# Carlstadt Public School Purchasing Manual

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**Business Administrator/Board Secretary**

2026-2027

# INDEX


| | Page # |
|---|---|
| Introduction and Purpose ……. | 3 |
| Ethics and Conduct in Purchasing; Vendor Relations…… | 5 |
| Public School Purchasing – Legal Authority……. | 8 |
| Methods of Procurement…… | 11 |
| Other Purchasing Procedures……. | 16 |
| Select Purchasing Topics……. | 19 |
| The Requisition and Purchase Order Process……... | 25 |
| Accounts Payable Section- Receipt of Goods/Services……. | 30 |
| Vendor Payment Process……. | 33 |
| Appendix List……... | 35 |
| Appendices A through W… (Pages 36-58) | |


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# INTRODUCTION AND PURPOSE

The purpose of this Purchasing Manual is to assist all Carlstadt Public School 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 Purchasing Policies;
- Federal Procurement Code--2 CFR 200.317 et seq., when applicable;
- NJQSAC Fiscal DPR Indicator #15;
- Local Finance Notices – NJ Division of Local Government Services; and
- Other laws and administrative code when applicable.

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

1. Compliance with the law, code and board policy on purchasing;
2. Promote efficiency in the purchasing practices; and
3. Honor our fiduciary responsibilities through proper purchasing practices.

**Proper Planning**
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 with all public-school purchasing procedures.

**Who Should Review this Manual?**
This manual should be reviewed with all administrators, 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 contact Tracy Luciani, Business Administrator at extension 3101.

## Deliberative Process—Purchases of Goods and Services Take Time!

- **Compliance with Law; Code; Board Policy**

Public school purchasing is a deliberative process, designed to ensure compliance with the Public-School Contracts Law, appropriate New Jersey Administrative Code, board of education policy and when applicable, Federal Procurement Code.

- **Limit Fraud**

The deliberative process also encompasses checks and balances and internal controls designed to limit fraudulent activities.

**Public school purchasing is indeed a time-consuming effort; please be patient!**

**Mandatory Training**
All school personnel involved in the requisition and purchasing process shall attend an annual training session concerning proper purchasing procedures.

**Recommending Purchases; Educational/Operational Rationale**
Administrators who recommend purchases should be able to explain and defend the need of the purchase and why the purchase is essential to the school district. Administrators who sign off on requisitions may have to provide an educational or operational rationale for the purchase based on the following:

- How will students learn or benefit from the purchase?
- What educational achievement or program may be linked to the purchase?
- How is the purchase of operational value to your school/office?
- Are the goods/services purchased useful for the long term rather than immediate need?
- Have inventories been checked to determine whether there is a real need for the purchase?

**Without QPA Certification—Current Bid Threshold--$39,000**
Any thresholds listed are based upon the assumption the School Business Administrator/Board Secretary does not possess a Qualified Purchasing Agent (QPA) Certificate and the board of education has set the bid threshold at the current maximum of $39,000.

## 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.

**Federal Code of Standards of Conduct**
The board of education, pursuant to **Federal Regulation 2 CFR 200.318 (c) (1),** hereby acknowledges the Ethics and Conduct in Purchasing section to be applicable to the selection, award and administration of contracts using federal funds. The code of conduct also applies to all purchases, notwithstanding the source of funding.

**A. Financial Interest in any Contract with the Board of Education—Prohibited**
No employee, officer, or agent of the Board of Education may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest.

Reference – N.J.S.A. 18A6:8

**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 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.

Reference—N.J.A.C. 6A:10-2.1 (7f); Board Policy 1540, 6362

**C. 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.
Reference Board Policy—N.J.A.C. 6A:10-2.1 (7f); Board Policy 1540.

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

Any vendor doing business or proposing to do business with the Carlstadt 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 Carlstadt 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 Carlstadt Board of Education, 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 Carlstadt 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 Carlstadt Board of Education.

**F. Disciplinary Actions for 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**

No employee, officer, or agent of the Board of Education may participate in the selection, award, or administration of any contract, if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. Ref. 2 CFR 200.318 (c) (1)

School district employees who are part of an evaluation committee to review responses of Request for Proposals (RFP) and/or 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—Contact the School Business Administrator**

Any school employee who thinks 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 School Business Administrator for guidance.

