

CHAPTER 52**PROCESSORS, DEALERS AND SUBDEALERS****Authority**

N.J.S.A. 4:12A-1 et seq., specifically 4:12A-7 and 20.

Source and Effective Date

R.2000 d.227, effective May 5, 2000.
See: 32 N.J.R. 735(a), 32 N.J.R. 2046(b).

Executive Order No. 66(1978) Expiration Date

Chapter 52, Processors, Dealers and Subdealers, expires on May 5, 2005.

Chapter Historical Note

Chapter 52, Processors, Dealers and Subdealers, was filed and became effective prior to September 1, 1969.

Subchapter 5, Information Required from Applicants, was adopted as R.1973 d.39, effective January 13, 1973. See: 5 N.J.R. 4(a), 5 N.J.R. 75(a).

Chapter 52, Processors, Dealers and Subdealers, was adopted as R.1976 d.359, effective January 1, 1977. See: 8 N.J.R. 450(b), 8 N.J.R. 542(c).

Subchapter 7, Application of Minimum Price Regulations to the Sale of Milk to Consumers by Producers-Dealers, was adopted as R.1977 d.303, effective August 25, 1977. See: 9 N.J.R. 250(b), 9 N.J.R. 403(c).

Chapter 52, Processors, Dealers and Subdealers, was adopted as R.1980 d.284, effective July 1, 1980. See: 12 N.J.R. 299(a), 12 N.J.R. 450(c).

Subchapter 6, Sales Below Cost; Dealer, was adopted as R.1984 d.488, effective November 5, 1984. See: 16 N.J.R. 2030(a), 16 N.J.R. 3306(b).

Pursuant to Executive Order No. 66(1978), Chapter 52, Processors, Dealers and Subdealers, was readopted as R.1985 d.335, effective June 7, 1985. See: 17 N.J.R. 1012(a), 17 N.J.R. 1645(b).

Pursuant to Executive Order No. 66(1978), Chapter 52, Processors, Dealers and Subdealers, was readopted as R.1990 d.271, effective May 1, 1990. See: 22 N.J.R. 888(a), 22 N.J.R. 1553(a).

Subchapter 6, Sales Below Cost; Dealer, was repealed and Subchapter 7, Sales Below Cost; Dealer, was adopted as new rules by R.1990 d.355, effective June 22, 1990. See: 22 N.J.R. 1629(a), 22 N.J.R. 2138(a).

Pursuant to Executive Order No. 66(1978), Chapter 52, Processors, Dealers and Subdealers, was adopted as new rules by R.1995 d.325, effective June 19, 1995. See: 27 N.J.R. 1343(a), 27 N.J.R. 2383(b).

Pursuant to Executive Order No. 66(1978), Chapter 52, Processors, Dealers and Subdealers, was readopted as R.2000 d.227, effective May 5, 2000. See: Source and Effective Date.

Administrative change: Pursuant to Reorganization Plan No. 003-2002, the Division of Dairy Industry was renamed Division of Marketing and Development, effective February 27, 2003. See: 35 N.J.R. 3(a), 35 N.J.R. 1539(b).

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SUBCHAPTER 1. PROCESSORS, DEALERS AND SUBDEALERS RECORDS AND REPORTS**2:52-1.1 Books and records of account**

Every processor, dealer and subdealer shall maintain books and records, including all pertinent books, ledgers, journals, records, papers, schedules, analyses, memoranda, correspondence, vouchers, receipts, cancelled checks, accounts, exhibits, photographs, bills and other documents, including corporate minutes, Federal, State and local tax returns, and any other records required to verify financial statement as needed to ascertain the functioning, operations or activities of the licensee's business and as are necessary for a determination by the Division of Marketing and Development or its staff as to whether the licensee has complied with the applicable New Jersey statutes and rules and regulations of the division.

2:52-1.2 All transactions to be recorded

Any and all transactions relating to the licensed business (including but not limited to operations, customers and suppliers) are to be paid from and/or received into the accounts of the licensed business or be clearly reflected as accruals and be clearly and accurately recorded in the books and records of the business.

2:52-1.3 Separate records for each licensed business

Each licensed business shall maintain separate financial and other records.

2:52-1.4 Books and records required

(a) The books and records shall include but not be limited to the following.

1. Daily route loadout and settlement records, including:

- i. Route number, driver's name and date;
- ii. Beginning inventory of saleable units and milk and milk products;
- iii. Number of units of milk and milk products loaded on truck;
- iv. Number of saleable units of milk and milk products;
- v. Number of spoiled units of milk and milk products;
- vi. Number of units of milk and milk products sold;
- vii. Volume of products totalled by units or pounds;
- viii. Amounts of cash and charge sales stated separately;
- ix. Route collections or charge accounts listed showing customers and amounts;
- x. Amount of route money short or over;
- xi. Details of any expenditures made from subparagraphs viii and ix of this paragraph.

2. Appropriate records on each truck showing the names and addresses of all retail and wholesale customers served on the route. These records shall reflect all sales and/or deliveries to each customer and shall be available for inspection at all times when the trucks are being used to service customers. On wholesale routes, a copy of the delivery slips to all customers may be maintained in the truck and the addresses maintained in the office of the dealer or subdealer;

3. Detailed daily cash and charge sales records of deliveries and sales, including the number of units and prices of all products sold or delivered to customers with the value of each product extended and totalled. The foregoing extensions and totals may be consolidated into weekly, biweekly or monthly records so long as daily records are maintained as per section 5 of this subchapter;

4. Accounts receivable records, including but not limited to:

i. A detailed accounts receivable record showing customer name, address and identifiable charges and credits. This shall be so maintained and detailed as to permit ready determination of the composition and age of the balances outstanding;

ii. Charges are to be posted in such a manner as to be readily proved to invoices or other posting documentation or record;

iii. A record of loans or notes receivable so maintained and detailed as to permit ready determination of the composition and age of the balances outstanding;

5. Cash receipts and disbursements records, including but not limited to:

i. All cash received, from whatever source, pertaining to the licensed business, shall be entered into a detailed daily record of cash receipts which shall be traceable to a specific deposit made or other disposition of the cash received. This shall include but not be limited to collections for deliveries to accounts and other miscellaneous cash sales or income. It shall also show individual customer or other accounts affected and be supported by original documentation showing the nature of the cash receipt transaction;

ii. All moneys expended, relating to the licensed business, including but not limited to payments for purchases, expenses, rebates, and so forth, shall be entered into a detailed record of cash disbursements. These entries shall be supported by original documentation, including invoices, receipts and bills of sale or other documentation. Records of rebates, if any, are to be maintained and are to indicate details of the basis for such rebates as applied to each customer;

iii. Records required shall also include daily detailed deposit slips, voided and cancelled checks and monthly bank statements or passbooks for all bank accounts affecting the licensed business, including bank debit and credit memoranda, check stubs or duplicates, and bank reconciliations;

6. Purchase and expense records, including but not limited to:

i. A detailed daily record of all purchases relating to the licensed business, including purchases of milk and milk products and all other items of cost and expense. These entries shall be supported by original documentation from vendors or others with whom the transactions originate;

ii. A detailed record of all assets purchased, including refrigeration and storage units;

iii. Detailed payroll and personnel records showing all employees and their individual earnings, as well as any other reimbursed expenses of officers and employees;