

LFN 2015-6

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Local Finance Notice

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Richard E. Constable, III
Commissioner

Timothy J. Cunningham
Director

Contact Information

Director's Office

V. 609.292.6613
F. 609.292.9073

Local Government Research

V. 609.292.6110
F. 609.292.9073

Financial Regulation and Assistance

V. 609.292.4806
F. 609.984.7388

Local Finance Board

V. 609.292.0479
F. 609.633.6243

Local Management Services

V. 609.292.7842
F. 609.633.6243

Authority Regulation

V. 609.984.0132
F. 609.984.7388

Mail and Delivery

101 South Broad St.
PO Box 803
Trenton, New Jersey
08625-0803

Web:

www.nj.gov/dca/divisions/dlgs

E-mail: dlgs@dca.nj.gov

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Local Government Ethics Law 2015 Financial Disclosure Statements Filing Information for Local Government Officers

Introduction

Pursuant to the Local Government Ethics Law, specifically, N.J.S.A. 40A:9-22.6, local government officers shall annually file a financial disclosure statement (FDS). Your local government entity has determined that you are a local government officer (LGO) who is required to file. The FDS is part of the legislative design for assuring that standards of ethical conduct and financial disclosure requirements for LGOs are clear, consistent, uniform in application, and enforceable on a statewide basis.

The Local Finance Board commends you for accepting the opportunity to serve the public. For most LGOs your public service will be a gratifying personal experience, and you will no doubt be exposed to various types of public policy and fiscal challenges facing your community. However, public office and employment are a public trust. The annual filing requirement serves as an important reminder to each LGO that the citizens of New Jersey hold you to a high standard of ethical conduct. As such, there is no distinction between paid and volunteer positions in the requirement to file an FDS.

This Local Finance Notice outlines filing procedures that are designed to facilitate efficiency and enhance transparency by using available technology to capture and report the financial disclosure statements we collect. This notice was written for local government officers with the goal of being concise yet informative, and contains specific step-by-step instructions for successfully filing the financial disclosure statement using the online process.

A separate Local Finance Notice has been issued to municipal clerks, county clerks, and other local government entity representatives who have administrative responsibilities under the Local Government Ethics Law pertaining to financial disclosure statements. If you desire a more comprehensive explanation of the financial disclosure statement filing requirements you should read Local Finance Notice No. 2015-5 and other materials that are posted on the Division's web site. www.fds.nj.gov

Online Filing Procedure

Beginning with the 2013 filing year, online filing of FDS forms became mandatory for all local government officers (LGOs). Paper FDS forms will not be accepted by the LFB. The current filing process uses a web based system and is similar to online banking or purchasing goods from a company that has an online ordering system.

If you filed an FDS in 2014, you have an LGO profile/account created last year. To file your FDS electronically, use the login ID and Password from last year. If you have additional positions for which you have been assigned a new PIN#, you must also validate the new PIN# using the “Manage Positions” button after you have logged in.

If you are a new filer, you will first need to obtain the PIN# from your local government entity representative (e.g., municipal clerk or county clerk) and confirm with the representative how your name was listed on the roster (e.g. James Smith vs. Jim Smith). Your first and last name entered for authorization must match the name as it was entered on the roster (hereafter referred to as your “authorization name.”) by your local government entity representative. If you are identified as an LGO by multiple local government entities (e.g., you serve as a business administrator for a municipality and also serve as a commissioner for the entity’s joint insurance fund), you will receive separate PIN#s from each entity. You will link each PIN# to a single LGO user account by using the Manage Positions feature after you validate the first PIN# issued and create your profile. More detailed instructions are provided below and at www.fds.nj.gov.

On the other hand, if you hold multiple positions within the same local government entity (e.g., municipal governing body member also serving on the local planning board), you will only be assigned one login ID and PIN#.

Step-By-Step Instructions

- STEP 1: Carefully review this Local Finance Notice.
- STEP 2: Read the instructions and/or watch the webinar training video available at www.fds.nj.gov.
- STEP 3: Go to www.fds.nj.gov. To access the login page, click on the button titled, “File Financial Disclosure Statement.”
- STEP 4: **If you established an LGO profile in 2014**, login using the login ID and password you created to establish that profile, then proceed to STEP 10.
- STEP 4a: If you have forgotten your password, click on “Forgot Password” on the bottom of the login page and follow the directions.
- STEP 5: **If you are a new filer**, obtain your authorization name and PIN# from your local government entity representative.
- STEP 6: First time users must click the “New Registration (Local Government Officer)” link at the bottom of the login screen. Authorization names are not used as the login ID; you will establish your login ID and password in Step 7.
- STEP 7: Register and validate your PIN# (you must use the authorization name entered on the roster and provided by your local government entity representative).
- STEP 8: Complete the information in the box entitled, “Local Government Officer (LGO) Credentials” and create a login and password. Your login **must** be in the form of a valid email address.

- STEP 9: Login to the system as a registered LGO to begin completing your financial disclosure statement. Prior to starting your form, please refer to STEP 10.
- STEP 10: Validate additional PIN#s, if any, using the Manage Positions button **PRIOR** to starting your financial disclosure statement.
- STEP 11: You can start your FDS and save the information to be submitted at a later time, or you can file your FDS right away. **NOTE: Once you submit your FDS you will not be able to amend, change, or modify the FDS at any time.**
- STEP 12: Print a copy of your FDS for your own records. It is unnecessary for you to file a paper copy of your FDS with the Local Finance Board or your local government entity. Once you submit your FDS online it is immediately available through the public search feature.

Filing Deadline

Financial disclosure statements must be filed on or before April 30th each year.

Compliance

The LFB may periodically conduct audits for compliance and initiate investigations. In such cases, the LGO will be given an opportunity to file the FDS and to provide an explanation. The LFB will then review the explanation and determine whether the LGO has established good cause for the lack of a timely and complete filing. In cases where the LGO does not establish good cause, the LFB will assess against the LGO an appropriate fine that is not less than \$100 nor more than \$500 pursuant to N.J.S.A. 40A:9-22.10.

Ignorance of the requirement to file the FDS is not considered “good cause.” It is expected that LGOs will take time to understand their responsibilities under the Local Government Ethics Law and will consider the annual filing requirement an important duty to be fulfilled as part of their public service.

We know that the new process discussed herein will require the use of enhanced technology, and we appreciate your help in making this less expensive, more effective disclosure process a reality. It is our hope that in the end, taxpayer resources will be saved, the past bureaucracy associated with paper filings will be eliminated, and the public will be better served with enhanced transparency.

Help

Numerous help resources have been created to assist you through this process, including a step-by-step help guide, recorded webinar presentations, and a specially prepared LGO video tutorial found at www.fds.nj.gov. However, if you need assistance after consulting those resources please contact Local Finance Board staff using the following contact information:

For general FDS information:

LFB staff: 609.292.4537 LFB e-mail: lfbs@fdca.state.nj.us

Approved: Timothy J. Cunningham, Director