# CRIMINAL CODE CITATIONS

All school employees are reminded of the following New Jersey Criminal Code citations:

**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)

# REPORTING OF FRAUD

## REPORTING FRAUD, WASTE, AND ABUSE OF FEDERAL FUNDS

### Disclosure of Fraudulent Activities

The Board of Education will disclose all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award according to UGG, 2 C.F.R. § 200.113. Such disclosures will be reported in writing to the United States Department of Education and the New Jersey Department of Education, as well as local law enforcement officials.

### Fraud Hotline—Display in Public Place

The Board of Education, in compliance with ESEA legislation, posts the following information so that any individual who observes, detects, or suspects improper use of taxpayer funds can easily report such improper use.

The OIG Fraud Hotline—a 24-7 service that accepts tips, complaints, and allegations from all sources about possible theft, fraud, waste, abuse, mismanagement, public corruption, or whistleblower reprisals involving ED programs, operations, or funds.

https://oighotline.ed.gov

You may also call toll-free or write to the OIG: 1-800-MISUSED (1-800-647-8733)
Inspector General Hotline U.S. Department of Education
Office of Inspector General
400 Maryland Avenue, S.W. Washington, D.C. 20202

# PUBLIC SCHOOL PURCHASING—LEGAL AUTHORITY

**Authority to Purchase—School 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 (School Business Administrator) 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 terms "Purchasing Agent" and "School Business Administrator will be used interchangeably throughout the manual.

**Authorized Purchases**
All requests for purchases of goods and/or services must be made through a **signed and approved purchase order signed** by the Purchasing Agent, prior to the goods or services to be received.

**Purchase Order--Defined**
A purchase order, pursuant to N.J.S.A. 18A:18A-2 (v), 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 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 and sanctions for unauthorized purchases may be assigned by the Superintendent of Schools, which may include the employee pay for the unauthorized purchase.

## Corrective Action for Non-compliance

1. Memo to Administrator
   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.

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 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. The Board Attorney will be copied on the letter.

## District Sanctions for 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 DPR Indicator #15
   The school district is subject to a penalty of four (4) NJQSAC points by not being in compliance with the Fiscal District Performance Review Item #15, which prohibits confirming or unauthorized orders.

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.

4. Employee Sanctions
   The Superintendent of Schools may recommend to the Board of Education the filing of sanctions against any employee who does not comply with federal and state purchasing laws and code, board policy and district purchasing procedures. The sanctions may include, but are not limited to, paying for any unauthorized purchase, withholding of increment, suspension or tenure charges.

## Purchasing Prohibitions

**Employees Prohibited from Signing Contracts--Prohibition**
Board of Education employees are prohibited from signing any contract offered by a vendor.
The power to sign and execute vendor contracts after Board of Education approval lies with the Board President and the Board Secretary.

**Personal Liability**
Contracts signed by an employee shall be considered non-binding by the Board of Education, with the employee accepting full responsibility for the costs of the contract.

**Reimbursements; Employee--Prohibition**
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 that they personally purchase.

**Student Activity Accounts--Prohibition**
Purchases made through Student Activity Accounts may not be reimbursed with Board funds. The School Business Administrator will not sign purchase orders made payable to Student Activity Accounts for the aforementioned purpose.

**Private Purchases -- Prohibited**
Goods and services procured by the Board of Education 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 Board of Education are prohibited from privately purchasing goods and/or services from vendors whose bid prices and quotation prices are submitted to the Board.

## Purchasing Guidance

1. Cancellation of Purchase Orders--Guidance
   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.

2. Credit Cards Prohibited
   Pursuant to the New Jersey Department of Education Audit Program page I-5.9, a school district is not permitted to use a credit card for the purchase of goods and services. All purchases are to be made through the purchase order process in compliance with the Public School Contracts Law.

3. Contracts: Purchase Order Required--Guidance
   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. N.J.S.A. 18A:18A-2 (v). **Please Note: When a contract has been signed with a vendor for a purchase, please upload and attach the contract to the purchase order in CSI Budgetary Accounting.**

4. 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.

