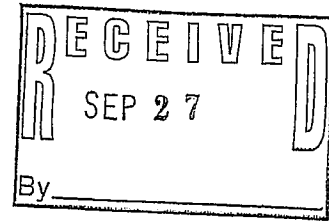




State of New Jersey
DEPARTMENT OF EDUCATION
PO BOX 500
TRENTON, NJ 08625-0500



CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHRISTOPHER D. CERF
Commissioner

September 20, 2013

The Honorable James Cann
Mayor of the Township of Bordentown
1 Municipal Drive
Bordentown, NJ 08505

Dear Mayor Cann:

The Commissioner of Education directed the Office of Fiscal Accountability and Compliance (OFAC) to review the issues presented in the Township of Bordentown's May 24, 2013, letter sent to his office.

The completed review did not identify any material issues of noncompliance with educational statute and code. Therefore, the OFAC file on this matter will be closed.

The OFAC did note the following during its review:

Although the district may have expressed in referendum presentations the intent to use the revenue from solar energy to pay down debt, its failure to do so does not violate educational statute or code.

Despite the district's issuance of public statements suggesting to voters the project would be self-funding, the legal notices printed on the actual ballot did not include such a statement. It was also noted that district statements indicated the revenue projections were based on estimates provided by the district's professionals.¹

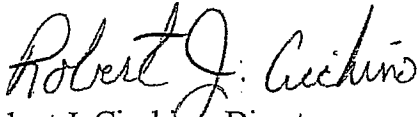
In reference to the concerns regarding potential conflicts of interest of certain board of education and/or staff members, the OFAC lacks jurisdiction to render a disposition concerning possible board of education member conflicts of interest and code of conduct violations. Such matters are under the purview of the School Ethics Commission (SEC). Aggrieved individuals may submit a complaint directly to the SEC. Information and instructions for filing ethics complaints is available on the Department of Education website at: <http://www.state.nj.us/education/ethics/>.

¹ The practice of estimating the future value of energy credits was strongly discouraged by the Department of Community Affairs since the values are subject to unpredictable fluctuations. The use of future energy credits as a predictable revenue source has been prohibited since July 2012.

The Honorable James Cann
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Thank you for your interest in matters that affect taxpayers and the education of New Jersey students. Should you seek additional clarification concerning the representations made in this letter, you may contact Thomas C. Martin, Manager, Investigations Unit, at (609) 633-9615.

Sincerely,



Robert J. Cicchino, Director
Office of Fiscal Accountability and Compliance

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c: David Corso
A. Matthew Boxer
Gordon Ball
Constance Bauer
Thomas C. Martin