

**FINANCE/FACILITIES & TRANSPORTATION**

**1. PAYMENT OF BILLS**

**RESOLVED**, the Randolph Township Board of Education approve the attached list of checks. **Finance Exhibits # 1 – 1.1**, and orders that they be attached to and made a part of the minutes.

1	Check Register – 12/31/11	\$ 4,955,476.09
1.1	Check Register – 01/06/12	\$ 1,990,102.08

**2. BUDGET**

**RESOLVED**, the Randolph Township Board of Education approve **December 2011** transfer, **Finance Exhibits # 2.1 & 2.2**, and orders that they be attached to and made a part of the minutes.

2.1	Monthly Transfer Report – 12/31/11
2.2	Expense Account Adjustment 12/31/11

**3. REPORT OF THE SECRETARY AND TREASURER**

**WHEREAS**, the Randolph Township Board of Education has received the Report of the Secretary for the month of **December**, **Finance Exhibits # 3.1 – 3.5**, consisting of:

3.1	Interim Balance Sheet – 12/31/11
3.2	Revenue Report – 12/31/11
3.3	Budget Report – 12/31/11
3.4	Petty Cash Report – 12/31/11
3.5	Food Services Report – 12/31/11 (to follow)
3.6	Treasurer Report – 11/30/11

and

**WHEREAS**, the Randolph Township Board of Education has received the Report of the Treasurer for the month of **November 2011**, **Finance Exhibit # 3.6**,

<b>December 31, 2011 FUND</b>	<b><u>CASH BALANCE</u></b>	<b><u>APPROPRIATION BALANCE</u></b>
(10) General Current Expense Fund	\$ 10,458,515.06	\$ -
(11) Current Expense	-	6,748,597.53
(12) Capital Outlay	-	251,756.44
(20) Special Revenue Fund	(834,845.38)	191,374.89
(30) Capital Projects Fund	-	-
(40) Debt Service Fund	(1.00)	-
(60) Food Service	(762,146.09)	1,395.00
(63) Community School	357,076.15	655,134.44
<b><u>TOTAL</u></b>	<b>\$ 9,218,598.74</b>	<b>\$ 7,848,258.30</b>

**WHEREAS**, in compliance with N.J.A.C. 6:20-2A.10(d), the Secretary has certified that, as of the date of the report(s), no budgetary line item account has obligations and payments (contractual orders) which in total exceed the amount appropriated by the district board of education.

**NOW, THEREFORE, BE IT RESOLVED**, the Randolph Township Board of Education accepts the above referenced reports certification and orders that they be attached to and made a part of the minutes, and

**BE IT FURTHER RESOLVED**, in compliance with N.J.A.C. 6:20-2A.10(e), the Randolph Township Board of Education certifies that, after review of the secretary's monthly financial reports (appropriation section) and upon consultation with the appropriate district officials, to the best of it's knowledge, no major account or fund has been over-expended in violation of N.J.A.C. 6:20-2A.10(a)(1), and that sufficient funds are available to meet the district's financial obligations for the remainder of the year.

**4. RESOLUTION DETERMINING THE FORM AND OTHER  
DETAILS OF \$11,667,000 SCHOOL BONDS OF THE BOARD OF  
EDUCATION OF THE TOWNSHIP OF RANDOLPH IN THE  
COUNTY OF MORRIS, NEW JERSEY AND PROVIDING FOR  
THEIR SALE.**

BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE TOWNSHIP  
OF RANDOLPH IN THE COUNTY OF MORRIS, NEW JERSEY AS FOLLOWS:

Section 1. \$11,667,000 of the \$11,667,900 bonds of The Board of Education of the Township of Randolph in the County of Morris (the “Board of Education”) authorized by virtue of the proposal adopted by the Board of Education on October 11, 2011 and approved by the affirmative vote of a majority of the legal voters present and voting at the school district election held on December 13, 2011 to finance the school facilities project authorized therein pursuant to Title 18A, Education, of the New Jersey Statutes shall be issued as a single issue of School Bonds in the amount of \$11,667,000 (the “Bonds”). The Bonds shall mature in the principal amounts on February 1 in each of the years as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2013	\$302,000	2022	\$825,000
2014	335,000	2023	825,000
2015	380,000	2024	825,000
2016	425,000	2025	825,000
2017	450,000	2026	975,000
2018	475,000	2027	1,000,000
2019	500,000	2028	1,000,000
2020	700,000	2029	1,000,000
2021	825,000		

The Bonds shall be subject to redemption prior to maturity in accordance with the terms of the Notice of Sale authorized herein. The Bonds shall be seventeen in number, with one certificate being issued for each year of maturity and shall be numbered R-1 to R-17, inclusive. The Bonds are entitled to the benefits of the New Jersey School Bond Reserve Act, N.J.S.A. 18A:56-17 et seq. (P.L. 1980, c. 72, approved July 16, 1980, as amended by P.L. 2003, c. 118, approved July 1, 2003.)

Section 2. The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount of Bonds maturing in each year. Both

principal of and interest on the Bonds will be payable in lawful money of the United States of America. Each certificate will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository (the "Securities Depository"). The certificates will be on deposit with The Depository Trust Company. The Depository Trust Company will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of any multiple of \$1,000 (with a minimum purchase of \$5,000 required) through book-entries made on the books and records of The Depository Trust Company and its participants.

The Bonds will bear interest payable semiannually on the first day of February and August in each year until maturity or earlier redemption, commencing on August 1, 2012, at a rate or rates per annum, expressed in a multiple of 1/8 or 1/20 of 1% and proposed by the successful bidder in accordance with the Notice of Sale authorized herein.

The principal of and the interest on the Bonds will be paid to the Securities Depository by the Board of Education or a duly authorized paying agent on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of each next preceding January 15 and July 15 (the "Record Dates" for the Bonds). The Bonds shall be executed by the manual or facsimile

signature of the President of the Board of Education under the official seal or facsimile thereof affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Secretary of the Board of Education. The following matters are hereby determined with respect to the Bonds:

Date of Bonds:	Date of Delivery
Interest Payment Dates:	Each February 1 and August 1 until maturity or earlier redemption, commencing on August 1, 2012.

Section 3. The Bonds shall be substantially in the following form with such additions, deletions and omissions as may be necessary for the Board to deliver and to market the Bonds in accordance with the requirements of The Depository Trust Company and the final terms of sale:

REGISTERED  
 REGISTERED  
 NUMBER R-\_\_\_\_\_ \$\_\_\_\_\_

UNITED STATES OF AMERICA  
 STATE OF NEW JERSEY

THE BOARD OF EDUCATION OF  
 THE TOWNSHIP OF RANDOLPH  
 IN THE COUNTY OF MORRIS

SCHOOL BOND

DATED DATE:	MATURITY DATE:	RATE OF INTEREST PER ANNUM:	CUSIP:
___/___/12	02/01/20__	_____%	___ _____

THE BOARD OF EDUCATION OF THE TOWNSHIP OF RANDOLPH IN THE COUNTY OF MORRIS, New Jersey (the “Board of Education”) hereby acknowledges itself indebted and for value received promises to pay to CEDE & CO., as nominee of The Depository Trust Company, which will act as Securities Depository, on the Maturity Date specified above, the principal sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_), and to pay interest on such sum from the Dated Date of

this bond at the Rate of Interest Per Annum specified above semiannually on the first day of February and August in each year until maturity or earlier redemption as provided herein, commencing on August 1, 2012. Interest on this bond will be paid to the Securities Depository by the Board of Education or a duly appointed paying agent and will be credited to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of the January 15 and July 15 next preceding the date of such payments (the "Record Dates" for such payments). Principal of this bond, upon presentation and surrender to the Board of Education, will be paid to the Securities Depository by the Board of Education and will be credited to the participants of The Depository Trust Company.

