

PURCHASING MANUAL

2019 – 2020

**Prepared By:
Christopher Jones
Business Administrator
Board Secretary
June 5, 2019**

**High Bridge
Business Office
40 Fairview Avenue
High Bridge, New Jersey 08829**

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High Bridge
Business Office
40 Fairview Avenue
High Bridge, New Jersey 08829

TO: All District Employees,

The purpose of this Purchasing Manual is to assist all Board of Education employees in the proper purchasing practices to be in full compliance with:

New Jersey Public School Contract Laws Title 18A:18A, et. seq.;;
New Jersey Administrative Code N.J.A.C. 5:34 et. seq.;;
Board of Education Policy;
Other federal, state law and code; and
NJ QSAC.
Local Finance Notices – NJ Division of Local Government Services

The Purchasing Manual is designed to achieve three (3) goals:

1. Follow the law and Board policy on purchasing;
2. Promote efficiency in the purchasing practices; and
3. Achieve savings of money through proper purchasing practices.

We ask you, the user of the purchasing system, to help achieve these goals through proper planning. Please allow yourself enough leeway between generating a purchase order and the actual date materials or services are needed. Please think of purchasing in terms of a whole year. What items and services do you need on an annual basis?

Through proper planning, we can eliminate much of the frustration that is encountered in all public school purchasing procedures.

This manual should be reviewed with department heads, teachers, secretaries, and others who are involved in the purchasing process. It is imperative that everyone adhere to all purchasing laws and guidelines.

If you have any questions concerning the following guidelines, please do not hesitate to call me, 908-638-6552.

Thank you,

Christopher Jones,
Business Administrator/Board Secretary

PURCHASE ORDER PROCEDURES

Authority to Purchase

The purchase of goods and/or services by a board of education is governed by state statutes, administrative code and board policy. New Jersey State Law (18A:18A-2(b)) assigns the authority to the Purchasing Agent to make purchases for the board of education.

The Purchasing Agent is the only individual in the school district that has the authority to make purchases for the board of education.

The High Bridge Board of Education by board resolution has authorized Christopher Jones to be the Purchasing Agent for the school district.

Authorized Purchases

All requests for purchases of goods and/or services must be made through an approved purchase order signed by the Purchasing Agent.

A purchase order, pursuant to State Law (18A:18A-2v), is a document issued by the Purchasing Agent authorizing goods or materials to be ordered for the school district or work/service to begin. No goods or materials may be ordered or work/service be authorized to begin by any other individual in the school district other than the Purchasing Agent.

Unauthorized Purchases

Any Board of Education employee who orders and/or receives any materials, supplies or services without first going through the approved purchase order process has made an unauthorized purchase.

Unauthorized purchases are a violation of State Law and Board Policy.

Penalties listed below may be assigned by the Superintendent of Schools for unauthorized purchases:

Penalties for Unauthorized Purchases

First Offense	Letter in Personnel File	Pay for Purchase
Second Offense	Suspension	Pay for Purchase
Third Offense	Loss of Increment	Pay for Purchase
Fourth Offense	Loss of Employment Tenure Charges	Pay for Purchase

Corrective Action for Non-compliance

If the Purchasing Agent has determined that an unauthorized purchase has been made, a memo will be sent to the responsible administrator advising the administrator of the unauthorized purchase.

The Superintendent of Schools shall receive a copy of the memo.

The responsible administrator shall prepare a memo explaining the reasons why proper purchasing procedures were not followed. The memo will be attached to the purchase order and a copy of the memo will be sent to the Superintendent of Schools.

At any time, during the Corrective Action Process, the Superintendent may invoke the penalties for non-compliance. Sanctions/penalties are part of the NJ QSAC Corrective Action Plan.

Corrective Action for Non-compliance (continued)

A repeat offense of an unauthorized purchase by the same administrator within a school year will mandate that administrator to attend a special in-service workshop on proper purchasing procedures and any sanction that may be invoked by the Superintendent.

Miscellaneous:

Preview of Materials

All staff members must receive permission from administrators, supervisors, or principals to preview materials. After the preview process has been completed, the item must be returned. If there is a desire to purchase the previewed item, then a purchase order must be prepared for a new item.

Reimbursements; Employee

The Board of Education only recognizes an employee reimbursement purchase order when it pertains to tuition reimbursement, pre-approved travel, meals, and conferences. The Board will not reimburse employees for items and goods personally purchased by the employee.

Student Activity Accounts

Purchases made through Student Activity Accounts may not be reimbursed with Board funds. Purchase orders made payable to Student Activity Accounts for the aforementioned purpose will not be signed by the Purchasing Agent.

