


# 2025-2026
# PURCHASING MANUAL

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## INTRODUCTION AND PURPOSE

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 Contracts Law N.J.S.A. 18A:18A-1 et seq.;
- New Jersey Administrative Code N.J.A.C. 5:34-1 et seq.;
- Board of Education Policy;
- Other federal, state law and code;
- NJQSAC SOA Fiscal Management Item #10; and
- 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.

**Public Bidding Thresholds N.J.S.A. 40A:11-3(a) and (c) ; 18A:18A-3(a) and (c) :**
Non-Qualified Purchasing Agents have a $39,000 bid threshold.
Qualified Purchasing Agents (QPA) have a $53,000 bid threshold limit.

If you have any questions concerning the following guidelines, please do not hesitate to call the Business Office at extension 3220.

## ETHICS AND CONDUCT IN PURCHASING; VENDOR RELATIONS

All district employees are to practice exemplary ethical behavior in the purchasing process. Employees are to avoid any action that may be considered a conflict with their position with the district and those dealings with vendors who provide goods and services to the district. All district employees should adhere to the following terms and conditions of the board's policy on Ethics and Conduct in Purchasing; Vendor Relations.

**A. Financial Interest in any Contract with the Board of Education--Prohibited**

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.

**B. 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 **any 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.

**C. School District Responsibility – Favoritism; Family Members; Businesses**

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 requisitions/purchase orders and/or to recommend purchases or business transactions by virtue of their signature on the requisition/purchase order certify that their actions are consistent with this policy and all applicable statutes.

**D. Vendor Responsibility – Doing Business with the Board of Education**

Any vendor doing business or proposing to do business with the Somers Point School District, 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 Somers Point School District or to any member of the official's or employee's immediate family.

No vendor shall cause to influence or attempt to influence, any official or employee of the Somers Point School District, in any manner which might tend to impair the objectivity or independence of judgment of said official or employee.

**E. Vendor Certification**

Vendors will be asked to certify that no official or employee of the Somers Point School District 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 Somers Point School District.

**F. Violations of the Policy--Sanctions**

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.

**Conflict of Interest Certification—Request for Proposals and Competitive Contracting Proposals**

School district employees who are part of an evaluation committee to review responses to Request for Proposals (RFP) and/or to Competitive Contracting proposals will be required to complete a Conflict of Interest certification in accordance with N.J.A.C. 5:34-4.3 (e) (f).

**Possible Conflict of Interest**

Any school employee who feels there may be a potential conflict of interest with a recommendation of award with any vendor doing business with the district, is encouraged to contact the Business Administrator for guidance.

## CRIMINAL CODE CITATIONS

All school employees are reminded of the following New Jersey 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 on another person, to influence the performance of an official duty or to commit a violation of an official duty." (N.J.S.A. 2C:27-10)

## PUBLIC SCHOOL PURCHASING—LEGAL AUTHORITY

**Authority to Purchase – Purchasing Agent - Business Administrator/Board Secretary**
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 legal authority to the Purchasing Agent (Business Administrator/Board Secretary) 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 Somers Point School District by board resolution has authorized the Business Administrator/Board Secretary 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 Business Administrator (Purchasing Agent).

### Purchase Order

A purchase order, pursuant to N.J.S.A. 18A:18A-2 (v), is a document issued by the Business Administrator (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 Business Administrator (Purchasing Agent).

### Unauthorized Purchases

Any school district 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**

1. Memo to Administrator

If the Business Administrator (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.

2. Memo to Superintendent

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.

3. Letter to Vendor

The Business Administrator (Purchasing Agent) will also send a letter to the vendor who provided either unauthorized services or goods. The letter will advise the vendor that payment may not be made for the unauthorized purchase.

At any time, during the Corrective Action Process (CAP), the Superintendent may invoke the penalties for non-compliance.

**District Sanctions to Violations**

All district employees are reminded that the school district may receive sanctions because of unauthorized (confirming) purchases. Employees are to note the following consequences of such actions:

1. Withholding of State Aid—N.J.A.C. 6A:23A-5.4

The Commissioner of Education may withhold State funds from any school district that fails to obey the provisions of the Public School Contracts Law—N.J.S.A. 18A:18A-1 et seq.

2. NJQSAC Fiscal Management SOA #10

The school district is subject to losing NJQSAC points by not being in compliance with the Fiscal Management SOA Item #10.