This bond is not transferable as to principal or interest except to an authorized nominee of The Depository Trust Company. The Depository Trust Company shall be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants are responsible for maintaining records regarding the beneficial ownership interests in the bonds on behalf of individual purchasers.

The bonds of this issue maturing prior to February 1, 2023 are not subject to redemption prior to their stated maturities. The bonds of this issue maturing on or after February 1, 2023 are redeemable at the option of the Board of Education in whole or in part on any date on or after February 1, 2022 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption.

[Insert Term Bond Provisions, if any]

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the owners of such bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Board of Education or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Board of Education determines to redeem a portion of the bonds prior to maturity, the bonds to be redeemed shall be selected by the Board of Education. The bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption. Interest shall cease to accrue on the bonds after the date fixed for redemption. Payment shall be made upon surrender of the bonds redeemed.

This bond is one of an authorized issue of bonds and is issued pursuant to Title 18A, Education, of the New Jersey Statutes and a proposal adopted by the Board of Education on October 11, 2011 and approved by the affirmative vote of a majority of the legal voters present and voting at the school district election held on December 13, 2011. Payment of this obligation is secured under the provisions of the New Jersey School Bond Reserve Act, N.J.S.A. 18A:56-17 et seq., (P.L. 1980, c. 72, approved July 16, 1980, as amended by P.L. 2003, c. 118, approved July 1, 2003), in accordance with which an amount equal to 1% of the aggregate outstanding bonded indebtedness (but not to exceed the moneys available in the fund) of New Jersey counties, municipalities and school districts for school purposes as of September 15 of each year, is held within the State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payments of principal and interest due on such bonds in the event of the inability of the issuer to make payment.

The full faith and credit of the Board of Education are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of the Board of Education, is within every debt and other limit prescribed by such constitution or statutes.

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE TOWNSHIP OF RANDOLPH IN THE COUNTY OF MORRIS, New Jersey has caused this bond to be executed in its name by the manual or facsimile signature of its President, its corporate seal to be hereunto imprinted or affixed, this bond and the seal to be attested by the manual signature of its Secretary, and this bond to be dated the Dated Date as specified above.

THE  
[SEAL]

ATTEST:

THE BOARD OF EDUCATION OF  
TOWNSHIP OF RANDOLPH IN  
THE COUNTY OF MORRIS

By: \_\_\_\_\_ (Facsimile)  
President

By: \_\_\_\_\_  
Secretary

Section 4. The Bonds shall be sold on February 8, 2012 by electronic open auction with the two minute extension rule upon the terms and the conditions set forth in and described in the Full Notice of Sale authorized below and set forth in Exhibit A attached hereto (the “Full Notice of Sale”). The Full Notice of Sale shall be posted in full on Grant Street Group’s MuniAuction Website (“MuniAuction”). The Business Administrator/Board Secretary is hereby directed to arrange for the publication of the Short Notice of Sale authorized below and set forth in Exhibit B attached hereto (the “Short Notice of Sale”) and the Summary Notice of Sale authorized below and set forth in Exhibit C (the “Summary Notice of Sale”). The Notices of Sale shall be posted and published as required by law not less than seven days prior to the date of sale. The full Notice of Sale shall be substantially in the form attached hereto as Exhibit A, the Short Notice of Sale shall be substantially in the form attached hereto as Exhibit B, and the Summary Notice of Sale shall be substantially in the form attached hereto as Exhibit C, each with such additions, deletions and omissions as may be necessary for the Board to market the Bonds in accordance with the requirements of The Depository Trust Company and MuniAuction. The Short Notice of Sale shall be published in the *Daily Record* and the Summary Notice of Sale shall be published in the *Bond Buyer*, a financial newspaper published and circulating in the City of New York, New York.

Section 5. The Board of Education hereby designates the Business Administrator/Board Secretary as the officer to sell and to award the Bonds and to act on behalf of the Board in accordance with the Notices of Sale authorized herein, and the



Business Administrator/Board Secretary shall report in writing the results of the sale to this Board of Education as required by law.

Section 6. The Bonds shall have printed thereon a copy of the written opinion with respect to the Bonds that is to be rendered by the law firm of McManimon & Scotland, L.L.C., (“Bond Counsel”) complete except for omission of its date.

Section 7. Bond Counsel is authorized to arrange for the printing of the Bonds and the printing of the Official Statement to be prepared in connection with the sale of the Bonds and to arrange for the distribution of the preliminary Official Statements on behalf of the Board of Education to those financial institutions that customarily submit bids for such Bonds. The Auditor, Financial Advisor and Bond Counsel are authorized to prepare the Official Statement necessary in connection with the issuance of the Bonds, and the President of the Board of Education is authorized to execute any certificates necessary in connection with the distribution of the Official Statement. Such Official Statement may be distributed in preliminary form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission on behalf of the Board of Education by the Business Administrator/Board Secretary or by the President of the Board of Education. Final Official Statements shall be delivered to the purchaser of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the purchaser's confirmations that request payment for the Bonds. Bond Counsel, the Board’s financial advisor, Phoenix Advisors, LLC (the “Financial Advisor”) or the Auditor is further authorized to arrange on behalf of the Board of Education for a rating for the Bonds from Moody’s Investors Service and/or Standard & Poor’s.

Section 8. The Business Administrator/Board Secretary is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with The Depository Trust Company, New York, New York, as may be necessary in order to provide that the Bonds will be eligible for deposit with The Depository Trust Company and to satisfy any obligation undertaken in connection therewith.

Section 9. In the event that The Depository Trust Company may determine to discontinue providing its service with respect to the Bonds or is removed by the Board of Education and if no successor Securities Depository is appointed, the Bonds that were previously issued in book-entry form shall be converted to registered bonds (the "Registered Bonds") in denominations of \$5,000, or any integral multiple thereof, except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in denominations of \$1,000, or any integral multiple thereof. The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the Registered Bonds. The Board of Education shall be obligated to provide for the execution and delivery of the Registered Bonds in certificate form.