A. Responsibilities of Originator of Requisition - Preparing a Requisition

The person who prepares the paper requisition has certain responsibilities before the order is sent to the administrative assistant for requisition entry in the Budgetary System that then is electronically approved by the administrator, supervisor, or principal. He/She is to ensure the following:

1. **Vendor's Name**--All Board checks are made payable to the vendor name (top line) listed on the requisition form. Please ensure the proper vendor name is printed.
2. **Vendor's Complete Address**--The requisition must include the vendor's complete address and phone number. Post Office Box addresses by themselves are not acceptable unless they are of major well-known companies.
3. **Current Budget Year Included**--The current budget year must be included on the requisition.
4. **Description of Items, Services, Costs and Catalogue Numbers**--Items and/or services requested are to be described clearly with correct and up-to-date catalogue numbers and costs. Please use latest catalogues or online services available.
5. **Shipping Costs**--Shipping and handling costs are to be added to all purchase orders. Please read the catalogue or contact the vendor to determine the actual shipping and handling costs.

If you are unable to ascertain the actual charges, include: **"10% Estimated Shipping and Handling"**

If there are no shipping and handling charges, include on the requisition: **"Shipping and Handling Included"**

6. **Delivery Address--Attention Of**--The delivery address should include a name of a person or a specific department.
7. **Delivery, Types of**

The High Bridge Board of Education recognizes two (2) types of delivery.

a. INSIDE DELIVERY

Items are to be delivered to a Board of Education location and taken off the truck by transportation carrier personnel and brought to a designated area inside the school or office building.

b. SPOTTED DELIVERY

Items are to be delivered to a Board of Education location and taken off the truck by transportation carrier personnel and brought to a designated area inside the school or office building. Transportation carrier personnel or specialized individuals are responsible to then uncrate, setup, assemble items to determine good working order and remove all debris to the satisfaction of the High Bridge Board of Education within five (5) working days. Please ensure that all purchase orders have the correct delivery designation.

8. **Total Cost**--Please include the words "Total Cost" on the purchase order with the actual amount of the order. Please verify your figures for accuracy. Please note: The Board of Education is exempt from paying New Jersey Sales Tax.
9. **Budget Account Number**--Please be sure the correct Budget Account Number is included on the requisition.

10. **State Contract Orders**--When ordering through State Contract vendors please include:

- a. State Contract Number;
- b. Shipping and Handling Included; and
- c. Appropriate documentation when required.

11. **Quotations**--If quotations are obtained, please attach to the purchase order a copy of each written quotation received. Please type the quotation date and the quotation number in the upper left hand corner on the purchase order in the space provided.

12. **Staple Requisition Forms**—Requisition forms are to be stapled if two or more Requisition forms are used for the same order.

13. **Multi-Page Requisitions—Limit Two (2) Pages** – There will be times where there is a need to order a large amount of items from one vendor. The number of pages of requisitions is limited to two pages per order. For orders in excess of the two page limit, please follow the procedures below:

- a. Include on the body of the requisition what is being purchased
Example: School Supplies, Office Supplies, etc.
- b. Include on Requisition: ***“See attached list”***
List should be neatly typed or downloaded from company website and should include quantities, full description of items, unit price and total price.
- b. Include on the requisition the full price and any shipping/delivery costs.

14. **Purchase Order Rationale Form** -- Attach to top of Purchase Order. (See page 6 for details).

MEALS; REFRESHMENTS; CATERING

The State of New Jersey Department of Education has provided guidance to school districts through Administrative Code N.J.A.C. 6A:23A-5.8 on board expenditures for meals and refreshments.

The expenditure of public funds for meals and refreshments may be used for the following:

Permitted Activities for Meals; Refreshments; Catering

- ***Student Activities***
Reasonable costs for light meals and refreshments directly related to activities that benefit students and are part of the instructional program are permissible. These activities must be part of the instructional program and not solely for student entertainment.
- ***Parent Activities***
Reasonable costs* for light meals and refreshments for parent activities are permissible. It is expected that expenditures for this purpose will be minimal and infrequent—State code.
- ***Dignitaries***
Reasonable costs* for light meals and refreshments for dignitaries as defined in State code, are permissible.
- ***Board Member Meetings -- N.J.A.C. 6A:23A-7.12(f)***
Light meals and refreshments* are permitted for all board members and for employees who are required to attend a board of education meeting.

*Please note that costs for light meals and refreshments are limited as follows:

Breakfast	\$ 7.00 per person
Lunch	\$10.00 per person
Dinner	\$15.00 per person

(NJ OMB Circular 16-11-OMB)

Documentation Required—Light Meals and Refreshments

Documentation must be provided to support expenditures for light meals and refreshments. The following information is to be provided on the Purchase Order Rationale Form:

- Description of the activity;
- Purpose/justification of the activity; goal; objectives;
- Make-up of the group receiving the meals; and
- Names of employees and board members included in the group.

Prohibited Activities

- ***Staff and Employees of the School District***
Light meals and refreshments are not permitted for employees and staff of a school district, unless the staff member or employee is essential to *a student activity* where light meals or refreshments are being served.

- ***Honoring Employees***

Receptions, dinners or other social functions held for or honoring any employee or group of employees are not permitted when public funds are being used.