# METHODS OF PROCUREMENT

**A. Advertise for Bids (Purchases that exceed the bid threshold--$39,000)**

This method is used for procuring goods, materials, services and public work projects that exceed in the **aggregate** of the board of education approved bid threshold of $39,000.

**Examples of Bidding:**

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

Technology
Computer Supplies/Equipment
Printers / Computer
Interactive White Boards

Food Services Department*
Groceries and Canned Goods
Kitchen Equipment
Pest Control Services

Title I Testing
Test Scoring Services

District
Furniture
AV Equipment
Calculators

Athletics
Athletic Supplies/Equipment
Physical Ed Supplies/Equipment
Footwear

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.

N.J.S.A. 18A:18A-2 (l). "**Aggregate**" means the sums expended or to be expended for the provision or performance of any goods or services in connection with the same immediate purpose or task, or the furnishing of similar goods or services, during the same contract year through a contract awarded by a purchasing agent.

**Bids and Purchasing:**

**1. Bid Limit -- $39,000**

The Carlstadt 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 for the 2025-2026 school year is $39,000. 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 for the entire year, must be competitively contracted or advertised for bid. This restriction is for the entire district.

School officials cannot circumvent the law by splitting purchases to be under the $39,000 bid limit. Administrators that have purchases that may exceed the $39,000 bid limit, are to contact the Business Office to begin planning the bid process.

**The formal bidding process takes about 6-8 weeks to complete as explained the Appendix under Bid Process.**

2. **Annual Bids- N.J.S.A. 18A:18A-9**

   The Board of Education, to be in compliance with N.J.S.A. 18A:18A-9, requests administrators/supervisors and school principals start to plan and prepare for Annual Bids. The proposed timelines are as follows:

| | |
|---|---|
| **February-March** | Administrators/Supervisors prepare technical specifications to be reviewed by Purchasing Agent. |
| **April** | Purchasing Agent prepares final bid specifications to be drafted in a manner to encourage free, open, and competitive bidding. Bids are advertised pursuant to the Public-School Contracts Law. |
| **May/June** | Annual bids are received, opened, and tabulated by Purchasing Agent. |
| **May/June** | Bid resolutions are prepared by Purchasing Agent for Board of Education review and approval. |
| **June** | Purchase orders are generated by Administrators/Supervisors and presented to the Purchasing Agent for services to begin on July 1st. |
| **June/July** | Purchase orders are generated for goods and materials to be delivered to the schools for August delivery. |

3. **Bidding: Time Frame**

   As stated before, the formal bidding process usually takes about 6-8 weeks from start to finish. Please plan appropriately. An outline of the bidding process is located in the Appendix.

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 for bid for goods and services. Some of them are:

   a. Purchasing through New Jersey State Contract;
   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.
   f. Purchasing though a district approved Cooperative.

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

The Business Office should be contacted concerning exceptions to bidding.

**B. <u>Quotations (Purchases that fall between $5,850 and $38,999)</u>**

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

***Examples:***

| | |
|---|---|
| Athletic Supplies | Technology Equipment |
| Tech Supplies | Grounds Equipment |
| Repair Services | Musical Supplies |
| Furniture | |

<u>Award of Contract—Price and Other Factors</u>

The Board of Education is obligated to solicit at least two (2) competitive quotations and award the contract pursuant to N.J.S.A. 18A:18A-37 (a), to the vendor whose response is most advantageous, price and other factors included.

**<u>Quotations and Purchasing</u>**

1. <u>Quotation Limits--$5,850 through $38,999</u>
   The quotation limit (threshold) is now $5,850. 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 less than $38,999 for the entire year, must be competitively quoted or advertised for bid at the discretion of the Purchasing Agent.

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

2. <u>Quotation Process</u>
   All quotations shall be in writing and will be coordinated by the Business Office. When a quotation is deemed necessary, the Administrator or Principal is asked to contact the Business Office. The Business Office 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. <u>Receipt of Two (2) Quotations; Prefer Three (3) Quotes</u>
   Pursuant to N.J.S.A 18A:18A-37(a) the school district shall solicit two (2) quotations, if practicable. Evidence of the quotation process shall be kept on file. A copy of all quotations should be scanned, uploaded and attached to the PO in CSI.