Section 10. Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been

wholly defeased), the Board of Education shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof:

(a) On or prior to February 1 of each year, beginning February 1, 2012, electronically to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system or such other repository designated by the SEC to be an authorized repository for filing secondary market disclosure information, if any, annual financial information with respect to the Board of Education consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Board of Education and certain financial information and operating data consisting of (1) Board of Education and overlapping indebtedness including a schedule of outstanding debt issued by the Board of Education; (2) the Board of Education's most current adopted budget; (3) property valuation information; and (4) tax rate, levy and collection data. The audited financial statements will be prepared in accordance with generally accepted accounting principles as modified by governmental accounting standards as may be required by New Jersey law;

(b) if any of the following material events occur regarding the Bonds, a timely notice not in excess of ten business days after the occurrence of the event sent to EMMA:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of

- Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders, if material;
  - (8) Bond calls, if material, and tender offers;
  - (9) Defeasances;
  - (10) Release, substitution, or sale of property securing repayment of the securities, if material;
  - (11) Rating changes;
  - (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
  - (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
  - (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(c) notice of failure of the Board of Education to provide required annual financial information on or before the date specified in this resolution shall be sent in a timely manner to EMMA.

Section 11. If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under this resolution, insofar as the provision of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

Section 12. The Business Administrator/Board Secretary shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Board of Education prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

Section 13. In the event that the Board of Education fails to comply with the Rule requirements or the written contracts or undertakings specified in this resolution, the Board of Education shall not be liable for monetary damages, remedy being hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 14. The Business Administrator/Board Secretary is authorized to invest the proceeds of the Bonds in investment obligations or deposits as permitted in accordance with New Jersey law.

Section 15. The Business Administrator/Board Secretary is authorized to pay the costs of issuance at or after the time of closing to the various participants regarding the sale and issuance of the Bonds, including costs for the open electronic auction, publications, preparation and printing of the official statement, credit rating, legal services, financial advisor services and other miscellaneous costs of issuing the Bonds.

Section 16. The Business Administrator/Board Secretary with the advice of the Board's Bond Counsel and Financial Advisor shall arrange for paying agent services or redemption agent services with a banking institution if any portion of the Bonds are term bonds requiring a sinking fund.

Section 17. The Business Administrator/Board Secretary, Board Secretary and other appropriate representatives of the Board of Education are authorized to take all other actions on behalf of the Board of Education necessary for the sale and the delivery of the Bonds in accordance with this resolution and the investment of the proceeds thereof in accordance with the requirements of law.

Section 18. This resolution shall take effect immediately.

The foregoing resolution was adopted by the following vote:

AYES:

NAYS:

#### CERTIFICATE

I, Michael Neves, Business Administrator/Board Secretary of The Board of Education of the Township of Randolph in the County of Morris, New Jersey, HEREBY CERTIFY that the foregoing annexed extract from the minutes of a meeting of the Board of Education duly called and held on January 17, 2012 has been compared by me with the

original minutes as officially recorded in my office in the Minute Book of the Board of Education and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Board of Education this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Michael Neves, Business Administrator/Board

[SEAL]

**EXHIBIT A**

**FULL NOTICE OF SALE**

**(For Publication on Grant Street Group's website: [www.muniauction.com](http://www.muniauction.com))**

**THE BOARD OF EDUCATION OF THE  
TOWNSHIP OF RANDOLPH IN THE  
COUNTY OF MORRIS, NEW JERSEY  
NOTICE OF \$11,667,000 SCHOOL BOND SALE  
(BOOK-ENTRY-ONLY)(CALLABLE)**

**SUMMARY**

ISSUER: The Board of Education of the Township of Randolph in the County of Morris, New Jersey

PAR AMOUNT: \$11,667,000

SECURITY: General Obligations of the Board of Education/New Jersey School Bond Reserve

TAX EXEMPT: Yes

RATINGS AND INSURANCE: Rating to be Determined

TYPE OF SALE: Electronic Auction with Two Minute Rule (See Bidding Details Item (6) herein)

AUCTION AGENT: MuniAuction

BID/AWARD DATE: February 8, 2012 at 11:00 a.m. to 11:15 a.m. with Two Minute Rule applicable. Award by 3:00 p.m.

DATED DATE: Date of Delivery

DELIVERY DATE: On or about February 23, 2012

INTEREST PAYMENT DATES: February 1 and August 1, commencing August 1, 2012

FORM: Book-entry-only

FIRST CALL DATE: February 1, 2022

MINIMUM BID: \$11,667,000 (Par)

MAXIMUM BID: \$11,668,000 (Par plus \$1,000)

BID SECURITY: **Good Faith Check, wire transfer, or Financial Surety Bond in the amount of \$233,340 must be**



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**provided in Notice.**

BASIS OF AWARD: Net Interest Cost - Ascending Coupons Required in multiples of 1/8 or 1/20 of 1%

OFFERING

STATEMENT:

Preliminary Official Statement available at

[www.grantstreet.com](http://www.grantstreet.com)

**NOTICE**

NOTICE IS HEREBY GIVEN that electronic sealed bids will be received by The Board of Education of the Township of Randolph in the County of Morris, New Jersey (the "Board") for the purchase of \$11,667,000 original principal amount of the Board's School Bonds (the "Bonds"). **All Bids (as defined below) must be submitted in their entirety on Grant Street Group's MuniAuction's website ("MuniAuction") prior to 11:15 a.m., New Jersey time on February 8, 2012, unless otherwise extended by the two-minute rule described herein (see "Bidding Details"). The auction will begin at 11:00 a.m., New Jersey time on February 8, 2012 (the "Bid Date"). To bid via MuniAuction, Bidders (as defined below) must have (1) completed the registration form on either the MuniAuction or Grant Street Group website (parent of MuniAuction, herein referred to as "Grant Street") and (2) requested and received admission to the Board's auction, as described herein (see "Registration and Admission to Bid") and (3) submitted a good faith check, a wire or a Financial Surety Bond, if available, payable to the Board, in the amount of \$233,340 by no later than 10:30 a.m. on the Bid Date (see Bidding Details below). The use of MuniAuction shall be at the Bidder's risk and expense, and the Board shall have no liability with respect thereto.**

**Preliminary and Final Official Statement**

The Board's Preliminary Official Statement (the "POS") is available for viewing in electronic format on MuniAuction. The MuniAuction address is [www.GrantStreet.com](http://www.GrantStreet.com). In addition, broker dealers registered with the National Association of Securities Dealers (the "NASD") and dealer banks with The Depository Trust Company ("DTC") clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to February 8, 2012, elect to receive a photocopy of the POS in the mail by requesting it on MuniAuction or by calling the Board's financial advisor, Sherry Tracey of Phoenix Advisors, LLC, at (609) 291-0130 or the Board's bond counsel, McManimon & Scotland, L.L.C. ("Bond Counsel"), 1037 Raymond Boulevard, Suite 400, Newark, New Jersey 07102 to the attention of Charles Anthony Solimine, Esq. (telephone no. 973-622-4893) or Terry Anderson (telephone no. 973-622-5161). In order to print a copy or request a photocopy of the POS from MuniAuction, click the "View POS" button on the MuniAuction Selections Page and follow the instructions. All Bidders must review the POS and certify that they have done so prior to participating in the bidding.

The POS is deemed by the Board to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities and Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Bonds and any other terms or provisions to be determined from the

successful Bid(s) or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a Final Official Statement (the “Final Official Statement”) as may be necessary.

The Board, at its expense, will make available to the winning Bidder a reasonable number of Final Official Statements within seven (7) business days following the date of acceptance of the Bid.