Purchase of Food Supplies – Supermarkets

Food supplies purchased from the supermarkets shall be in compliance with state law and code and only for the approved list of situations. All purchase orders, including student activity account purchases, are subject to review by Department of Education (DOE) officials and auditors.

Food Supplies

New Jersey Administrative Code 6A:23A-2.6(b) clearly notes that food supplies include those supplies that are “eaten or drunk.” Administrators are to ensure that purchases from the supermarkets have only items listed that follow the code. The Business Office will review the register receipts and highlight those items that do not follow the code.

PERMITTED AND NON-ESSENTIAL PURCHASES

1. Permitted Purchases

- Commencement; Convocation Activities

All reasonable costs for commencement; convocation activities are permitted.

- Field Trips / Extracurricular Activities

All field trips using public funds (purchase order) shall be part of the instructional program, have an educational value and shall be reasonable in cost. Field trips solely for student entertainment are prohibited when using public funds. A board resolution approving the field trip must be attached to the purchase order.

- Library Books; Magazines, Videos/DVD's/CD's

All library books; magazines and multi-media presentation materials shall be for educational or operational purposes.

- T-Shirts

The Superintendent will consider, on a case by case basis, requests for the purchase of T-Shirts. It is strongly encouraged that purchases of T-Shirts be made through the appropriate student activity account.

2. Non-Essential and Prohibited Purchases

- Carnivals
- Retirement Plaques
- Gifts for Employees
- Bereavement flowers; baskets
- Teacher appreciation gifts/activities
- Student entertainment

The list is not all inclusive and items may be deemed non-essential by the Superintendent during the course of the school year.

C. Responsibilities of Administrator/Supervisor or Principal – Reviewing a Requisition

Administrators/supervisors and principals must ensure the following is reviewed before the requisition is entered into the Budgetary System by an Administrative Assistant:

1. **Funds Available**

They must check to determine if *funds are available* in their budget to cover the purchase order.

2. **Requisition Completion**

They must check to determine that items 1-16 previously noted (Responsibilities of the Originator) have been *properly completed*.

3. **Signature on Requisition**

The requisition must be electronically signed and sent to the Business Administrator and Superintendent's Office. By electronically signing the requisition, the administrator/supervisor or principal is certifying that funds are available in the budget account line to cover the cost of the purchase.

4. **Approval of Principal**

Central office administrators and supervisors have been notified that whenever they order equipment for the instructional staff of the various schools, the purchase order must be approved by the school principal. The principal must co-sign the purchase order for equipment purchases.

5. **Originator Copy**

The originator copy of the requisition gets sent to the Administrative Assistant in the Business Office to be attached to the Purchase Order.

6. **Receiving Copy**

Once the purchase order has been posted and mailed to the vendor, the Business Office will send the Receiving Copy of the purchase order back to the school or office. If you do not receive the Receiving Copy within two (2) weeks of signing the requisition, please contact your supervisor.

D. Responsibilities of the Superintendent of Schools

The Superintendent reviews and determines the educational or operational value of each requisition and purchase order. The Superintendent reviews each Purchase Order Rationale Form and if satisfied signs and approves the requisition and purchase order

The purchase order is electronically signed by the Business Administrator and Superintendent.

E. Responsibilities of Business Office

The Purchasing Agent reviews each requisition. Special attention is given to the following:

1. **Available Funds**-- Purchase orders are divided by account and are checked to determine if funds are available in the account. If not, the purchase order is returned by the Purchasing Agent to the originator with a memo of explanation.
2. **What is being ordered and the cost**—The Purchasing Agent reviews the technical aspects of the purchase order to ensure compliance with State Law and Board Policy.

The Business Office checks the cost of each item and determines if it can be purchased from another vendor at a savings. The Business Office also reviews whether the purchase order exceeds:

The Quotation Limit	\$ 6,000.00
The Bid Limit	\$29,000.00

3. **Document Check – State Law**
Pursuant to various State Laws, the Purchasing Agent must ensure the following documents are on file in the Business Office before the requisition is signed and processed:
 - Business Registration Certificate (BRC) – Purchases \$1,000.00 and over.
 - Completed W-9 with signature and date.
4. **Review of Requisition**--The requisition is also reviewed for technical aspects such as:
 - a. Account number missing or incorrect;
 - b. Shipping charges added;
 - c. Signatures missing;
 - d. State contract numbers incorrect/missing;
 - e. Vendor address incomplete; and
 - f. Other items as listed in Section A.

Incomplete or improper requisitions will be returned with a memo explaining deficiencies. See copy of memo in Appendix.

If the Purchasing Agent is satisfied, she electronically signs the requisition, and then the Superintendent. The Business Office will then:

- Issue a purchase order number;
- Issue a vendor number;
- Enter the purchase order in the computer; and
- Mail the purchase order to the vendor.

The purchase order process, as explained, may take 5 - 7 days to complete. Please plan accordingly.

