

REGULATION

Stafford Township
Board of Education

Finances
R6421

Purchasing Manual

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I. **INTRODUCTION AND GENERAL GUIDELINES**

The purpose of this purchasing manual is to assist all Stafford Township Board of Education employees in the proper purchasing practices and to be in full compliance with New Jersey School Contract Laws Title N.J.S.A.18A:18A-1 et seq., New Jersey Administrative Code N.J.A.C. 5:34 et. seq., Board of Education Policy, other Federal, State Law and Code. This manual should be a guide for all employees who are involved in the purchasing process. It is imperative that everyone adheres to all purchasing laws, policy, and guidelines.

If you have any questions concerning the following guidelines, please do not hesitate to contact the Business Administrator.

A. Purchasing Objectives

The goal is to maintain a continuous supply of goods and services necessary to support the educational needs of the board of education. Purchasing gives prime consideration to the interest of the district while maintaining ethical supplier relationships. The primary objectives to achieve these goals are as follows:

- 1) Ensure the educational needs of the board of education by obtaining and ensuring delivery of quality goods and services at the right time and price.
- 2) Develop reliable alternate sources of supply to meet board of education requirements.
- 3) Comply with all laws and board of education policy without qualification.
- 4) Provide for the standardization of materials, supplies, equipment, and service.
- 5) Provide for the management of inventories of purchased goods so as to meet the requirements of the board of education at the lowest possible cost.
- 6) Dispose of, to the best advantage of the board of education, all materials, and equipment declared to be surplus or obsolete.

We ask the users of the purchasing system to help achieve these goals. Please allow yourself enough time between generating a requisition and the actual date materials or services are needed. Think of purchasing in terms of an entire school year, i.e., what goods 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.

B. Purchasing Authority

The purchase of goods 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 Qualified Purchasing Agent (QPA or Business Administrator/QPA) to make purchases for the board of

education. The Qualified Purchasing Agent or his designee is the only individual in the school district that has the authority to make purchases for the school district.

- 1) Authorized Purchases. All requests for purchases by the Board of Education for materials, supplies, and services must be made through the Systems 3000 electronic purchase order system. 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 QPA maintains the sole right to cancel purchase orders.
- 2) 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. Employees are not to make purchases from any store or vendor without prior approval from the Business Administrator/QPA. Unauthorized purchases are a violation of State Law N.J.S.A. 18A:18A-2 (v) and 18A:18A-3 (a). Board of education employees making unauthorized purchases are in violation of the law and are subject to disciplinary action as outlined by the Superintendent. Unauthorized purchases may be assessed penalties at the discretion of the Superintendent. Penalties may include the following: Letter of reprimand in Personnel File and Pay for Purchase/Service; Suspension with or without pay and Pay for Purchase/Service; Loss of Increment and Pay for Purchase/Service; Loss of Employment and Pay for Purchase/Service.
- 3) Reimbursements. The board of education will only recognize a reimbursement purchase when it pertains to approved travel, meals, and conferences and only then in accordance with Board Policy and applicable law. All other purchases must adhere to the purchasing procedure as outlined.
- 4) School Activity Accounts/Contributions. Purchases made through School Activity Accounts may not be reimbursed with Board of Education funds. Requisitions made payable from School Activity Accounts must be approved by the Superintendent and Business Administrator/QPA. Purchases through School Activity Accounts must be done through the purchase order system. Purchases made with contributions donated by individuals, businesses or organizations deposited in Board of Education accounts must be done through the purchase order system.
- 5) Signing Contracts. No service is to be performed without a properly executed contract. 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 Business Administrator/Board Secretary or Superintendent. Contracts signed by an employee shall be considered non-binding with the employee accepting full responsibility for costs of the contract.

C. Previewing Purchases

Some vendors will allow you to preview materials prior to purchase. 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 to the vendor or purchasing supervisor. If there is a desire to purchase the previewed item, then a purchase order must be prepared for a new item.