**Types of Bids Allowed**

Subject to the Bid requirements described below, Bids for the Bonds must be submitted on an “All-or-None” (“AON”) basis for the entire amount of \$11,667,000. First, a Bidder must submit a conforming Bid for the entire issue, and if such Bid is accepted by the Board, the Bidder will be required to purchase the entire issue in accordance with such Bid.

**Insurance**

All or any part of the Bonds can be insured at the option of the Bidder. The insurance premium, if any, will be paid by the Bidder.

**Interest Payment Dates; Description of the Bonds**

The Bonds will be dated the date of delivery and will bear interest from such date payable semiannually on each February 1 and August 1, commencing on August 1, 2012.

**Principal Amortization**

The Bonds will consist of serial bonds maturing on February 1 in the years 2013 through 2029 inclusive, except as otherwise may be determined if the “Term Bond Option” is selected as set forth herein. The principal amounts of each serial maturity shall be as set forth below, subject to the applicable limitations set forth herein under “Term Bond Option”:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2013	\$302,000	2022	\$825,000
2014	335,000	2023	825,000
2015	380,000	2024	825,000
2016	425,000	2025	825,000
2017	450,000	2026	975,000
2018	475,000	2027	1,000,000
2019	500,000	2028	1,000,000
2020	700,000	2029	1,000,000
2021	825,000		

**Book-Entry-Only**

The Bonds will be issued in book-entry form only, initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of any multiple of \$1,000 (with a minimum purchase of \$5,000 required). Payments of principal, interest and redemption premium, if any, will be made by the paying agent

to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

### **Section 265 Qualification**

The Bonds will not be designated as qualified under Section 265 of the Internal Revenue Code of 1986, as amended, by the Board for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

### **Redemption Provisions**

The Bonds of this issue maturing prior to February 1, 2023 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on or after February 1, 2023 are redeemable at the option of the Board in whole or in part on any date on or after February 1, 2022 upon notice as required herein at par (the "Redemption Price"), plus in each case plus unpaid accrued interest to the date fixed for redemption, if any.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the Owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Board of Education or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Board determines, upon the exercise of its right of optional redemption, to redeem a portion of the Bonds prior to maturity, the Bonds to be redeemed shall be selected by the Board of Education. The Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the Bonds redeemed.

### **Term Bond Option**

Bidders may elect to structure the issue to include term bonds (the "Term Bond Option"), which term bonds, if selected by the Bidder, will be subject to mandatory redemption prior to maturity, in the years and amounts shown above as serial maturities, upon payment of one hundred percent (100%) of the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for such mandatory redemption of such amounts. If the Bonds are awarded and no term bonds are designated in the Winning Bid (as defined herein), the Bonds will mature serially as shown in the preceding schedule.

### **Registration and Admission to Bid**

To bid by MuniAuction, Bidders must first visit MuniAuction where, if they have never registered with either MuniAuction or Grant Street, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their

eligibility to bid. Only NASD registered broker-dealers or dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 (ext. 370 Auction Support) for their ID Number or password. Rules governing the sale and the rules applicable to MuniAuction are available in the full Notice of Sale at [www.muniauction.com](http://www.muniauction.com).

### **Bidding Details**

Bidders should be aware of the following bidding details associated with the sale of the Bonds:

- (1) **BIDDERS MUST SUBMIT A GOOD FAITH CHECK, A WIRE TRANSFER OR A FINANCIAL SURETY BOND (IF AVAILABLE) IN THE AMOUNT OF \$233,340 PAYABLE TO THE BOARD NO LATER THAN 10:30 A.M. ON THE DAY OF SALE. HOWEVER, BIDDERS ARE ENCOURAGED TO SUBMIT CHECKS ON THE DAY PRIOR TO THE SALE TO ASSURE RECEIPT OF PAYMENT BY THE BOARD AT THE FOLLOWING ADDRESS:**

**Michael Neves  
Business Administrator/Board Secretary  
Randolph Township Board of Education  
25 School House Road  
Randolph, NJ 07869-3199**

**BIDDERS SUBMITTING GOOD FAITH CHECKS SHOULD ALSO ENCLOSE A RETURN ENVELOPE FOR USE BY THE BOARD.**

**UNSUCCESSFUL BIDDERS SUBMITTING THE GOOD FAITH DEPOSIT BY WIRE TRANSFER SHALL, NO LATER THAN THE CLOSE OF BUSINESS ON THE DATE OF SALE OF THE BONDS, PROVIDE THE BOARD'S BUSINESS ADMINISTRATOR/BOARD SECRETARY IN WRITING WITH WIRING INSTRUCTIONS FOR THE RETURN OF SUCH UNSUCCESSFUL BIDDER'S GOOD FAITH DEPOSIT. IN THE EVENT THAT THE BOARD FAILS TO RETURN ANY GOOD FAITH WIRES IN A TIMELY FASHION, THE BOARD SHALL NOT BE LIABLE FOR MONETARY DAMAGES, REMEDY BEING HEREBY SPECIFICALLY LIMITED TO SPECIFIC PERFORMANCE.**

- (2) All Bids must be submitted on the MuniAuction website at [www.GrantStreet.com](http://www.GrantStreet.com). **No telephone, telefax, telegraph or personal delivery Bids will be accepted.**
- (3) All Bids for the Bonds must be submitted on an AON basis. Bidders may change and submit Bids as provided for herein, but a submitted Bid may not be withdrawn.

- (4) Bidders may bid to purchase Bonds from the Board with an original issue premium. No Bid will be considered if the Bid is to purchase Bonds at a price less than 100% of the principal amount thereof.
- (5) Each proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds and the rate or rates named must be multiples of 1/8 or 1/20 of 1%. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the number of rates that may be named. If more than one rate of interest is named, no interest rate named for any maturity may be less than the interest rate named for any prior maturity. Each proposal submitted must state the purchase price, which must be not less than \$11,667,000 or more than \$11,668,000. The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Such net interest cost shall be computed, as to each bid, by adding to the total principal amount of Bonds bid for the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any, bid. No proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the Board of Education under any legally acceptable proposal. The purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of payment of the purchase price.
- (6) Bidders are only permitted to submit Bids for the Bonds during the bidding period.
- (7) If any Bid on the auction becomes a leading Bid two (2) minutes, or less, prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such Bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single leading Bid remains the leading Bid for at least two (2) minutes.
- (8) Bidders may change and submit Bids as many times as they wish during the bidding time period; however, each and any Bid submitted subsequent to a Bidder's initial Bid must result in a lower Net Interest Cost (as defined herein and referred to as "NIC") when compared to the immediately preceding Bid of such Bidder. In the event the revised Bid does not produce a lower NIC, the prior Bid will remain valid.
- (9) The last bid submitted by a bidder prior to the deadline for the receipt of bids will be compared to all other final bids to determine the winning bid.
- (10) During the Bidding, no Bidder will see any other Bidder's Bid, but Bidders will be able to see the ranking of their Bid relative to other Bids (e.g., "Leader", "Cover", "3<sup>rd</sup>", etc.).

### **Rules of MuniAuction**

The rules of MuniAuction (the "Rules") can be viewed on MuniAuction and are incorporated herein by reference. Bidders must comply with the Rules in addition to the requirements of the Notice of Sale for the Board's Bonds dated the date hereof (the "Notice of

Sale”). To the extent there is a conflict between the Rules and the Notice of Sale, the Notice of Sale shall control.