5. **Transfer of Funds**--The Business Office processes requisitions/purchase orders only if there are appropriate funds to cover the purchase. Purchase orders lacking sufficient funds are sent back to the originator for a request to transfer funds. All letters requesting a transfer of funds are to be sent to

Christopher Jones, Business Administrator

All transfers of funds have to be approved by the Board of Education at a public meeting.

Substantive transfers of money (more than 10% of the budget line item) must be approved by the State. Purchase orders that require a transfer of funds will be mailed to the vendors the day after the State Department of Education approves the transfers.

F. Responsibility of the Vendor

The Business Office sends to the vendor the purchase order and the voucher. The vendor is to sign the voucher and return it to the Business Office with an invoice. If you receive a signed voucher, return it to the Business Office. A check is prepared for the vendor once the Business Office has a

- Signed Voucher
- Invoice
- All Packing Slips
- Receiving Copy (Pink) Signed

G. Employees Prohibited from Signing Contracts

Board of Education employees are prohibited from signing any contract offered by a vendor.

The power to sign and execute contracts after Board of Education approval lies with the Board President and the Board Secretary.

Contracts signed by an employee shall be considered non-binding by the High Bridge Board of Education with the employee accepting full responsibility for the costs of the contract.

H. Contracts; Purchase Order Required

The award of contract to a vendor approved by the Board of Education at a public meeting does not automatically authorize any employee to use the services of, or purchase materials from, the vendor.

All contract purchases require the issuance of a purchase order authorizing the purchase of services and/or goods and materials from the vendor.

I. Cancellation of Purchase Orders

All requests to cancel purchase orders must be made in writing to the Business Office. Reasons explaining the need to cancel the purchase order must be outlined. The Purchasing Agent maintains the sole right to cancel purchase orders.

J. Private Purchases -- Prohibited

Goods and services procured by the High Bridge of Education are exclusively for the use of the High Bridge Board of Education and if applicable, other public and non-public schools. These goods and services are purchased through the signed purchase order process.

Employees of the High Bridge of Education are prohibited from purchasing privately goods and/or services off the bid prices and quotation prices offered by the vendors to the High Bridge Board of Education.

**Methods of Procurement
Public School Districts
2019 - 2020**

Procurement Method

A. Bids (Purchases that exceed the bid threshold--\$29,000)

This method is used for contracts for goods, materials, services and public work projects that exceed the bid threshold of \$29,000.

Examples

Building Services Department

Plumbing, Electrical, HVAC work
Custodial Supplies
Public Works Project

Food Services Department

Groceries and Canned Goods
Pest Control Services

District

Furniture
AV Equipment
Calculators

Technology

Computer Supplies/Equipment
Printers / Computer
Interactive Boards

Title I Testing

Test Scoring Services

Athletics

Physical Ed Supplies/Equipment
Athletic Supplies/Equipment

Lowest Responsible Bidder

The common thread of all these bids is that the district has to award the bid to the lowest responsible bidder which means the lowest price.

B. Quotations (Purchases that fall between \$6,000 and \$28,999)

This method of procurement is used for contracts for goods, materials, services and public work projects that in the aggregate between \$6,000 and \$28,999.

Examples

Copy Machines Supplies
Payroll Checks
Two Way Radios

Instrument Reeds
Facility Equipment

Again, as with bids, the contract is awarded based upon the lowest price.

C. Request for Proposal—RFP

This method is preferred for contract for

Professional Services

Medical
Auditor
Attorney
Engineer, Architect

Academic/Operational Services

(Contracts less than \$29,000)
Instructional Services
Educational Services
Professional Development

The RFP method is designed to award the contract to the vendor based upon a list of criteria which include:

- Management Criteria
 - Business organization; staffing
 - Experience; and
 - Knowledge of district
- Technical Criteria
 - Submission of narrative how firm will provide services; planned approach; measurable results
 - Understanding how services will be provided
- Cost Criteria
 - Fee proposal submission; cost analysis

The contract for an RFP contract does not; I repeat *does not* have to be given to the respondent who submits the lowest price. The district administrator provides an evaluation scoring of each respondent using the criteria as a basis of award.

D. Competitive Contracting (Certain Contracts over \$29,000)

This method is used for certain contracts over \$29,000.00.

The district can only use this method for contracts that are outlined in State Law and Code. Some of the examples that are permitted are

Pre-school Wrap Around Program—
Student Data Warehousing
Student Information System

Professional Development Services
Educational Instructional Services

The award of contract is similar to the RFP award—prices and other factors considered.

E. EUS—Extraordinary Unspecifiable Services

This method is the procurement method for the purchase of insurance.