3. Audit Finding and Recommendations

All financial transactions are subject to audit review. The district may receive an audit finding and recommendation for unauthorized (confirming) purchases. Repeat audit findings may lead to sanctions against the school district.

**Purchasing Prohibitions**

1. Employees Prohibited from Signing Contracts--Prohibited

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 Somers Point School District with the employee accepting full responsibility for the costs of the contract.

2. Reimbursements; Employee--Prohibited

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

3. Student Activity Accounts--Prohibited

**Purchases made through Student Activity Accounts may not be reimbursed with Board funds**. Requisitions made payable to any Student Activity Accounts for the aforementioned purpose will not be approved by the Business Administrator (Purchasing Agent).

4. Private Purchases -- Prohibited

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

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

## Purchasing Guidance

1. Cancellation of Purchase Orders--Guidance

All requests to cancel purchase orders must be made in writing and interofficed or emailed to the Business Office. Reasons explaining the need to cancel the purchase order must be outlined. The Business Administrator (Purchasing Agent) maintains the sole right to cancel purchase orders.

2. Contracts; Purchase Order Required--Guidance

The award of contract to an approved vendor 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. N.J.S.A. 18A:18A-2 (v).

3. Preview of Materials--Guidance

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.

## PURCHASE ORDER PROCESS

### A. Preparing a Requisition

The person who prepares the requisition, the Originator, has certain responsibilities before the order is sent to the administrator, supervisor, or principal for approval. He/she is to ensure the following:

1. **Requisitions --** All orders are entered into the Fund Accounting Software, Systems 3000.

2. **Vendor's Name** -- All Board checks are made payable to the vendor. Please ensure the correct vendor is used.

3. **Vendor's Complete Address** -- The purchase order must include the vendor's complete address. Each vendor has a purchase order mailing address and a remit to address for payments. Please check to make sure the address you see is accurate.

4. **Current Budget Year Included** -- The system date is used and will automatically update. (The date on the purchase order may not be the actual date the requisition was entered.)

5. **PO Type --** It is important the correct PO Type is used.

    a) **Open Market** – Used for all general goods, supplies and/or materials

    b) **Quote** – Used when placing a single order over $5,850 (Non-QPA) or $7,950 (QPA) **(quotation threshold)**.

    c) **State Contract** – Used when purchasing state contract **items**.

    d) **Co-op** – Used when purchasing cooperative **items** through ESCNJ, Hunterdon or any other consortiums we may be a part of.

    e) **Other** – Used for any professional service, labor, memberships/dues, travel reimbursements, etc.

f) **Bid** – Used when the Business Administrator (Purchasing Agent) competitively goes out to bid for any specific item, class of items, and/or services of a similar nature that will aggregate or total more than $39,000 (Non-QPA) or $53,000 (QPA).

6. **Misc. Section** -- Under "Notes" please enter the cooperative bid #, state contract # and/or quote #. The cooperative and/or state contract number can be found in Systems 3000 under the vendor's Misc. tab or next to the vendor's name. In addition, please specifically classify what the order is for, the purpose of the order or the use of the item(s) being ordered. (i.e. Graduation Supply, Repair JHS Parking Lot, Textbooks for Mr. Smith's Math Class, Laptops for Room A-Z, etc). This description will print out on your requisition underneath your order.
7. **Description of Items, Services, Costs and Catalog Numbers --** Items and/or services requested are to be described clearly with correct and up-to-date catalog/item numbers and costs.

8. **Shipping Costs** – Include shipping and handling costs on all requisitions. Please read the catalog or contact the vendor to determine the actual shipping and handling costs.

   If you are unable to ascertain the actual charges, add a "NEW DTL" line, add an additional 10% cost and type "**10% Estimated Shipping and Handling"** as the description.

   If there are no shipping and handling charges, you can either add a "NEW DTL" line, put the cost as "0.00" and type **"Shipping and Handling Included"** as the description or add this notation in the Misc. tab under "Notes".

9. **Delivery Address—**Please choose the correct ship to location from the drop-down menu**.**

10. **Attention of – For Regular Orders -** The ***Attn*** should include the name of whom the order is being delivered to with the room # and the Originator's (person entering the requisition) initials. (i.e. Attn: Mrs. Smith, RM #100/Originator's initials.) This will ensure the Delivery Copy (gold) part of the purchase order is sent to the correct department and will help with getting any questions answered.