## Rules

- (1) A Bidder submitting a Winning Bid is irrevocably obligated to purchase the Bonds at the rates and prices of the Winning Bid, if acceptable to the Board, as set forth in the related Notice of Sale. **Winning Bids are not officially awarded to the Bidder until formally accepted by the Board.**
- (2) Neither the Board, Bond Counsel nor MuniAuction (the “Auction Administrator”) is responsible for technical difficulties that result in loss of Bidder’s internet connection with MuniAuction, slowness in transmission of Bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from MuniAuction’s Auction Page during the auction after having submitted a Winning Bid, such Bid is valid and binding upon the Bidder, unless the Board exercises its right to reject Bids, as set forth herein.
- (4) Bids that generate error messages are not accepted until the error is corrected and the Bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Notice of Sale (including amendments, if any) related to each auction.
- (6) Neither the Board, Bond Counsel nor the Auction Administrator is responsible to any Bidder for any defect or inaccuracy in the Notice of Sale, amendments, or POS as they appear on MuniAuction.
- (7) Only Bidders who request and receive admission to an auction and who have submitted a good faith check as required by the terms of this Notice of Sale may submit Bids. Bond Counsel and the Auction Administrator reserve the right to deny access to MuniAuction to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Board, Bond Counsel nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder’s MuniAuction password.
- (9) If two (2) Bids are submitted in the auction by the same or two or more different Bidders and result in the same NIC, the first confirmed Bid received by MuniAuction prevails. Any change to a submitted Bid constitutes a new Bid, regardless of whether there is a corresponding change in NIC.
- (10) Bidders must compare their final Bids to those shown on the Observation Pages immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Pages they must report them to MuniAuction within fifteen (15) minutes after the bidding time period ends. Regardless of the final results reported by MuniAuction, bonds are definitively awarded to winning Bidders only upon official award by the Board. If, for any reason, the Board fails to: (i) award bonds to the winning Bidder reported by MuniAuction, or (ii)

deliver bonds to the winning Bidders at settlement, neither Bond Counsel nor the Auction Administrator will be liable for damages.

### **Definitions**

- “Bid” any confirmed purchase offer received by MuniAuction on or before the auction deadline.
- “Bidder” any firm registered with either MuniAuction or Grant Street and approved for participation in auctions.
- “Winning Bid” any purchase offer made by a Bidder by clicking the “Submit Bid” button and received by MuniAuction that, at the end of the bidding time period, results in the lowest NIC that is acceptable to the Board.
- “Net Interest Cost” computed by adding to the total principal amount of bonds bid for, the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any, bid. The Net Interest Cost serves as the basis for awarding bonds to winning Bidders.

### **Bid Procedure and Basis of Award**

Subject to the right reserved by the Board to reject any or all Bids, the Bonds will be sold to the Bidder whose Bid produces the lowest NIC for the Board and otherwise complies with the Notice of Sale.

Bids must remain valid until at least 3:00 p.m., prevailing time, on the date of the sale, and if accepted by the Board, prior to such time, shall be irrevocable except as otherwise provided in the Notice of Sale. Upon selection of the winning Bidder, the Board will execute an award certificate to award the Bonds and will promptly communicate with the winning Bidder by telephone, e-mail or fax.

### **Bid Security and Method of Payment for Bonds**

**A Good Faith Deposit (“Deposit”) in the form of a certified, treasurer’s or cashier’s check, a wire transfer or a Financial Surety Bond, if available, in the amount of \$233,340 payable to the order of the Board, is required for each Bid to be considered. Wire instructions can be obtained by contacting the Board’s financial advisor, Sherry Tracey of Phoenix Advisors, LLC, at (609) 291-0130 or stracey@muniadvisors.com, and such wire must be received and confirmed by the Board by 10:30 a.m. on the Bid Date. If a check is used, it must be a certified, treasurer’s or cashier’s check and must be provided to the Board no later than by 10:30 a.m. on the Bid Date. Each bidder accepts responsibility for delivering such check or wire transfer on time and the Board is not responsible for any check or wire transfer that is not received on time. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of New Jersey and approved by the Director of the Division of Local Government Services of New Jersey (the “Director”) and such bond must be submitted to the Board prior to the opening of the Bids at the address referred to above. At present, the Director has approved the use of *Sure-Bid*, a division of Financial Security Assurance Inc. Use of any other Financial Surety Bond must be approved by the Director prior to the bid and will not be accepted by the**

**Board unless evidence of such approval is provided prior to the bid. The Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond or by wire transfer, then that purchaser (the "Purchaser") is required to submit its Deposit to the Board by wire transfer as instructed by the Board not later than 3:30 p.m. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Board to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the Board. Award of the Bonds to the successful Bidder or rejection of all Bids is expected to be made within two hours after opening of the bids, but such successful Bidder may not withdraw its proposal until after 3:00 p.m. of the day of receipt of such Bids and then only if such award has not been made prior to the withdrawal. The balance of the purchase price shall be paid in Federal Funds by wire transfer to the Board at closing.**

### **Right to Reject Bids; Waive Irregularities**

The Board reserves the right to reject any and all Bids and to the extent permitted by law to waive any irregularity or informality in any Bid.

### **Information Required from the Winning Bidder**

By making a bid for the Bonds, the winning bidder(s) agrees: (a) to provide to the school district, in writing, immediately upon being unofficially awarded the Bonds, a written confirmation of the bid, which shall include the purchase price, reoffering yield(s), and other related information necessary for completion of the final Official Statement or by Bond Counsel; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement; (c) to promptly file a copy of the final Official Statement with each nationally recognized Municipal Securities Information Repository; and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to alternate purchasers.

### **Delivery of the Bonds**

The Bonds will be delivered on or about February 23, 2012 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS PUBLISHED ON MUNIAUCTION NOT LATER THAN 2 HOURS PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) in New York City at DTC against payment of the purchase price therefor (less the amount of the good faith deposit) in Federal funds.

There will also be furnished the usual closing papers, including (1) a certificate signed by the officials who signed the Bonds stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds, or in any manner questioning the proceedings and authorization under which the Bonds are issued or affecting the validity of the Bonds and (2) a certificate signed by the Board President or Business Administrator/Board Secretary relating to the Official Statement.



## CUSIP Numbers

CUSIP numbers will be applied for with respect to the Bonds by the winning bidder, but the Board will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and make payment for the Bonds. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the winning Bidder.

## Legal Opinions

The approving opinions of McManimon & Scotland, L.L.C., Bond Counsel to the Board, will be furnished without cost to the winning Bidder.

## Postponement

The Board reserves the right to postpone, upon not less than 24 hours' notice, the date and time established for receipt of Bids. **ANY SUCH POSTPONEMENT WILL BE PUBLISHED ON MUNIAUCTION BEFORE 11:00 A.M. ON THE DAY BEFORE THE SALE.** If any date fixed for the receipt of Bids and the sale of the Bonds is postponed, an alternative sale date will be announced via MuniAuction at least forty-eight (48) hours prior to such alternative sale date. On any such alternative sale date, any Bidder may submit a Bid for the purchase of the Bonds in conformity in all respects with the provisions of the Notice of Sale, except for the date of sale and except for the changes announced on MuniAuction at the time the sale date and time are announced.

