

PURCHASING MANUAL

2024-25



PITMAN PUBLIC SCHOOLS
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MEMORANDUM



TO: All District Employees
FROM: Rob Miles
DATE: Wednesday, 11/20/2024
RE: Purchasing

The purpose of the **2024-25 Purchasing Manual** is to clearly and practically inform all school district employees of 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 Code
- ❖ NJ QSAC
- ❖ Local Finance Notices

The manual is designed to achieve three goals, which are as follows:

1. Inform staff members of code and Board policy as it pertains to purchasing.
2. Promote efficiency in purchasing practices.
3. Achieve monetary savings through proper purchasing practices.

In an effort to promote proper purchasing, we also will strive as a district to excel in the areas of *efficiency*, *fiscal responsibility*, and *utilizing the monetary leverage of the district to fulfill its mission* to educate all students through exceptional learning experiences.

Should you have any questions regarding the purchasing, please don't hesitate to contact me via telephone (856-589-0176) or email (rmiles@pitman.k12.nj.us).

Sincerely,

Robert Miles
Business Administrator
Board Secretary
Purchasing Agent

THE PURCHASE ORDER PROCESS

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 Pitman Board of Education has authorized Mr. Robert Miles to be the Purchasing Agent for Pitman Public Schools.

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 services to be ordered on behalf of the school district. 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 Pitman Public Schools 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.

Corrective Action for Non-compliance

If the Purchasing Agent has determined that an unauthorized purchase has been made, correspondence will be sent to the requestor and respective administrator advising of the unauthorized purchase. A meeting may be held with the Business Administrator and responsible parties to review the non-compliance and proper procedures for purchasing going forward.

Preview of Materials

All staff members must receive permission from administrators, supervisors, and/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 requisition must be prepared for a new item.

Employee Reimbursement

The Board of Education only recognizes an employee reimbursement purchase order when it pertains to tuition reimbursement, and 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 should follow the purchase order process. Employees will not be reimbursed for purchases made on behalf of a particular student activity.

IMPORTANT RESTRICTIONS

Employees Prohibited from Signing Contracts

Employees of Pitman Public Schools are prohibited from signing any contract offered by a vendor. The authority 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.

Contracts

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.

Cancellation of Purchase Orders

All requests to cancel purchase orders must be made in writing (e-mail or physical letter) 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.

Private Purchases

Goods and services procured by Pitman Public Schools are exclusively for the use of the school district and, if applicable, other public and non-public schools. Employees of the school district are prohibited from privately purchasing goods and/or services from the quotation and bid prices offered by the vendors to Pitman Public Schools.

MEALS, REFRESHMENTS & CATERING

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

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

- **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** - Costs for light meals and refreshments for parent activities are permissible. It is expected that expenditures for this purpose will be minimal and infrequent and be directly related to the volunteer activity/service.
- **Dignitaries** - Costs for light meals and refreshments for dignitaries as defined in State code, are permissible.
- **Board Member Meetings** - Light meals and refreshments are permitted for all board members and for employees who are required to attend a Board of Education meeting (as defined per N.J.A.C. 6A:23A-7.12(f)).

Note: Costs for light meals and refreshments are limited as follows, as per [NJ Circular 16-11-OMB.XI.J](#):

<u>Meal</u>	<u>Maximum Cost Per Person</u>
Breakfast	\$7.00
Lunch	\$10.00
Dinner	\$15.00

The expenditure of public funds for meals and refreshments may **not** be used for the following:

- **Athletic Activities & Events** - Light meals and refreshments served to **guests** at any athletic event, game or contest are not permitted.
- **Staff and Employees of the School District** - Light meals and refreshments are not permitted for employees 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 in honor of any employee or group of employees are not permitted when public funds are being used.

Food from Supermarkets

New Jersey state law and code excludes the purchase of food supplies from the bidding process if the food supplies are for the school cafeteria or home economics classes. Food supplies purchased from supermarkets shall be in compliance with state law and code. All purchase orders, including student activity account purchases, are subject to review by Department of Education (DOE) officials and auditors.