11. **Delivery, Types of ---** The Board of Education recognizes two (2) types of delivery.

    a. INSIDE DELIVERY

    Items are to be delivered to a Board of Education location. If needed, maintenance and/or custodial personnel will bring the items to a designated area inside the school or office building.

    b. SPOTTED DELIVERY

    Items are to be delivered to a Board of Education and brought to a designated area inside the school or office building by Maintenance and/or custodial personnel. Maintenance or custodial 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 Somers Point School District within five (5) working days. Please ensure that all purchase orders have the correct delivery designation.

12. **Budget Account Number** -- Please be sure the correct Budget Account Number is used and is listed on the requisition.

13. **State Contract Orders** -- When ordering through State Contract vendors, typically the minimum order is $50.00. You may reach out to the vendor to verify if they require a minimum. Please include the State Contract Number on the requisition in the Misc. section under "Notes" when entering the requisition.

14. **Quotations** – Unless the items are a cooperative bid or state contract purchase, two (2) quotes are required if the order is between $5,850-$38,999 (Non-QPA) or $7,950-$52,999 (QPA) if an aggregate of a group of items of a similar nature purchased by the school district. For purchases made with federal funds, there should be three (3) quotes provided. When quotations are obtained, please upload each written quotation to the requisition in Systems 3000. Please type the quotation date and the quotation number in the Misc. section under "Notes" when entering the requisition.

15. **Bids** – Will be handled by the Business Office.

16. **Complete Req** – After saving your requisition, please be sure to click "complete req". Because requisition approvals take place directly online in Systems 3000, this will ensure your requisition appears in the request for approval list and will be processed in a timely manner.

17. **Attachments & Multi-Page Requisitions** --Please **upload** any attachments to the requisition in Systems 3000.

    There will be times where there is a need to order a large amount of items from one vendor. Please follow the procedures below:

    a. Enter quantity "1 ea" and enter the total dollar amount of the entire order as the cost. In the print detail section, type in the body of the requisition a brief description of what is being purchased. Example*:* **"See attached list. School supplies - colored paper, pens, electric stapler, etc."**.

    b. Upload a neatly typed list or downloaded shopping cart from the company website to the requisition in Systems 3000. The list should include quantities, full description of items, unit price, shipping and handling (manually add if needed) and the total price.

    c. Please keep a copy of the attachment(s) with your requisition for your records.

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

Administrators/supervisors and principals must ensure the following is reviewed before the requisition is approved in Systems 3000.

1. **Funds Available -** They must check to determine if *funds are available* in their budget to cover the amount of the purchase order.

2. **Requisition Completion -** They must check to determine that items 1-17 previously noted (Responsibilities of the Originator) have been *properly completed*.

3. **Approval in Systems 3000** - The requisition/purchase order must be approved under box #1 by the supervisor/administrator or principal of the originator. By checking box #1, they are approving the requisition, certifying correct and proper completion of the requisition and confirming current funds are available in the budget account line to cover the cost of the purchase.

4. **Originator's copy -** When preparing a requisition, please retain a copy for your files.

5. **Delivery Copy (Gold) -** Once the purchase order has been posted and mailed to the vendor, the Business Office will send the Delivery Copy (Gold) of the purchase order back to the Originator or Administrator. If you do not receive the Delivery Copy within seven (7) business days after the supervisor, administrator or principal approves the requisition in Systems 3000, please contact the Business Office.

### C. Responsibilities of Business Office

The Business Administrator (Purchasing Agent) reviews each purchase order. Special attention is given to the following:

1. **What is being ordered and the cost**--The Accounts Payable Clerk & Business Administrator (Purchasing Agent) reviews the technical aspects of the purchase order to ensure compliance with State Law and Board Policy.

   The Business Office also reviews whether the purchase order exceeds:

   | | |
   |---|---|
   | The Quotation Limit | **$ 5,850.00 (Non-QPA) / $7,950.00 (QPA)** |
   | The Bid Limit | **$ 39,000.00 (Non-QPA) / $53,000.00 (QPA)** |

2. **Document Check – State Law** -- Pursuant to various State Laws, the Accounts Payable Clerk & Business Administrator (Purchasing Agent) must ensure the following documents are on file in the Business Office before the purchase order is signed and processed:

   - Affirmative Action Evidence – Contracts $39,000.00 (Non-QPA) / $53,000 (QPA) and over (cumulative)
   - NJ Business Registration Certificate (BRC) if applicable for all purchases
   - Chapter 271 – Political Contribution Disclosure Form (PCD) Purchases over $39,000.00 (Non-QPA) / $53,000 (QPA) (Cumulative)
   - IRS W-9 Form
   - Certificate of Insurance if applicable

3. **Review of Purchase Order --** The purchase order is also reviewed for technical aspects such as:
   a. Account number missing or incorrect;
   b. Correct po type;
   c. Missing item #'s

d. Incorrect pricing-Totals match to the attachment(s);
e. Shipping charges added or missing;
f. State contract, cooperative bid or quote numbers incorrect/missing;
g. Vendor address incomplete; and
h. Other items as listed in Section A.