## Additional Information

For further information relating to the Bonds, reference is made to the POS prepared for and authorized by the Board. The Notice of Sale and the POS may be viewed on MuniAuction. However, the Board makes no assurance or representation with respect to the form of the Notice of Sale and the POS on MuniAuction, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Notice of Sale may be obtained from Bond Counsel at the address and the phone numbers stated above. Additional information relating to the auction or a private bidding tutorial may be obtained by calling the Auction Administrator at (412) 391-5555 (ext. 370 Auction Support). Additional information relating to the financing of the Board can be obtained by contacting the undersigned Business Administrator/Board Secretary at (973) 361-0808 x 213.

The Board of Education of the Township of  
Randolph in the County of Morris, New Jersey

By: Michael Neves  
Business Administrator/Board Secretary

Dated: January 17, 2012

**EXHIBIT B**

**SHORT FORM OF NOTICE OF SALE**

**(For Publication in the Daily Record)**

**NOTICE OF SALE**

**\$11,667,000  
SCHOOL BONDS  
OF THE BOARD OF EDUCATION OF  
THE TOWNSHIP OF RANDOLPH  
IN THE COUNTY OF MORRIS, NEW JERSEY  
(Book-Entry-Only)  
(Callable)**

NOTICE IS HEREBY GIVEN that electronic sealed bids will be received by The Board of Education of the Township of Randolph in the County of Morris, New Jersey (the "Board") for the purchase of \$11,667,000 original principal amount of the Board's School Bonds (the "Bonds"). **All Bids (as defined below) must be submitted in their entirety on Grant Street Group's MuniAuction's website ("MuniAuction") prior to 11:15 a.m., New Jersey time on February 8, 2012, unless otherwise extended by the two-minute rule described herein (see "Bidding Details"). The auction will begin at 11:00 a.m., New Jersey time on February 8, 2012 (the "Bid Date"). To bid via MuniAuction, Bidders (as defined below) must have (1) completed the registration form on either the MuniAuction or Grant Street Group website (parent of MuniAuction, herein referred to as "Grant Street") and (2) requested and received admission to the Board's auction, as described herein (see "Registration and Admission to Bid") and (3) submitted a good faith check, a wire or a Financial Surety Bond, if available, payable to the Board, in the amount of \$233,340 by no later than 10:30 a.m. on the Bid Date (see Bidding Details below). The use of MuniAuction shall be at the Bidder's risk and expense, and the Board shall have no liability with respect thereto.**

**Preliminary and Final Official Statement**

The Board's Preliminary Official Statement (the "POS") is available for viewing in electronic format on MuniAuction. The MuniAuction address is [www.GrantStreet.com](http://www.GrantStreet.com). In addition, broker dealers registered with the National Association of Securities Dealers (the "NASD") and dealer banks with The Depository Trust Company ("DTC") clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to February 8, 2012, elect to receive a photocopy of the POS in the mail by requesting it on MuniAuction or by calling the Board's financial advisor, Sherry Tracey of Phoenix Advisors, LLC at (609) 291-0130 or the Board's bond counsel, McManimon & Scotland, L.L.C. ("Bond Counsel"), 1037 Raymond Boulevard, Suite 400, Newark, New Jersey 07102 to the attention of Charles Anthony Solimine, Esq. (telephone no. 973-622-4893) or Terry Anderson (telephone no. 973-622-5161). In order to print a copy or request a photocopy of the POS from MuniAuction, click the "View POS" button on the MuniAuction Selections Page and follow the instructions.

All Bidders must review the POS and certify that they have done so prior to participating in the bidding.

The POS is deemed by the Board to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities and Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Bonds and any other terms or provisions to be determined from the successful Bid(s) or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a Final Official Statement (the “Final Official Statement”) as may be necessary.

The Board, at its expense, will make available to the winning Bidder a reasonable number of Final Official Statements, within seven (7) business days following the date of acceptance of the Bid.

**Types of Bids Allowed**

Subject to the Bid requirements described below, Bids for the Bonds must be submitted on an “All-or-None” (“AON”) basis for the entire amount of \$11,667,000. First, a Bidder must submit a conforming Bid for the entire issue, and if such Bid is accepted by the Board, the Bidder will be required to purchase the entire issue in accordance with such Bid.

**Insurance**

All or any part of the Bonds can be insured at the option of the Bidder. The insurance premium, if any, will be paid by the Bidder.

**Interest Payment Dates; Description of the Bonds**

The Bonds will be dated the date of delivery and will bear interest from such date payable semiannually on each February 1 and August 1, commencing on August 1, 2012.

**Principal Amortization**

The Bonds will consist of serial bonds maturing on February 1 in the years 2013 through 2029 inclusive, except as otherwise may be determined if the “Term Bond Option” is selected as set forth herein. The principal amounts of each serial maturity shall be as set forth below, subject to the applicable limitations set forth herein under “Term Bond Option”:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2013	\$302,000	2022	\$825,000
2014	335,000	2023	825,000
2015	380,000	2024	825,000
2016	425,000	2025	825,000
2017	450,000	2026	975,000
2018	475,000	2027	1,000,000
2019	500,000	2028	1,000,000
2020	700,000	2029	1,000,000
2021	825,000		

## **Book-Entry-Only**

The Bonds will be issued in book-entry form only, initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of any multiple of \$1,000 (with a minimum purchase of \$5,000 required). Payments of principal, interest and redemption premium, if any, will be made by the paying agent to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

## **Section 265 Qualification**

The Bonds will not be designated as qualified under Section 265 of the Internal Revenue Code of 1986, as amended, by the Board for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

## **Redemption Provisions**

The Bonds of this issue maturing prior to February 1, 2023 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on or after February 1, 2023 are redeemable at the option of the Board in whole or in part on any date on or after February 1, 2022 upon notice as required herein at par (the "Redemption Price"), plus in each case plus unpaid accrued interest to the date fixed for redemption, if any.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the Owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Board of Education or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Board determines, upon the exercise of its right of optional redemption, to redeem a portion of the Bonds prior to maturity, the Bonds to be redeemed shall be selected by the Board of Education. The Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the Bonds redeemed.

## **Term Bond Option**

Bidders may elect to structure the issue to include term bonds (the “Term Bond Option”), which term bonds, if selected by the Bidder, will be subject to mandatory redemption prior to maturity, in the years and amounts shown above as serial maturities, upon payment of one hundred percent (100%) of the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for such mandatory redemption of such amounts. If the Bonds

are awarded and no term bonds are designated in the Winning Bid (as defined herein), the Bonds will mature serially as shown in the preceding schedule.

### **Registration and Admission to Bid**

To bid by MuniAuction, Bidders must first visit MuniAuction where, if they have never registered with either MuniAuction or Grant Street, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers or dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 (ext. 370 Auction Support) for their ID Number or password. Rules governing the sale and the rules applicable to MuniAuction are available in the full Notice of Sale at [www.muniauction.com](http://www.muniauction.com).