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

| **Professional Services** | **Academic/Operational Services** |
|---|---|
| Medical | (Contracts less than $39,000) |
| Auditing; Accounting | Instructional Improvement |
| Legal | Educational Consultants |
| Engineering, Architectural | Professional Development |
| Special Education Related Services | |

<u>Award of Contract—Evaluative Criteria</u>
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 with the

**Best Practices in Awarding Service Contracts** (2010)

- 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; 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. <u>Competitive Contracting (Certain Contracts over $39,000)</u>**
This procurement method is used for certain contracts over $39,000.00.

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 are 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 make take 6-8 weeks to complete.

**E. State Contract—NJ Start--Purchasing**

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

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

❶ ***Office Supplies and School Supplies***

The Purchasing Agent will distribute separate memos highlighting State Contract vendors who sell Office Supplies and School Supplies. Please review these memos with your staff.

If you plan to purchase Office Supplies and School Supplies from the State Contract vendor, please follow the instructions on the memo.

❷ ***Computers/Technology***

Please contact the **Technology Coordinator at Ext. 3009**. They will be able to assist you with the technical aspects of purchasing computers and other technology needs.

❸ ***Copiers—Approvals Needed—Superintendent, SBA and Board of Education***

All purchases of copiers must be pre-approved by the School Business Administrator and the Superintendent of Schools. All purchase of copiers through the State Contract GSA pricing requires Board of Education approval pursuant to the requirements of N.J.A.C. 5:34-9.7.

**Other State Contract NJ START Purchasing**

The School Business Administrator is required to have Board of Education approval for all NJ START Contract purchases that exceed the bid threshold. All NJ START Contract purchases will be verified by the Business Office prior to processing.

Purchase Order Requirements--State Contract

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

1. State Contract Number;
2. State Contract System Identifier—**1 NJCP**
3. Notification of Award attached to the purchase order
4. Approved State Contract price list
5. Shipping and Handling included

# OTHER PURCHASING PROCEDURES

## A. Cooperative Purchasing

The Carlstadt Board of Education may use the services of an authorized cooperative purchasing entity to purchase goods and services. Recognized cooperative purchasing groups are, but not limited to:

- Boards of Education
- Educational Services Commissions
- Regional Services Commissions
- County Special Services Districts
- NJ Division of Purchase and Property (NJ START State Contract)
- National Cooperative Vendors

**Cooperative Purchasing System Identifiers- Include on Purchase Orders**
School districts are required by administrative code to identify the cooperative group and include the identification number on the purchase order. Please include the cooperative or NJ START contract name and number within the body of the purchase order.

## B. 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.

The emergency contract process is reviewed in the Appendix. Please note that the **Superintendent of Schools must be notified first** of all emergency purchase requests. Only the School Business Administrator may award an emergency contract.

## C. EUS—Extraordinary Unspecifiable Services

The EUS procurement method is used for the procurement of insurance and insurance consultant services. The School Business Administrator 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.

## D. 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 200.317 et seq. are in conflict or **more restrictive.** School districts, when procuring goods and services using federal funds, are to comply with the Federal Procurement Code 2 CFR 200.317 et seq. A more detailed explanation of procuring goods and services when using federal funds is found in the Appendix Section of this manual.

## E. Increasing a Purchase Order Amount

There may be times where a purchase order amount must be increased to meet the needs of the district. The School Business Administrator, in accordance with N.J.A.C. 6A:23A-6.10 will identify and investigate the reason(s) for any increase to a purchase order. A request to increase a purchase order amount must be approved by the Business Administrator.

## Vendors Doing Business with the District

**New Vendors**
The Business Office must enter new vendor information in CSI prior to using the services or goods of that new vendor. The Business Office also must receive certain legal documents from vendors prior to issuing a purchase order. Depending on the amount of the purchase order in the aggregate the following documents must be in the possession of the Business Office:

- Affirmative Action Evidence—Certificate of Employee Information Report
- Business Registration Certificate from the State of New Jersey
- Chapter 271 Political Contribution Disclosure form
- Russia-Belarus Disclosure Form
- Iran Financial Disclosure Form
- IRS W-9 Form
- Other documents required by Federal Procurement Code

See the Appendix for the Purchase Order Requirements Chart.