Incomplete or improper purchase orders/requisitions will be returned with a memo explaining deficiencies.

If the Accounts Payable Clerk & Business Administrator (Purchasing Agent) is satisfied, he/she approves the requisition in Systems 3000 by checking box #2 and box #3 (respectively). After all approvals are checked in Systems 3000, the Business Office will then:

- Commit the requisition and issue a purchase order number;
- Email, fax or mail the purchase order to the vendor.

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

4. **Transfer of Funds** -- A Transfer Form can be given by request and will need to be completed by the Administrator to request a transfer of funds. The form will be approved by the **Business Administrator/Board Secretary**. Once the transfer is complete, the Administrator will be notified.

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

- In certain cases some transfer of funds requests must be sent to the State Department of Education for review. 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.

**E. Responsibility of the Vendor**

The Business Office sends the purchase order to the vendor and the voucher copy to sign. The vendor is to sign the voucher and return it to the Business Office with an invoice. If you receive a signed PO/voucher or an invoice, please return it to the Business Office. The purchase order will be prepared for payment once the Business Office has the following:

- Signed PO/ Voucher
- Invoice(s)
- Delivery Copy (Gold) Signed by the department – confirmation the order is fulfilled and complete

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 purchases require the issuance of a purchase order (contract) signed by the Business Administrator (Purchasing Agent) authorizing the purchase of services and/or goods and materials from the vendor.

## METHODS OF PROCUREMENT

### A. Bids (Purchases that exceed the bid threshold--$39,000 (Non-QPA) / $53,000 (QPA))

This method is used for procuring goods, materials, services and public work projects that exceed the Board of Education approved bid threshold.

**Examples of Bidding:**

Building Services Department
Plumbing, Electrical, HVAC work
Custodial Supplies
Public Works Projects

Technology
Computer Supplies/Equipment
Printers / Computer
Interactive Boards

Food Services Department*
Groceries and Canned Goods
Baking Goods—Rolls, Bread

Title I Testing
Test Scoring Services

District
Furniture
AV Equipment
Calculators

Athletic Supplies/Equipment
Physical Ed Supplies/Equipment

Award of Contract--Lowest Responsible Bidder

The common thread of all these bids is that the district has to award the contract pursuant to N.J.S.A. 18A:18A-4 (a) to the lowest responsible bidder.

*Subject to Federal Guidelines 7 CFR 210.21 and 2 CFR Part 200.

**Bids and Purchasing:**

**1. Bid Limit -- $39,000 (Non-QPA) / $53,000 (QPA).**

The Somers Point School District 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 $39,000 / $53,000. This means that any specific item, class of items, and/or services of a similar nature, purchased by the school district totaling in the aggregate more than $39,000 / $53,000 for the entire year, must be competitively and advertised for 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 $39,000 (Non-QPA) / $53,000 (QPA) bid limit.

Administrators that have purchases that may exceed the $39,000 / $53,000 bid limit, are to contact the Business Administrator/Board Secretary to begin planning the bid process.

**2. Annual Bids**

The Board of Education, to be in compliance with N.J.S.A. 18A:18A-9, requests the Central Office, department Administrators, Supervisors and School Principals start to plan and prepare for annual bids. The proposed time lines are as follows:

| | |
|---|---|
| *March* | Administrators/Supervisors prepare technical specifications to be reviewed by the Business Administrator (Purchasing Agent). |
| *April* | Business Administrator (Purchasing Agent) prepares final bid specifications to be drafted in a manner to encourage free, open, and competitive bidding. |
| *May/June* | Annual bids are received, opened and tabulated by the Business Administrator (Purchasing Agent). |
| *June* | Bid resolutions are prepared by the Business Administrator (Purchasing Agent) for Board approval. |
| *July* | Purchase orders are generated by Administrators/Supervisors for August/September delivery. |

**3. Bidding: Time Frame**

The formal bidding process usually takes about 6-8 weeks from start to finish. Please plan appropriately.