### **Bid Procedure and Basis of Award**

Subject to the right reserved by the Board to reject any or all Bids, the Bonds will be sold to the Bidder whose Bid produces the lowest NIC for the Board and otherwise complies with the Notice of Sale.

Bids must remain valid until at least 3:00 p.m., prevailing time, on the date of the sale, and if accepted by the Board, prior to such time, shall be irrevocable except as otherwise provided in the Notice of Sale. Upon selection of the winning Bidder, the Board will execute an award certificate to award the Bonds and will promptly communicate with the winning Bidder by telephone, e-mail or fax.

Each proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds, and the rate or rates named must be multiples of 1/8 or 1/20 of 1%. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the number of rates that may be named. If more than one rate of interest is named, no interest rate named for any maturity may be less than the interest rate named for any prior maturity. Each proposal submitted must state the purchase price, which must be not less than \$11,667,000 or more than \$11,668,000. Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Such net interest cost shall be computed as to each bid by adding to the total principal amount of Bonds bid for the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any, bid. No proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the Board under any legally acceptable proposal. The purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of payment of the purchase price.

If two (2) bids are submitted in the auction by the same or two or more different bidders and result in the same NIC, the first confirmed bid received by MuniAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in NIC.

### **Bid Security and Method of Payment for Bonds**

**A Good Faith Deposit (“Deposit”) in the form of a certified, treasurer’s or cashier’s check, a wire transfer or a Financial Surety Bond, if available, in the amount of \$233,340 payable to the order of the Board, is required for each Bid to be considered. Wire**

instructions can be obtained by contacting the Board's financial advisor, Sherry Tracey of Phoenix Advisors, LLC, at (609) 291-0130 or stracey@muniadvisors.com, and such wire must be received and confirmed by the Board no later than 10:30 a.m. on the Bid Date. If a check is used, it must be a certified, treasurer's or cashier's check and must be provided to the Board no later than by 10:30 a.m. on the Bid Date. Each bidder accepts responsibility for delivering such check or wire transfer on time and the Board is not responsible for any check or wire transfer that is not received on time. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of New Jersey and approved by the Director of the Division of Local Government Services of New Jersey (the "Director") and such bond must be submitted to the Board prior to the opening of the Bids at the address referred to above. At present, the Director has approved the use of *Sure-Bid*, a division of Financial Security Assurance Inc. Use of any other Financial Surety Bond must be approved by the Director prior to the bid and will not be accepted by the Board unless evidence of such approval is provided prior to the bid. The Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond or by wire transfer, then that purchaser (the "Purchaser") is required to submit its Deposit to the Board by wire transfer as instructed by the Board not later than 3:30 p.m. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Board to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the Board. Award of the Bonds to the successful Bidder or rejection of all Bids is expected to be made within two hours after opening of the bids, but such successful Bidder may not withdraw its proposal until after 3:00 p.m. of the day of receipt of such Bids and then only if such award has not been made prior to the withdrawal. The balance of the purchase price shall be paid in Federal Funds by wire transfer to the Board at closing.

#### **Right to Reject Bids; Waive Irregularities**

The Board reserves the right to reject any and all Bids and to the extent permitted by law to waive any irregularity or informality in any Bid.

#### **Information Required from the Winning Bidder**

By making a bid for the Bonds, the winning bidder(s) agrees: (a) to provide to the school district, in writing, immediately upon being unofficially awarded the Bonds, a written confirmation of the bid, which shall include the purchase price, reoffering yield(s), and other related information necessary for completion of the final Official Statement or by Bond Counsel; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement; (c) to promptly file a copy of the final Official Statement with each nationally recognized Municipal Securities Information Repository; and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to alternate purchasers.

#### **Delivery of the Bonds**

The Bonds will be delivered on or about February 23, 2012 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS PUBLISHED ON MUNIAUCTION NOT LATER THAN 2 HOURS PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) in New

York City at DTC against payment of the purchase price therefor (less the amount of the good faith deposit) in Federal funds.

There will also be furnished the usual closing papers, including (1) a certificate signed by the officials who signed the Bonds stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds, or in any manner questioning the proceedings and authorization under which the Bonds are issued or affecting the validity of the Bonds and (2) a certificate signed by the Business Administrator/Board Secretary relating to the official statement.

### **CUSIP Numbers**

CUSIP numbers will be applied for with respect to the Bonds by the winning bidder, but the Board will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and make payment for the Bonds. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the winning Bidder.

### **Legal Opinions**

The approving opinions of McManimon & Scotland, L.L.C., Bond Counsel to the Board, will be furnished without cost to the winning Bidder.

### **Postponement**

The Board reserves the right to postpone, upon 24 hours' notice, the date and time established for receipt of Bids. **ANY SUCH POSTPONEMENT WILL BE PUBLISHED ON MUNIAUCTION BEFORE 11:00 A.M. ON THE DAY BEFORE THE SALE.** If any date fixed for the receipt of Bids and the sale of the Bonds is postponed, an alternative sale date will be announced via MuniAuction at least forty-eight (48) hours prior to such alternative sale date. On any such alternative sale date, any Bidder may submit a Bid for the purchase of the Bonds in conformity in all respects with the provisions of the Notice of Sale, except for the date of sale and except for the changes announced on MuniAuction at the time the sale date and time are announced.

### **Additional Information**

For further information relating to the Bonds, reference is made to the POS prepared for and authorized by the Board. The Notice of Sale and the POS may be viewed on MuniAuction. However, the Board makes no assurance or representation with respect to the form of the Notice of Sale and the POS on MuniAuction, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Notice of Sale may be obtained from the Bond Counsel at the addresses and phone numbers stated above. Additional information relating to the auction or a private bidding tutorial may be obtained by calling the Auction Administrator at (412) 391-5555 (ext. 370 Auction Support). Additional information relating to the financing of the Board can be obtained by contacting the undersigned Business Administrator/Board Secretary at (973) 361-0808 x 213.

The Board of Education of the Township of Randolph in  
the County of Morris, New Jersey

By: Michael Neves  
Business Administrator/Board Secretary

Dated: January 17, 2012

**EXHIBIT C**

**SUMMARY FORM OF NOTICE OF SALE**

**(For publication in the Bond Buyer)**

**SUMMARY NOTICE OF SALE  
\$11,667,000 SCHOOL BONDS**

**THE BOARD OF EDUCATION OF THE TOWNSHIP OF RANDOLPH  
IN THE COUNTY OF MORRIS, NEW JERSEY  
(Book-Entry-Only)  
(Callable)**

**SUMMARY**

Dated Date: Date of Delivery

Bid Date: February 8, 2012 at 11:00 a.m. to 11:15 a.m. with two-minute rule  
applicable. Award by 3:00 p.m.