D. Emergency Contracts (18A:18A-7)

All purchases must follow the procedures set forth herein. However, in an emergency situation, purchases may be made in accordance with Board Policy and applicable law. Staff members who believe an emergency purchasing situation exists should contact their supervisor, who will in turn contact the Superintendent and School Business Administrator for further discussion and approval. However, please note that an actual emergency must exist. An "emergency" is not the result of inadequate planning, delay, failure to take into account the construction season or administrative convenience.

E. Professional Services

New Jersey Department of Education regulations require the Board of Education to obtain proposals for any professional service. In accordance with N.J.A.C. 6A:23A-5.2(a-4) professional services contracts are to be secured through either a request for proposal process (RFP) or another comparable process. The process may take six (6) to eight (8) weeks depending on the Board of Education Meeting date. All quotes for professional services should be sent to the department supervisor and then to the School Business Administrator and do not follow the procedures set forth herein.

F. Ethics in Purchasing

- 1) Financial Interest in any Contract; Direct or Indirect. No employee or board member may have a financial or beneficial 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.
- 2) 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 for the purpose of influencing the board member or school employee in the discharge of their official duties. This requirement shall be consistent with the School Ethics Act N.J.S.A. 18A:12-21 et. seq.
- 3) Recommendation of Purchases. School officials and employees who recommend purchases shall not extend 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 interest. School officials and employees who are authorized to sign off on purchase orders and/or to recommend purchases or business by virtue of their signature on the purchase order certify that their actions are consistent with this manual and all applicable statutes.

- 4) Doing Business with the Board of Education. Any vendor doing business or proposing to do business with the Stafford Township 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 Stafford Township Board of Education or to any member of the official's or employee's immediately family. No vendor shall cause to influence or attempt to influence any official or employee of the Stafford Township Board of Education in any manner which might tend to impair the objectivity or independence of judgment of said official or employee. Employees must immediately report, to the School Business Administrator, any vendor actions which fall within the actions described in "a" and "b" above.
- 5) Violations of the Ethics Requirements. Any school employee who violates the ethics requirements as set forth in this section of the manual may be subject to discipline, including withholding of annual increments, suspensions, demotion, termination and/or, pursuant to N.J.S.A. 18A:6-8 revocation of license to teach or to administer.
- 6) Unlawful Official Business Transition. Title 2C:27-9. 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 interest.

II. REQUISITION/PURCHASE ORDER PROCEDURES

A. Preparing a Requisition

- 1) Each department shall obtain its own quotes and prepare its own requisitions. Accordingly, each department is responsible for ensuring all purchasing complies with State Law and District Policy, including but not limited to ensuring that the purchase order does not exceed the competitive contracting or bidding limits (see Policy 6320 and 6350). Any questions should be directed to the School Business Administrator.
- 2) Each department shall obtain at least 2 quotes on all goods and services (N.J.S.A. 18A:18A-37(a)). Multiple vendors should be researched either by way of the internet or by viewing catalogs. Requests for prices should be requested using standard forms or e-mail. There will be no telephone quotations except in the case of extreme urgency and by approval of the Superintendent and/or the Business Administrator/QPA. Vendors should be given a five (5) day window to return their quote. If a price quote is not received by that time, a telephone call should be made to the vendor

followed by a second paper request. If the second request is not answered after the 5 days, a new vendor should be sought, and requestor notified. To allow for fair and competitive quotes, all requests are sent to vendors at the same time.

- 3) When quotes are received they are reviewed for accuracy and compatibility of product. If all is accurate and compatible, then the lowest vendor should be selected.
- 4) Evidence of the quotation process shall be kept on file.
- 5) Once quotes are obtained, the purchase order shall be prepared by the department in Systems 3000. The quote selected shall be attached to the purchase order. The printed copy of the purchase order and the quote shall be sent to the Business Office.
- 6) When the requisition is completed in Systems 3000 it is then checked to make sure it matches the approved requisition and is passed through the appropriate levels of approval.
- 7) Once approved, the Business Office will process the order/purchase.
 - i. Note: A requisition will only be processed if sufficient funds are available to cover the purchase. If funds are not available a letter from the administrator responsible for the budget account must be submitted to the Superintendent requesting a transfer of funds. All transfer of funds shall be approved by the Superintendent and then by the Board of Education at a public meeting.