**4. Exceptions to the Bid Limit**

New Jersey State Law allows for some exceptions to the bid requirements. There are approximately twenty (20) exceptions where a Board of Education does not have to go out to bid for goods and services. Some of them are:

a. Purchasing through New Jersey State Contract or Cooperative Bid;
b. Professional services as outlined by New Jersey Law;
c. Textbooks, kindergarten supplies, student produced publications, library and educational goods;

d. Legal notices, food supplies, milk, utilities, insurance, election expenses, travel and conferences; and
e. Contracts with other government entities; county and state colleges.

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

The Business Administrator (Purchasing Agent) should be contacted concerning exceptions to bidding.

**B. Quotations (Purchases that fall between $5,850 and $38,999 / $7,950 and $52,999)**

This method of procurement is used for contracts for goods, materials, services and public works projects that in aggregate are between $5,850 and $38,999 / $7,950 and $52,999).

1. Quotation Limits--$5,850 and $38,999 / $7,950 and $52,999

The quotation limit (threshold) is now $5,850 / $7,950. This means that any specific item or group of items of a similar nature purchased by the school district, totaling more than $5,850 and $38,999 / $7,950 and $52,999 for the entire year, must be competitively quoted or advertised for bid at the discretion of the Business Administrator (Purchasing Agent).

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

2. Quotation Process

All quotations shall be in writing. When a quotation is deemed necessary and after receipt of all quotations, the Administrator or Principal is asked to contact the Business Office. The Business Administrator (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.*

3. Receipt of Two (2) Quotations

Pursuant to N.J.S.A 18A-37 the school district shall solicit two (2) quotations, if practicable. Evidence of the quotation process shall be kept on file. A copy of the quotation shall be uploaded to the requisition in Systems 3000.

**C. Request for Proposal—RFP** -- This method is preferred for the following contracts:

| **Professional Services** | **Academic/Operational Services** |
|---|---|
| Medical | (Contracts less than $40,000) |
| Auditing; Accounting | Instructional Improvement |
| Legal | Educational Consultants |

Engineering, Architectural Professional Development

Award of Contract—Evaluative Criteria

The RFP method is designed to award the contract to the vendor based upon a list of criteria which include, as recommended by the New Jersey State Comptroller's Office, the:

**Best Practices in Awarding Service Contracts**

- Technical
  - Submission of narrative how firm will provide services; planned approach; measurable results
  - Understanding how services will be provided
- Management
  - Business organization; staffing
  - Experience; and
  - Knowledge of district
- Cost
  - 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 evaluative criteria process is designed to award the contract to the respondent whose response will provide the highest quality services at fair and competitive prices.

**D. Competitive Contracting (Certain Contracts over $39,000 / $53,000) -** this procurement method is used for certain contracts over $39,000 / $53,000.

The district can only use this method for contacts that are outlined in NJ State Law 18A:18A-4.1. Some of the examples that are permitted are

- Proprietary Computer Software for Board Use
  1. Student Data Warehousing
  2. Student Information System
  3. Business Office; Human Resources Software
- Professional Development Services
- Educational Consultant Services
- Instructional Improvement Services

The award of contract is similar to the RFP award of contract. It is based upon the same evaluative criteria which is designed to award the contract to the respondent whose response will provide the highest quality services at fair and competitive prices.

The administrative process of Competitive Contracting as outlined in N.J.S.A. 18A:18A-4.1 et seq. and N.J.A.C. 5:34-4.1 et seq. is a rather lengthy process and may take 6-8 weeks to complete.

**E. State Contract Purchasing**

Pursuant to N.J.S.A. 18A:18A-10, a Board of Education may purchase goods and services through New Jersey State Contract vendors. The Business Administrator is required to have Board of Education approval for all NJ State Contract purchases that exceed the bid threshold. All NJ State Contract purchases will be verified by the Business Administrator (Purchasing Agent) prior to processing. If the purchase exceeds the bid threshold, the Board of Education must adopt a resolution awarding the contract.

It is the recommendation of the Business Administrator (Purchasing Agent) to procure the following equipment and supplies from New Jersey State Contract vendors.

1. ***Office Supplies and School Supplies-*** Please utilize our cooperative bids and state contracts.

2. ***Computers and Technology Supplies-*** If you plan to purchase computers, please adhere to the following process prior to completing purchase orders for computers and technology supplies.

   - *Request a quote through the following email: it-help@sptsd.org*

   Please contact the IT Department. They will be able to assist you with the technical aspects and the State Contract requirements of purchasing computers and technology supplies.