Similar to the RFP process

F. Other Procurement Methods

The district also uses the following methods of procurement:

- State Contract Purchasing
- Emergency Contracts
- Cooperative Purchasing Agreements
- Shared Services Agreements
- Sound Business Practices

G. Federal Procurement Guidelines – EDGAR 80.36

Purchases using Federal funds are to follow the Public School Contracts Law of New Jersey with the following exceptions and explanations:

Procurement Threshold – More than \$100,000

The school district must prove competitions for all contracts exceeding \$100,000 when using federal funds. Methods of competition are as follows:

Public Works	Bid
Goods and Services	Bid
Professional Services	Request for Proposals (RFP)
Educational Services	Competitive Contracting
Instructional Services	Competitive Contracting
Professional Development	Competitive Contracting
Sole Source Non-Competitive (Proprietary)	Proposal, Board Resolution (Certification of Need)

There are no exceptions to bidding as listed in 18A:18A-5, therefore, the district must use a competitive process when procuring goods or services from other governmental units and public colleges.

Procurement Threshold – Less than \$100,000

The school district will use the procurement methods as outlined in Sections A though E

BIDS AND PURCHASING

A. Bid Limit -- \$29,000

The High Bridge Board of Education is restricted by New Jersey State Law on how much money can be spent by the district for the entire year on materials, supplies, and services.

This restriction is called the **bid threshold** or **bid limit**. The bid limit is \$29,000. This means that any specific item, class of items, and/or services of a similar nature, purchased by the school district totaling more than \$29,000 for the entire year must be competitively bid. This restriction is for the entire district and not by location or schools.

You cannot circumvent the law by splitting purchases to be under the \$29,000 bid limit.

If you find that your purchases may exceed the \$29,000 bid limit, please contact the Business Office at once.

The formal bidding process takes about 6-8 weeks to complete.

B. Annual Bids

The Board of Education requests that central office department administrators and supervisors and school principals start to plan and prepare for Annual Bids. In the High Bridge School District, bids are used for Capital projects, such as roofs, boilers, and large construction projects.

C. Bidding: Time Frame

As stated before, the formal bidding process usually takes about 6-8 weeks from start to finish.

D. Exceptions to the Bid Limit

New Jersey State Law allows for some exceptions to the bid and quotation limits. There are approximately 20 exceptions where a Board of Education does not have to go for bid. Some of them are:

1. Purchasing through State Contract;
2. Professional services as outlined by New Jersey law;
- *3. Textbooks, kindergarten supplies, student produced publications, library and educational goods;
- *4. Legal notices, food supplies, milk, utilities, insurance, election expenses, travel and conferences.

* These purchases may be subject to the quotation process pursuant to N.J.S.A. 18A:18A-37(a) if practicable.

Please contact the Purchasing Agent for further explanation.

E. State Contract Purchasing

Pursuant to N.J.S.A. 18A:18A-10(a) a Board of Education may purchase goods and services through State Contract vendors. If the purchase exceeds the bid threshold, the Board of Education must adopt a resolution awarding the contract.

❶ *Office Supplies and School Supplies*

During the budget process for the 2018-2019 school year, the High Bridge School District will be using EdData for most of our office supplies and school supplies. Teachers will be able to access supplies for their grade levels and place an order that will then be approved by the supervisor, Business Administrator and Superintendent. Once the 2018-2019 budget is approved by the Board of Education in April, the orders will be imported into the Budgetary system and purchase orders will be generated so that supplies can be ordered and delivered prior to the end of the 2017-2018 school year. If there are exceptions to the supplies available through EdData, separate requisitions must be filled out and sent to the Business Office.

❷ *Computers*

If you plan to purchase computers, please adhere to the following process prior to completing purchase orders for computers.

- Contact the Middle School Principal for Information

Please contact the **Middle School Principal via e-mail**. He will be able to assist you with the technical aspects and the State Contract requirements of purchasing computers.

The Building Principal must authorize orders for computers before they are sent to the Business Administrator and Superintendent.

The **Middle School Principal** has to be apprised of all computer purchases to properly plan for electrical hookups. The Middle School Principal must electronically sign all purchase orders for new computers before they are sent to the Superintendent.

❸ *Copiers-- Pre-Approval Needed*

All leases of copiers must be pre-approved by the Purchasing Agent and the Superintendent of Schools.

Purchase Orders--State Contract

All purchase orders made through State Contract vendors shall include the following:

1. State Contract Number;
2. Notification of Award;
3. Approved Price List; and
4. Shipping and Handling Included.

F. Professional Services/Professional Consultants

Although Professional Services, as defined in Title 18A:18A-5, do not require competitive bids or quotations, DOE regulations may require the Board of Education to obtain competitive proposals for any professional service.

All administrators who need professional services contracts are to contact Christopher Jones.

G. Emergency Contracts

Emergency Contracts are strictly regulated by N.J.S.A. 18A: 18A-7. A situation must exist affecting the health or safety of the occupants of school property that requires the immediate delivery of articles or the performance of a service to alleviate the emergency.

Please note that the Superintendent of Schools must be notified **first** of all emergency purchase requests.

Only the Purchasing Agent may award an Emergency Contract.

H. Cooperative Purchasing

The High Bridge of Education has contracted with Hunterdon County Educational Services and Middlesex Regional Educational Services, NJ, to bid on items in the following categories on an as needed basis. In addition, the High Bridge Board of Education also uses EdData.