**Vendor Performance- Unsatisfactory**
It is hoped that vendors used by the school district provide goods and services in accordance with the terms and conditions of the contract. If any school official does not receive goods or services in a satisfactory manner, it is important the Purchasing Agent be informed.

**Debarment, Suspension or Disqualification– (N.J.A.C. 17:19-1.1 et seq.)**
The Board of Education will not enter into a contract for work with any person, company or firm that is on the State Department of Labor and Workforce Development; Prevailing Wage Debarment List, or the State of New Jersey Consolidated Debarment Report (www.state.nj.us/treasury/revenue/debarment/index.shtml) or the Federal System for Award—SAM.gov.

**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 five (5) 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 Office will notify all administrators in March of the preceding fiscal year of any vendor contracts that are eligible for renewals.

## Student Activity Account Purchases

The purpose of having student activity funds should be to finance the normal legitimate co-curricular activities of the student body organization. ***Only expenditures relating to student group activities, which benefit students, may be made from student activity accounts***. Student activity funds are monies generated by students' participation, authorized to be spent by students and expended on behalf of the students.

**Signing of Contracts with Vendors--Prohibited**
School officials are strictly prohibited from signing any contracts with vendors, unless expressly authorized by board resolution. All contracts with vendors shall be reviewed by the School Business Administrator, who if satisfied, will affix her signature to the vendor contract.

**Purchases—Bids May Be Required—Discretion of School Business Administrator**
The School Business Administrator is aware of the following exception to bidding.

*Goods and services paid with funds that: are raised by or collected from students to support the purchase of student-oriented items or materials, such as yearbooks, class rings, and a class gift; and are deposited in school or student activity accounts; and require no budget appropriation from the board of education;* N.J.S.A. 18A:18A-5 (a) (21)

It will be the determination of the School Business Administrator, whether an advertisement for bid will be required for a Student Activities purchase, which in the aggregate exceeds the bid threshold of $39,000.

**Purchases—Quotations Required**
Goods and services paid with student activity funds and require no budget appropriation from the board of education, are considered an exception to bidding under the New Jersey Public School Contracts Law. It is important to note however, that purchases less than the bid threshold may be subject to official quotations solicited by the School Business Administrator. Please alert the Business Office for any upcoming purchases that are more than $5,850.

**Purchases—Board Resolution Required Exceeding the Bid Threshold**
All purchases exceeding the bid threshold, currently $39,000, require prior board of education approval at a regularly scheduled meeting.

**Board Resolution -- Pursuant to N.J.S.A. 18A:18A-5 (a) (21)** all purchases from the student activity account that exceed the bid threshold must be approved by board resolution prior to the purchase being made.

Purchases of class gift, yearbooks, school rings, field trips, catering hall for proms, may fall in this category. Fund-raising contracts that exceed the bid threshold in the aggregate require a board resolution.

# SELECT PURCHASING TOPICS

## A. Field Trip

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

1. All field trips using Board of Education 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.
2. The cost of field trips may be borne by the pupil's parents with the exception of pupils in special education classes and pupils with financial hardship. Reference- N.J.S.A. 18A:36-21

## B. 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 20-04-OMB Section XI—Letter I)

**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:

- 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.

2. **Prohibited Activities for Meals; Refreshments; Catering**

- ***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. N.J.A.C. 6A:23A-7.12 (d); 6A:23A-5.8 (b) (4)

- ***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.
  Please note: the use of public funds (purchase order) for the purchase of employee recognition awards is permitted. For example—Retirement Plaques!

## Purchase of Food Supplies Guidance

1. **Purchase of Food Supplies-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 the supermarkets shall follow 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.

2. **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.