III. RECEIPT OF GOODS AND SERVICES

The originator of the purchase order or their designee must follow the following procedure when receiving materials, goods, or services.

- A. Obtain the receiving copy of the purchase order and packing slip of goods ordered.
- B. Open boxes and check off goods received on the receiving copy and the packing slip.
- C. If all goods are received, the packing slip should be signed and attached to the receiving copy of the purchase order and sent to the principal, supervisor, or administrator.
- D. The principal, supervisor, or administrator must sign the receiving copy and send it with the packing slip to the business office.
- E. The following procedure must be followed for **back orders**:
 - 1) Indicate on the receiving copy of the purchase order those goods that were not received and attach the packing slip to the purchase order.

- 2) Upon receipt of the back ordered items; the receiving copy and packing slip must be sent to the principal, supervisor, or administrator.
 - 3) The principal, supervisor, or administrator must sign the receiving copy and send it to the business office. Keep the packing slip for your records.
- F. The following procedure must be followed for **missing goods**:
- 1) Indicate on the receiving copy of the purchase order and the packing slip what goods were missing.
 - 2) Notify the business office of the goods that are missing.
 - 3) Upon receipt of the missing goods, the receiving copy and packing slip must be sent to the principal, supervisor, or the administrator.
 - 4) The principal, supervisor, or administrator must sign the receiving copy and send it along with the packing slip to the business office.
- G. The following procedure must be followed for **damaged or incorrect items**:
- 1) Indicate on the receiving copy of the purchase order and the packing slip what goods are damaged or shipped incorrectly.
 - 2) On the receiving copy and the packing slip, indicate what goods are being returned and for the reason.
 - 3) Notify the business office.
 - 4) Contact the vendor to determine the method of return. Return goods to vendor. Inform the principal, supervisor, or administrator the procedure on how items were returned and by what transporter.
 - 5) Obtain a receipt from the carrier.
 - 6) Upon receipt of the replaced goods, the receiving copy and packing slip along with proof of return must be sent to the principal, supervisor or administrator.
 - 7) The principal, supervisor, or administrator must sign the receiving copy and send it along with the packing slip and proof of return to the business office.
- H. The following procedure should be followed for **discontinued goods**:
- 1) Indicate on the receiving copy and packing slip the goods that have been discontinued.
 - 2) Make copies for office file.
 - 3) Do not call the company for a replacement item. A new requisition must be submitted.

- 4) Send the original receiving copy and packing slip to principal, supervisor, or administrator.
- 5) The principal, supervisor, or administrator should sign the receiving copy and send it along with the packing slip to the business office.

IV. **SELLING SURPLUS PROPERTY ONLINE**

- A. The following vendor has been approved for the sale of surplus district personal property on line: GovDeals.com.
 - 1) Current district personal property.
 - i. If an employee has an item of school district property that he/she feels is not being used, the employee should notify the department supervisor.
 - ii. The department supervisor will notify the Business Administrator/QPA, who will contact the district administrators/supervisors to inquire as to whether the item is being used and whether the item can be used in any way within the district.
 - iii. If the item is not currently being used and cannot be used in the future, the Business Administrator/QPA shall follow the steps set forth in part b below.
 - 2) Employee personal property to be donated to the district.
 - i. If an employee has an item of personal property that he/she no longer wishes to possess but feels the item may have value to the district, the employee should notify the department supervisor informing the supervisor that the employee wishes to donate the item to the district.
 - ii. The department supervisor will follow the guidelines of Policy/Regulation 7230 to effectuate the donation.
 - iii. Once the donation has been completed, the department supervisor will notify the Business Administrator/QPA who shall follow the steps set forth in part b below
- B. The Business Administrator/QPA, or his designee, will contact the approved vendor, review all terms and conditions regarding the auction, follow all necessary procedures regarding Board of Education approval (as set forth by law or Board Policy), and will conduct sales of all surplus property.