- | | |
|--------------------------|-----------------------------|
| 1. Office Supplies | 4. School Supplies |
| 2. Copy Duplicator Paper | 5. Art Supplies |
| 3. Science Supplies | 6. Industrial Arts Supplies |

I. Purchases, Contracts Exceeding the Bid Threshold

Pursuant to State Law N.J.S.A. 18A:18A-5 all purchases and contracts exceeding the bid threshold of \$29,000, shall be awarded by board resolution at a public meeting of the Board of Education. This includes all items exempted from bidding and all State Contract purchases that exceed \$29,000. Only the purchase of textbooks and emergency contracts are exempt from this law.

Administrators and Supervisors must anticipate their needs as certain purchases once allowed just by purchase order now must be approved by the Board of Education first, then a purchase order can be signed and mailed.

QUOTATIONS AND QUOTATION PROCEDURES

A. Quotations

The quotation limit (threshold) is now \$6,000. This means that any specific item or group of items of a similar nature purchased by the school district, totaling more than \$6,000 and less than \$29,000 for the entire year, must be *competitively quoted or advertised for bid at the discretion of the Purchasing Agent*.

You cannot circumvent the law by splitting purchases to be under the quote threshold.

B. Quotation Process

All quotations will go through the Office of the Purchasing Agent except for the Food Services Department and the Building Services Department. Quotation proposals prepared by Food Services and Building Services shall first be received and approved by the Purchasing Agent. When a quotation is deemed necessary, the Principal or Department Head is asked to contact the Purchasing Office. The Purchasing Agent will review these quotation specifications to determine whether they are set up to provide open and competitive quotations.

Please note: The formal quotation process could take about 2-4 weeks from start to finish.

There will be no telephone quotations except in a case of extreme urgency.

C. Receipt of Two Quotations

Pursuant to N.J.S.A 18A:18A-37(a) the school district shall receive two quotations if practicable. Evidence of the quotation process shall be kept on file. A copy of the quotation shall be attached to the purchase order.

PURCHASE ORDER PROCESS

A. Processing the Purchase Order--Design of Purchase Order

The purchase order is made of four sheets, each color-coded for a certain purpose. Listed below are the names of the appropriate color and the purpose of each sheet.

<u>Copy</u>	<u>Disposition</u>
Vendor Copy - White	Sent to vendor to order items
Voucher Copy – Orange	Sent to vendor for signature
Receiving Copy - Green	Sent to school/office; returned to Business Office upon receipt of goods/services
File Copy - Yellow	Remains on file in Business Office

B. Receipt of Goods and Services

The originator of the purchase order should follow the following process when receiving materials, goods, and services.

1. Receipt of Items Ordered

It is important that all items received be immediately checked. Please note the following:

- a. Obtain receiving copy of purchase order and packing slip of items ordered.
- b. Open boxes and check off items received on the receiving copy and the packing slip.
- c. If all items are enclosed, then sign and attach packing slip to the receiving copy of the purchase order.
- d. The employee receiving the goods should sign the receiving copy and send it with the packing slip to:

Heather Valenta – Business Office

Receipt of Goods and Services—Responsibilities of Administrators; Supervisors

Administrators and supervisors are to responsible for their employees ensuring that all goods received have been checked in for accuracy. If the goods received match the purchase order and the packing slip then the employee should do the following:

- Sign the packing slip to confirm receipt of delivery of goods;
- Sign the Receiving Copy (pink slip) of the purchase order;
- Sign any invoices that may have been submitted with the order; and

Send all items to the Business Office c/o Accounts Payable within seven (7) days of the receipt of goods.

B. Receipt of Goods and Services (continued)

Accounts Payable Procedures—Notification Process

There will be instances where the Business Office will send a courtesy reminder to any school or office that has not returned the paperwork in a timely fashion. The following procedures have been approved by my office:

• **Thirty (30) Day Notice—Original**

The Business Office will send a reminder notice to all schools and offices that have not submitted their paperwork after 30 days of receipt of the invoice.

• **Second Notice—Seven (7) Days**

The Business Office will send a second reminder notice seven (7) days later if no paperwork is received from the school or office.

• **Final Notice—Seven (7) Days**

The Business Office will send a Final Notice reminder seven (7) days later if not paperwork is received from the school or office

• **Superintendent's Office Contacted—Three (3) Days**

The Business Administrator will contact the Superintendent of Schools after three (3) days if the paperwork is not received from the school or office.

All receiving copies (Green) of purchase orders and packing slips should be signed and sent to the Business Office within seven (7) days of receipt of items.

The High Bridge of Education has an excellent reputation for paying its bills in a timely fashion. We ask that all employees assist in maintaining this fine reputation.

2. Problems Encountered with Receipt of Goods



Problem: Back Orders

Sometimes items ordered will not be received in the first shipment. This is known as a back order. The packing slip will have back order written on those particular items.