3. ***Copiers*—Approvals Needed—Supt., Business Admin. and Board of Education-** If you plan to purchase a copier, please contact the Business Administrator (Purchasing Agent). All purchases of copiers must be pre-approved by the Business Administrator (Purchasing Agent) and the Superintendent of Schools. All purchase of copiers through the State Contract GSA pricing require Board of Education approval pursuant to the requirements of N.J.A.C. 5:34-9.7.

**State Contract Purchase Order Requirements**

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

1. State Contract Number;
2. Approved State Contract price list
3. Shipping and Handling included, if applicable

# OTHER PURCHASING PROCEDURES

## A. Cooperative Purchasing

The Somers Point Board of Education may contract with cooperative purchasing agencies, to purchase items such as:

1. Office Supplies
2. Copy Paper
3. Science Supplies
4. Classroom Supplies
5. Art Supplies
6. Maintenance/Custodial Supplies

## B. New Vendor Request

You may request a new vendor be entered in Systems 3000 by emailing or forwarding the vendor's W-9 Form, NJ Business Registration Certificate, along with their address and contact information to Kelly Kimak, Accounts Payable via email or interoffice. Please allow up to 3 days for processing.

**IMPORTANT** *****The District may only purchase from vendors who hold a New Jersey Business Registration Certificate Number (BRC) in accordance with P.L. 2004, c 57.***

## C. 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 Business Administrator (Purchasing Agent) may award an emergency contract.

## D. EUS—Extraordinary Unspecifiable Services

The EUS procurement method is used for the procurement of insurance and insurance consultant services. The Business Administrator (Purchasing Agent) will coordinate all EUS activities pursuant to N.J.S.A. 18A:18A-5 (a) (10) and N.J.A.C. 5:34-2.1 et seq.

## E. Federal Funds—Procuring Goods and Service When Using Federal Funds

All non-federal entities (school districts) are to follow NJ Public School Contracts Law when procuring goods and services using federal funds except where the federal standards detailed in 2 CFR Part 200 are in conflict or **more restrictive.** For purchases made with federal funds, there should be three (3) quotes provided for an order exceeding $5,849.

Effective July 1, 2015, school districts when procuring goods and services using federal funds, are to comply with the Uniform Administrative Requirements—2 CFR Part 200.

**Federal Funds Procurement Thresholds—More Restrictive**

| More Restrictive Threshold | Procurement Activity | Citation |
|---|---|---|
| Less than $5,849 | Micro-purchase; sound business practices | 200.320 (a); 200.67 |
| $5,850-$38,999 / $7,950-$52,999 | Use of Quotations; Use of RFP's | 18A:18A-37 (a)<br>18A:18A-4 (a) |
| $39,000 or more / $53,000 or more | Use of Bids; Use of Competitive Contracting Formal advertising | 18A:18A-4.1 et seq. |

**F. Increasing a Purchase Order Amount**

There may be times where a purchase order amount has to be increased to meet the needs of the district. Please contact the Business Office, in accordance with N.J.A.C. 6A:23A-6.10, he/she will identify and investigate the reason(s) for any increase to a purchase order.

**G. Renewal of Contracts—Services**

Any vendor contract for services other than professional services, may be extended or renewed by the Board of Education pursuant to the terms and conditions of N.J.S.A. 18A:18A-42 (o). The major conditions are as follows:

1. Renewal contract is awarded by board resolution;
2. No contract shall be extended so that it exceeds three (3) consecutive years;
3. Any price increase shall not exceed the quarterly Index Rate; and
4. Terms and conditions of the contract remain substantially the same.

The Business Administrator (Purchasing Agent) will notify all administrators of the preceding fiscal year of any vendor contracts that are eligible for renewals.

**H. Student Activity Account Purchases**

Pursuant to State Law N.J.S.A. 18A:18A-5(a) (21), purchases made through Student Activity Accounts that exceed the bid threshold shall be awarded by the Board of Education at a public meeting.

Examples of items purchased through Student Activity Funds that may require board approval are:

- Class Gift, Class Rings, Field Trips, Dances, Yearbooks

## SELECT PURCHASING TOPICS

**A. Technology Equipment & Resource Purchasing**

The IT Dept must approve all technology purchases such as: software, computers, printers, peripherals, network supplies, hubs/switches, technology resources, installation, etc. Therefore, please submit a work order requesting a quote. If the order needs to be entered, the quote will be sent to the requestor to enter a requisition. Please ensure the quote number appears on your requisition. If the order needs to be entered by the IT Dept, the order will be signed off by the Network Administrator and the requestor will be notified when the items are received.

