	Address of Source	Name of Recipient	Relationship
The College of New Jersey	Hillwood Lakes, N.J. 08615	Latonya M. Smith	Spouse
Trenton Gazette	100 E. State Street, Trenton	Taylor Smith	Son
Muriel C. Donahue	5 Chestnut Street, Tuckahoe, N.J. 08479	Michael J. Smith/LaTonya M. Smith	Self/Spouse

- *LaTonya Smith received reimbursement exceeding \$250 for meals and expenses from her employer, The College of New Jersey.*
- *The Smith’s son, Taylor, won a \$300 scholarship for being Trenton Gazette Newspaper Carrier of the Year for the previous calendar year.*
- *LaTonya Smith’s godmother, Muriel C. Donahue, not a relative as defined in the act, gave the Smiths a silver tea service, the value of which exceeded \$250.*

3. List the name and address of all **business organizations** in which you or a member of your immediate family held an interest during the preceding calendar year.

Name of Busn. Organization	Address of Busn. Organization	Name of Interest Holder	Relationship
Savings Bank of Hamilton F.S.B.	3 Quakerbridge Rd., Trenton, N.J. 08615	Michael J. Smith	Self

What must be reported? Names and addresses of business organizations that you or a member of your immediate family held an interest during the previous calendar year. The act defines “interest” as controlling more than 10 percent of the “profits, assets or stock” of the organization. What does not have to be reported? Control of assets in a labor union need not be reported as it is excluded from the definition of an “interest.”

- *Michael Smith holds 12 percent of the stock in a local financial institution. According to the School Ethics Act, he holds an “interest” in the firm and must list it as a business organization.*

SECTION II. Certification

I understand that my signature on these statements shall constitute a representation of the accuracy of the contents. I hereby certify that these 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. I am aware that if I fail to file a statement or if I file a statement containing information that I know to be false, I shall be subject to disciplinary action up to and including removal pursuant to N.J.S.A. 18A:12-29.

Original Signature

Date

Sign and print name of preparer if not prepared by school official _____

STATEMENT IS TO BE GIVEN TO BOARD SECRETARY TO FILE WITH THE EXECUTIVE COUNTY SUPERINTENDENT
(FDSform2009)

Additional information is available on the School Ethics Commission website: <http://www.nj.gov/education/ethics/fds/index.html>