Process to Follow: Back Orders

If the order is incomplete because there is a back order, do not wait for the next shipment. Please do the following:

- Mark on your receiving copy of the purchase order those items you did not receive.
- Make and keep a copy of your receiving copy and the packing slip.
- Send the original receiving copy and packing slip to the Business Office.
- Upon receipt of the back order in the next shipment, check off your copies of the receiving copy and the packing slip and send both copies to the Business Office.

B. Receipt of Goods and Services (Continued)

Problem: Items Missing from Order

Sometimes items are marked on the packing slip that they were delivered but are missing from your shipment.

Process to Follow: Items Missing

- E-mail the company and tell them what was missing.
- Mark on the receiving copy and packing slip what items were missing.
- Make and keep a copy of your receiving copy and the packing slip.
- Send the original receiving copy and packing slip to the Business Office.
- Upon receipt of the missing item in the next shipment, check off your copies of the receiving copy and the packing slip and send both copies to the Business Office.

Problem: Items Damaged; Wrong Item

Sometimes you will receive items that are damaged or the wrong item.

Process to Follow: Items Damaged; Wrong Item

- Call the company and ask them what the procedure is for returning damaged or wrong items.
- Return the item(s) to the company.
- On the receiving copy and the packing slip, mark what items were returned and the reasons for being returned. Please note how the items were returned (UPS/PO/Vendor Pick Up).
- Send the receiving copy and packing slip to the Business Office.
- Upon receipt of the missing item in the next shipment, check off your copies of the

Problem: Discontinued Item

Sometimes the items you requested have been discontinued.

Process to Follow: Discontinued Item

- Mark on the receiving copy (Green) of the purchase order “discontinued.”
- Do not call the company for a replacement item. You must complete a new purchase order.

C. Purchase Order Cut Off Date

Administrators and Supervisors are to be alerted to the fact that purchase orders for the present school year will not be accepted after the last Friday of September. **If the budget allows, requisitions will be allowed during the month of March for wish list items.**

ETHICS IN PURCHASING

Financial Interest in any Contract; Direct or Indirect

No employee or board member may have a direct interest in any contract or agreement for the sale of goods and services to the Board of Education, nor receive any benefit, compensation or reward from any contract for the sale of goods and services to the Board of Education. *Reference—N.J.S.A. 18A:6-8.*

Solicitation/Receipt of Gifts from Vendors -- Prohibited

School board members, school officials and employees, or members of their immediate family are prohibited from soliciting, receiving or agreeing to receive any compensation, reward, employment, gift, meal, honorarium, travel, reimbursement, favor, loan, service, or other thing of value from any person, firm, corporation, partnership, or business that is a recipient of a purchase order from the district, or a potential bidder, or an applicant for any contract with the district, based upon an understanding that what is solicited or offered was for the purpose of influencing the board member or school employee in the discharge of their official duties. This policy shall be consistent with the School Ethics Act—N.J.S.A. 18A:12-21 et. seq.

School District Responsibility – Recommendation of Purchases

School officials and employees who recommend purchases shall not extend any favoritism to any vendor. Each recommended purchase should be based upon quality of the items, service, price, delivery, and other applicable factors in full compliance with N.J.S.A. 18A:18A-1 et. seq.

School officials and employees are to avoid recommending purchases from members of their families, businesses that employ members of their families and from businesses in which the official, employee or members of their immediate family have a direct financial interest.

School officials and employees who are authorized to sign off on purchase orders and/or to recommend purchases or business transactions by virtue of their signature on the purchase order certify that their actions are consistent with this policy and all applicable statutes.

Vendor Responsibility – Doing Business with the Board of Education

Any vendor doing business or proposing to do business with the High Bridge Board of Education, shall neither pay, offer to pay, either directly or indirectly, any fee, commission, or compensation, nor offer any gift, gratuity, or other thing of value of any kind to any official or employee of the High Bridge Board of Education or to any member of the official's or employee's immediate family.

No vendor shall cause to influence or attempt to cause to influence, any official or employee of the High Bridge Board of Education, in any manner which might tend to impair the objectivity or independence of judgment of said official or employee.

Vendor Certification

Vendors will be asked to certify that no official or employee of the High Bridge Board of Education or immediate family members are directly or indirectly interested in this request or have any interest in any portions of profits thereof. The vendor participating in this request must be an independent vendor and not an official or employee of the High Bridge Board of Education.

Violations of the Policy

In accordance with N.J.S.A. 18A:6-8, any school district employee who violates the terms of this policy may be subject to withholding of annual increments, suspension, demotion, school ethics complaint, termination and/or revocation of license to teach or to administer.