Type of Sale: Electronic Open Auction

Interest: Multiple Interest Rates--ascending in multiples of 1/8 or 1/20 of 1%

Maturity Schedule: The Bonds shall mature on February 1 as set forth in the following table,  
except as otherwise may be determined if the "Term Bond Option" is  
selected as set forth in the complete Notice of Sale:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2013	\$302,000	2022	\$825,000
2014	335,000	2023	825,000
2015	380,000	2024	825,000
2016	425,000	2025	825,000
2017	450,000	2026	975,000
2018	475,000	2027	1,000,000
2019	500,000	2028	1,000,000
2020	700,000	2029	1,000,000
2021	825,000		



Legal Opinion: McManimon & Scotland, L.L.C., Newark, New Jersey

Bid Security: **Good Faith Check, wire, or Financial Surety Bond, if available, in the amount of \$233,340 must be received by the Board of Education by 10:30 a.m. on the date of the bid.**

Preliminary Official Statement, a Notice of Sale and other details available at [www.Grantstreet.com](http://www.Grantstreet.com)

## **5. ACCEPTANCE OF PROPOSED ENHANCEMENTS AND MODIFICATION TO 403(b) BASIC PLAN DOCUMENT III**

**RESOLVED**, the Randolph Township Board of Education adopt the proposed enhancements and modification of existing contract – 403(b) plan administration services originally provided by Great American Plan Administrators<sup>SM</sup>, Inc.

**BE IT FURTHER RESOLVED**, that TSA Consulting Group assumed contractual obligations of Great American Plan Administrators, Inc. (Great American Benefit Services, Inc in California)(GA Plan), the purchase of 100% of the outstanding stock of GA Plan effective June 30, 2011, as summarized in **FFT Exhibit 4**, attached hereto and made a part of the minutes.

**NOW THEREFORE, BE IT RESOLVED**, the TSA Consulting Group / Lincoln Investment Planning Inc. shall act as the district third party administrator in providing employees with access to 403(b) investments.

## **6. ACCEPTANCE OF DONATIONS**

**BE IT RESOLVED**, the Randolph Township Board of Education accept the following donations:

- **Community School:** from the **Randolph Education Foundation**, financial assistance of \$5,000 in support of the after school program for Randolph residents.
- **Center Grove School:**
  - generous donation from the Center Grove Elementary School PTO; for second grade students, the purchase of two sets of ten levels of ten books and 20 book bins, having an estimated value of \$999.

- generous donations from Eni Communications Corp.:
  - Apple Mac G5 quad core computer with software, having an estimated value of \$500.
  - Digital video camera with adapter, converter, cards, table microphone x2, flip video camera, camera tripod, having an estimated value of \$500.
  
- **High School:** from the RHS PTSO a generous donation to the Fine and Performing Arts Department for student use; Cannon XH-A1 3CCD HDV Camcorder, 1080i, 16:9, 20x Lens, 24f Mode, having an estimated value to \$2850, to be purchased directly by PTSO.
  
- **High School / Middle School:** a generous donation of \$100 to the music department from Mr. Bernard D. Ward to be shared evenly between music department of the high school and the middle school to purchase chairs & stands for student use.
  
- **High School:** rescind a portion of the following motion and correct the estimated value to \$1,800 board approved 12-13-11:
  - *laptop computer, TV, wall mounting and cost to install. Donation having an estimated value of \$2,200, for staff member of the Guidance Department Career Center.*
  - **the RHS PTSO purchased two (2) iPads in place of the laptop computer, for staff member of the Guidance Department Career Center.**
  
- **Middle School:** through the RMS grant program, purchase of mobile white board to be used in large classrooms and to refurbish an antique xylophone for student use of RMS, RHS and Center Grove students. In addition, the RMS PTO will purchase and deliver to RMS 10 digital recording units for student use, total estimated value of \$960.

**BE IT FURTHER RESOLVED**, that Ms. Elaine Voorhis, Director of Randolph Community School, Ms. Danielle Hamblin, Principal of Center Grove School, Ms. Deborah Iosso, Principal of Randolph High School, Miss Carol Strowbridge, Principal of the Middle School, acknowledge the donations in a letter to the appropriate parties.

**7. MOTION TO AUTHORIZE AN INVESTMENT PROVIDER TO OFFER INVESTMENT FUNDING VEHICLES FOR 403b PLANS**

**WHEREAS**, the Randolph Township Board of Education, (hereinafter referred to as the “Employer”) by resolution adopt a 403(b) Plan (hereinafter referred to as the “Plan”) effective 17, January 2012 for the purpose of making available to eligible employees an eligible deferred compensation plan as defined in the

Internal Revenue Code of 1986, as amended, and further authorize the contractor AXA EQUITABLE, AXA ADVISORS and affiliated companies to offer investment funding vehicles for said Plan.

**NOW, THEREFORE BE IT RESOLVED**, that the Employer hereby authorizes Contractor named above to offer funding vehicles for said Plan named above.

**8. MOTION TO APPROVE AND AGREEMENT BETWEEN RANDOLPH TOWNSHIP BOARD OF EDUCATION AND SOLUTIONS ARCHITECTURE FOR PROFESSIONAL ARCHITURAL SERVICES FOR RANDOLPH REFERENDUM – CAPITAL PROJECTS**

**RESOLVED**, that the Randolph Township Board of Education enter into agreement with **Solutions Architecture** this 9<sup>th</sup> day of January 2012 for professional architectural services - “Randolph Referendum – Capital Projects”, as summarized in **Finance Exhibit #5**, attached hereto and made a part of the minutes.

**9. ACCEPTANCE OF GRANT**

**BE IT RESOLVED**, the Randolph Township Board of Education accept the “**Developing a Classroom and Community that supports the ESL/ELL Student Population**” Grant from **Montclair State University** in the amount of **\$500.00** awarded to Ms. Evy Falcon-Duran for her Teacher Study Group proposal at the Randolph High School.

**BE IT FURTHER RESOLVED**, that Ms. Deborah Iosso, Principal of the Randolph High School, acknowledge the grant funding award in a letter to the appropriate parties.

**10. Addendum to Motions of January 17, 2012**

**RESOLUTION**

**WHEREAS**, on January 9, 2012, the New Jersey Legislature passed Senate Bill 3148/Assembly Bill 4394; and

**WHEREAS**, pursuant to the terms of S3148, a local Board of Education may choose to move the annual school election to the same day as the general election in November via passage of a Board resolution; and

**WHEREAS**, S3148 also provides for the immediate implementation of all proposed school budgets, without the need for voter approval, so long as the general fund tax levy in the proposed budget is within the 2% State cap; and

**WHEREAS**, the Randolph Board of Education believes that holding the annual school election in November, rather than in April, will streamline the election process, encourage more citizens to vote in the election and allow for more efficient and effective District operations; and

**WHEREAS**, S3148 became immediately effective once Governor Christie signed the Bill into law on January 17, 2012;

**NOW THEREFORE, BE IT RESOLVED**, that the Randolph Board of Education hereby directs that the Randolph annual school election be held on the same day as the general election in November; and

**BE IT FURTHER RESOLVED**, that pursuant to S3148, the date of the District organizational meeting shall be rescheduled for a day falling within the first week of January following the election; and

**BE IT FURTHER RESOLVED**, that in the event that voter approval is required to effect an increase in the general fund tax levy greater than 2%, said election shall also be held on the same day as the general election; and

**BE IT FURTHER RESOLVED**, that this resolution approving the rescheduling of the annual school election shall be effective immediately, such that the next Randolph school election shall take place in November, 2012.