**B. Field Trip Transportation**

The district field trip transportation requests are scheduled through the Business Office by the Secretary to the Business Administrator. Please follow the instruction below:

- Use the JotForm application for field trip requests.
- The requested will be contacted by the Business Office with regards to the cost for transportation and must generate the necessary requisition.

All employees are reminded of the following guidance as it pertains to field trip transportation:

1. After being contacted, the field trip must be Board approved.
2. Only after Board approval, a requisition must be prepared and processed prior to the date of the field trip;
3. In Systems 3000, upload a copy of the Board of Education resolution approving the field trip to the requisition.
4. All field trips using Board of Education funds 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 requisition.
5. The cost of field trips may be borne by the pupils' parents with the exception of pupils in special education classes and pupils with financial hardship. Reference—N.J.S.A. 18A:36-21.

**C. Meals; Refreshments and 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:

**1. 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.

- ***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 12-14OMB Section XI—Letter J)

**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

**2. Prohibited Activities—Meals and Refreshments**

- ***Athletic Activities***

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 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.

**3. Purchase of Food Supplies – Nutri-Serve Food Management and 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. Please utilize Nutri-Serve Food Management, vendor # 6583 Somers Point BOE Nutri-Serve, first for food and beverage needs. Should you need to request a different vendor, please contact the Business Office for guidance.

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

**4. Food Supplies**

New Jersey Administrative Code 6A:23A-16.5(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.

## D. Miscellaneous Permitted and Non-Permitted Purchases

**1. Permitted Purchases**

- Commencement; Convocation Activities

All reasonable costs for commencement; convocation activities are permitted.

- Field Trips / Extracurricular Activities

All field trips using Board of Education funds 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 requisition.

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

All library books; magazines, and multimedia 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**

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

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

### E. Textbooks; Approval and Purchase

#### 1. Approval of Textbooks

In accordance with state law (**N.J.S.A. 18A:34-1**), all textbooks must be approved by the Board of Education prior to their use in the educational program. Purchasing textbooks that have not been approved by the Board of Education is a violation of state law. The Supervisor of Curriculum has set up procedures to have textbooks approved by the Board of Education.

#### 2. Textbook Approval – Board of Education Resolution

Annually, textbooks must be approved by a Board of Education Resolution. If a new series is being recommended, a resolution of the board must be approved.

#### 3. Purchase of Textbooks and Curriculum Department Review

New Jersey Administrative Code 6A:23A-9.3(c) (12) requires the purchase of textbooks to meet one of the following conditions:

a. The purchase is in accordance with a textbook replacement plan;
b. Textbooks have been identified as stolen or destroyed; or
c. A change in curriculum or new edition requires a new textbook.

It is important that all requisitions for textbooks withstand any state or district audit review. The following documentation shall be attached to each purchase order for textbooks:

- explain the reason for the purchase; and
- provide documentation that the textbook was pre-approved.

**Budget Accounts**

As always, only textbooks and teacher editions of the textbooks may be purchased from the "640" object code. All other books and reading material must be purchased from the "600" or "610" series accounts.

### F. Books; Purchasing Procedures

#### 1. Purchases Must be Planned

All schools/offices buying books and workbooks must now plan appropriately. Administrators and supervisors are to direct teachers and staff members to have all purchase orders ready before the deadline or otherwise they will have to wait for the next Board of Education meeting.

**2. Requisition Review – Online Pricing or Price Quotations**

Each requisition for the purchase of books and workbooks will be reviewed by the Business Administrator (Purchasing Agent). It is expected that uploaded to the requisition will be either:

- Copies of the price quotation received from the sales representative; or
- Copies of the online pricing obtained from the company's website.

Shipping and handling costs must be confirmed by the sales representative or the customer service dept.

***Any book purchase order that does not have either the price quotation from the sales representative or copies of online pricing will be returned.***

## G. Travel Reimbursement--Purchase Order—Conferences and Workshops

The State of New Jersey, pursuant to N.J.S.A. 18A:11-12, has adopted strict travel guidelines for school districts to follow. All school officials and employees seeking travel reimbursement must adhere to the law and travel administrative code—N.J.A.C. 6A:23A-7.1 et seq. Please adhere to the PROCEDURES FOR SIGNING UP FOR PROFESSIONAL DEVELOPMENT Any questions, please contact the Superintendent's Office.