CRIMINAL CODE CITATIONS

Title 2C -- Criminal Code

2C:27-9 Unlawful Official Business Transaction

“A public servant commits a crime of the fourth degree if, while performing his official functions on behalf of the government entity, the public servant knowingly transacts any business with himself, a member of his immediate family, or a business organization in which the public servant or an immediate family member has an interest. (N.J.S.A. 2C:27-9)

2C:27-10 -- Acceptance or Receipt of Unlawful Benefit by Public Servant for Official Behavior

“A public servant commits a crime in the fourth degree...if the public servant directly or indirectly, knowingly solicits, accepts or agrees to accept any benefit, whether the benefit inures to the public servant or another person, to influence the performance of an official duty or to commit a violation of an official duty.

APPENDIX

- A. Formal Bid Process
- B. Emergency Purchases/Contracts
- C. Memorandum--Return of Purchase Order

FORMAL BID PROCESS

<u>Process</u>	<u>Time Line</u>
Initial request to bid made by Administrator/Supervisor. Certification that funds exist.	One Day
Review of specifications, fully outlining items, materials or services to be bid by Purchasing Agent.	One Week
Return of reviewed specifications to Administrator/Supervisor for final approval. Administrator/Supervisor signs off final approval.	One Week
Bid package prepared by Purchasing Agent.	One Week
Copies of bids run off by Print Shop.	One Day
Legal advertisement sent to newspaper.	Three Day Advance Notice
Bid Date/Time-- must be at least 10 days after Legal Ad appears in newspaper. Bids are opened and read publicly.	10-20 Days
Bid results are reviewed by: <ul style="list-style-type: none"> a. Administrator/Supervisor b. Purchasing Agent 	One Week
Administrator/Supervisor prepares spreadsheet showing lowest bidders and recommends award of bid. Purchasing Agent reviews bids. Resolution is prepared.	One-Two Weeks
Bids are reviewed at Board Agenda, Committee of the Whole, and Regular Public Meetings.	One Week
Purchase orders are prepared by Administrator/Supervisor.	One Week

The formal bidding process takes about 6-8 weeks from start to finish.

Please note: Bids for Public Works/Construction Projects take longer as a request for wage determination must be formally made to the State of New Jersey.

EMERGENCY CONTRACTS (18A:18A-7)

A. Background

An actual emergency must exist. An “emergency” is not to be created as a result of inadequate planning, delay, failure to take into account construction season or administrative convenience.

B. Definition of Emergency

An emergency is a situation affecting the health or safety of occupants of school property that requires the immediate delivery of the articles or performance of a service to alleviate the emergency.

C. Process in Declaring an Emergency

1. Superintendent of Schools Notified

The Superintendent of Schools is notified by the employee/supervisor/ administrator requesting a declaration of emergency.

2. Business Administrator/Purchasing Agent Notified

The official in charge of the building or facility, shall notify the Business Administrator/Purchasing Agent of the following:

- a. Nature of the emergency;
- b. Time of the occurrence; and
- c. The need for the performance of a contract.

Such notification shall be prepared in writing and filed.

3. Awarding of Contract by Business Administrator/Purchasing Agent

If the Business Administrator/Purchasing Agent is satisfied the emergency exists, the Business Administrator/Purchasing Agent by State Law is authorized to award the contract.

4. Filing of Documents with State and County by Board Secretary/School Business Administrator

In accordance with N.J.A.C. 5:34-6.1, the following documents must be filed with the County Superintendent within three (3) days after awarding the contract or agreement:

- a. A copy of the contract or agreement; and
- b. A copy of the written requisition.

5. Approval by Board of Education

The Board of Education, at its next regular Board of Education Public Meeting, shall review and approve said emergency purchase.

B

HIGH BRIDGE BOARD OF EDUCATION

M E M O R A N D U M

To: _____
From: **Christopher Jones**, Business Administrator/Board Secretary/Purchasing Agent
Date: _____
Re: ***Return of Purchase Order(s)***

I am returning the attached purchase order(s) for the reason(s) checked below:

- _____ Account Number Incorrect; Missing--Please use Account Code # _____
- _____ Bid Number, Quotation Number--Not Included on Purchase Order
- _____ Board Resolution Needed--Attach to Purchase Order
- _____ Description of Item(s), Service Needed
- _____ Funds; Federal/State – Title of Grant Program – Type on Purchase Order/Requisition
- _____ Minimum Order \$25.00 Minimum State Contract Order \$100.00
- _____ Proposal/Contract Missing -- Attach to Purchase Order
- _____ Quotation Needed--Please contact me X 4107 to discuss process
- _____ Shipping Charges Not Added
- _____ Shipping Charges Not Needed. Type on P.O. "Shipping and Handling Included"
- _____ Signature Missing--Administrator, Supervisor, Principal
- _____ State Contract Number Incorrect, Missing--State Contract Documentation Missing
- _____ Textbook Documentation Missing
 _____ Website Documentation / Board Resolution
- _____ Unauthorized Order--Please contact me X 4107 to discuss procedures
- _____ Vendor Address Incomplete--Post Office Box Number Only
- _____ Vendor Check Needed?
- _____ As Per Attached Memo
- _____ Other _____

Please make the adjustments needed and return the purchase order with this form to my office.