PERMITTED PURCHASES & NON-ESSENTIAL PURCHASES

Permitted Purchases - Public funds **may** be utilized to subsidize the following purchases.

- **Commencement; Convocation Activities** - All reasonable costs for commencement; convocation activities are permitted.
- **Field Trips / Extracurricular Activities** - All field trips using public funds shall be part of the instructional program, have an educational value, and shall be reasonable in cost. (Public funds may **not** be used to subsidize field trips that are *solely* for the purpose of student entertainment.)
- **Library Books, Magazines, Videos, DVDs & CDs** - Funds can be used to purchase library books, magazines, and multimedia presentation materials as long as those materials are utilized 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.

Non-Essential & Prohibited Purchases - Public funds may **not** be utilized to subsidize the following purchase:

- Gifts for Employees
- Bereavement Flowers, Baskets, and/or Gifts
- Student Entertainment
- Carnivals
- Teacher Appreciation Gifts and/or Activities

Note: *The list is not comprehensive and items may be deemed non-essential by the Superintendent and/or Business Administrator throughout the course of the school year.*

THE PROCUREMENT METHOD

Procurement of goods and services shall be achieved through the utilization of the following methods:

Bids - This method is used for contracts for goods, materials, and services that meet the bid threshold of \$32,000 or more. Examples include the following:

- Plumbing, Electrical & HVAC
- Custodial Supplies
- Public Works Projects
- Computer Supplies & Equipment
- Interactive Boards
- Audio/Visual Equipment

Quotations - This method of procurement is used for contracts for goods, materials, and services that total at least \$4,800 (but are less than \$32,000) in the aggregate. *Two or more quotes* must be obtained when utilizing this method according to N.J.S.A 18A:18A-37(a). Evidence of the quotation process shall be kept on file in the Business Office. Furthermore, a copy of the quotations shall be attached to the purchase order. Examples include the following:

- Athletic Trainer Supplies
- Machines
- Instruments
- Grounds Supplies

Request for Proposal (RFP) - This method is preferred for contract for professional services, such as the following:

- School Physician
- Architect
- Solicitor
- Auditor
- Bond Counsel
- Insurance Broker
- Professional Development Services
- Medical Services
- Financial Disclosure Services
- Environmental Services

Note: *The RFP method is designed to award the contract to the vendor based upon a list of criteria. Though cost is a factor, the contract for an RFP contract does **not** have to be given to the respondent who submits the lowest price. The district administrator provides a rubric to each respondent and uses this as a basis of award.*

Competitive Contracting - This method of procurement is used for some contracts that are at least \$32,000 in cost and whose method of selection depends on factors beyond price. The district can only use this method for contacts that are outlined in state law and code. Some examples are as follows:

- Student Data Warehousing
- Student Information System
- Professional Development Services
- Educational Instructional Services
- Accounting, Payroll & Personnel Services
- Tutoring Services

Extraordinary Unspecifiable Services (EUS) - This method is rarely used and may be enacted to award contracts without competitive bidding when the service being sought is highly specialized and requires extensive training and expertise. Examples include the purchase of insurance coverage and consultant services.

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.

ETHICS IN PURCHASING

Financial Interest in a Contract - No employee or board member may have a direct interest in any contract or agreement for the sale of goods and services to Pitman Public Schools, nor receive any benefit, compensation, or reward from any contract for the sale of goods and services.

Solicitation or Receipt of Gifts from Vendors - School board members, school officials, employees, and 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 item of value (tangible or intangible) from any person, firm, corporation, partnership, or business that is a recipient of a purchase order from Pitman Public Schools, or a potential bidder, or an applicant for any contract with the school district. In other words, the purchase of goods and services shall be for the sole benefit of Pitman Public Schools.

School District Responsibility - 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. 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.

Vendor Responsibility - Any vendor doing business or proposing to do business with Pitman Public Schools shall neither pay nor 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 school district or to any member of the official's or employee's immediate family. Moreover, no vendor shall cause to influence, or attempt to influence, any official or employee of Pitman Public Schools 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 Pitman Public Schools 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 Pitman Public Schools.

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.