**At a minimum**, reimbursement for travel must meet the following requirements:

**PRIOR TO THE EVENT**-

a. The travel reimbursement, conference, professional development, etc. request must be submitted using Jotform prior to the event.
b. The request must be approved in Jotform by the Supervisor, Administrator or Principal, Director of Curriculum and the Superintendent.
c. After approval by the Superintendent in Jotform, the information will be put on the agenda by the Secretary to the Superintendent
d. The travel reimbursement, conference, professional development, etc. must be Board approved at a public Board of Education meeting, again, PRIOR to the travel event. NO EXCEPTIONS.
e. After Board approval, a requisition shall be done by the requestor.

**AFTER THE EVENT**- The following must be included and uploaded with the requisition in Systems 3000:

1. Approvals in writing
2. A copy of the Board approval/Board resolution;
3. Receipts for lodging, meals and tolls (when applicable);
4. Map quest or proof of mileage traveled;
5. Driver's License; Vehicle Registration; Insurance Card; and (when applicable);
6. Other documentation as requested.

# REQUISITION/PURCHASE ORDER PROCESS

## Receipt of Goods/Services

### A. Processing the Requisition/Purchase Order--Design of Purchase Order

The purchase order is made of four (4) sheets. Listed below are the names and the purpose of each sheet. (A requisition becomes a purchase order after all required administrators have approved the requisition in Systems 3000).

| Copy | Color | Disposition |
|---|---|---|
| Vendor Copy | White | The vendor's copy of the order and contract. |
| Voucher Copy | Yellow | Sent to the vendor for certification, receipt and acceptance of the order; this will be signed and returned to the District Office by the vendor. |
| Business Copy | Pink | District office's copy |
| Delivery/Receiving Copy | Gold | Returned to originator for signature/approval when order is fulfilled and returned to Accounts Payable Dept. when complete. ***Payment cannot be rendered without receipt of the gold copy. ***** |

### B. Receipt of Goods and Services

The originator of the purchase order and the school receiving the package(s) should follow the following process when receiving materials, goods, and services.

- There are times when orders are shipped to a different school. (i.e. order done by a secretary in Dawes Avenue School and delivered to Jordan Road School) Should this occur, it will be the responsibility of the school receiving the packages to ensure all packages are inventoried, delivered to the appropriate person(s) and that packing slips are sent to the originator of the order. It is the originator's responsibility to notify the receiving school of any orders scheduled to be delivered and to send a copy of the order to the receiving school.

1. **Receipt of Items Ordered**

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

a. Obtain the packing slips of items ordered. PACKING SLIPS NEED TO BE SENT OR GIVEN TO THE ORIGINATOR . This will let the originator know if the order is complete and/or what may still be outstanding. Should a packing slip not be provided, inform the originator that the item has been received. This will ensure the originator has the information they need to sign off on the order. This will also ensure accuracy and timely payments to the vendor.

b. Open boxes and check off items received.
c. If all items are enclosed, sign the Delivery Copy (gold) and remit to Accounts Payable.

**Receipt of Goods and Services—Responsibilities of Administrators; Supervisors**

Administrators/Supervisors are to ensure that all goods received have been checked in for accuracy. If the goods received match the purchase order and the packing slip(s) then the Administrator/Supervisor should sign the Delivery Copy (gold copy) of the purchase order.

Send the Delivery Copy (gold) to the Business Office to the attention of **Kelly Kimak, Accounts Payable.** To ensure timely payments, please have all signed Delivery Copies to Kelly Kimak by the first (1st) day of each month.

**Accounts Payable Procedures—Notification Process—Unreturned Paperwork**

There will be instances where the Business Office Accounts Payable will send a courtesy reminder to any school or office that has not returned the paperwork in a timely manner.

***Payments cannot be rendered without receipt of the signed Delivery Copy (gold). ****

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 should have back order written on those particular items.

  Process to Follow: Back Orders
  - Please DO NOT send the gold copy to the Business Office until the order is complete.

- ***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
  - Call the company and tell them what was missing and try to resolve the issue.
  - Once the order is complete, send the signed Delivery Copy (gold) 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 Delivery Copy, mark what items were returned and the reasons for being returned.
- Send the signed Delivery Copy to the Business Office.

***Problem:*** **Discontinued Item**

Sometimes the items you requested have been discontinued.

Process to Follow: Discontinued Item

- Mark on the Delivery Copy "discontinued" next to the item.
- Do not call the company for a replacement item. Contact the Business Administrator (Purchasing Agent) for direction.