## Textbooks; Approval and Purchase

**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.

**Purchase of Textbooks and District Review**

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

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

All purchase orders for textbooks must withstand any state or district audit review. The following documentation shall be attached to each purchase order for textbooks:

**Textbook Order Rationale Form (See Appendix)**

This form, which must be completed and attached to the front of the purchase order, requires the administrator or supervisor to explain the reason for the purchase and provide documentation that the textbook was pre-approved.

**Budget Accounts**

As always, only 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.

## Professional Services/Consultants

Professional services, as defined in Title 18A:18A-5, do not require competitive bids or quotations, it is in the best interests of the Board of Education to obtain at least two written proposals for any professional service.

All Professional Service and Consultant contracts must be approved by the Board of Education. In additional the vendor must provide a copy of a NJ Business Registration Certificate and W-9.

## Travel 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 attending workshops and conferences must adhere to the law and travel administrative code—N.J.A.C. 6A:23A-7.1 et seq. **At a minimum**, purchase orders for travel must meet the following requirements:

**Written Approval of the Superintendent— prior to conference/workshop**

The travel shall be approved in writing by the Superintendent prior to the travel event. Documentation shall be provided with the purchase order for reimbursement.

**Board of Education Approval—prior to conference/workshop event**
The travel shall be approved by resolution at a public board of education meeting, again, prior to the travel event. The board approval meeting date should be in the body of the purchase order.

**Reimbursement Procedures**
Prior to being reimbursed for approved costs for the travel event, the following must be presented with the purchase order when applicable.

1. Approvals in writing;
2. Travel Report;
3. Receipts for hotel and meals (when applicable);
4. Mileage Travel Form;
5. Driver's License; Vehicle Registration; Insurance Card; and
6. Other documents when requested.

All public school employees must review all board policies and school administrative procedures with the School Business Administrator prior to planning the travel event.

**Additional Rules and Procedures**
Additional rules and procedures on travel are available by contacting the School Business Administrator.

## Fixed Assets

Generally Accepted Accounting Principles (GAAP) reporting, requires the district to maintain physical accountability over district owned assets. Fixed assets are property, plant or equipment, assets that are long-term and continued use, such as land, buildings, machinery, and equipment.

*Cost Determination of Fixed Asset*
For the purpose of this purchasing manual and to be in compliance with law and code, a fixed asset is a single item cost is $2,000 or more.

*Recording of Fixed Assets*
School officials ordering and receiving a fixed asset item, shall properly record the item on the purchase order in accordance with Business Office procedures. The fixed asset item shall also be identified with the district's bar-coding system.

*Disposal of Fixed Assets*
All school district property must be disposed in a manner prescribed by law as per the Records Retention Schedule prepared by the New Jersey Bureau of Records Management. The Business Office will assist all school officials is the disposal of all school property, especially those identified as fixed assets.

## Purchase of Food Supplies Guidance

1. **Purchase of Food Supplies – Supermarkets**
   New Jersey state law and code exclude the purchase of food supplies from the bidding process if the food supplies are for the school cafeteria or home economics classes. Many schools and offices have prepared purchase orders to:

   **Shop Rite**

   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.

2. **Food Supplies**
   New Jersey Administrative Code 6A:23A-16.5 (b) clearly notes that food supplies include only supplies that are consumable as food or drink and substances that may enter into the composition of food in the operation of a school cafeteria or in a home economics class. Administrators, directors, supervisors, and principals are to ensure that purchases from the supermarkets have only items listed that follow the code. The Business Office will review the cash register receipts and highlight those items that do not follow the code.

## Purchase Order Deadline--Annual Notification

The deadline for submitting purchase orders for the current operating budget is on or about **May 1**, unless on an earlier date set by the Business Administrator or Superintendent. Exceptions to the deadline date may be done for purchases of the following:

- End of the year activities—field trips, graduation, assemblies;
- Employee contractual obligations—tuition reimbursement;
- Emergency contracts;
- State and/or federal funded program grant programs;
- Travel reimbursements; and
- Other goods, materials or services approved by the School Business Administrator or the Superintendent.

# Contracted Service Providers—Protecting Our Children

**Regular Contact with Students**
There may be times during the performance of a vendor contract, where a contracted service provider may come in contact with students of the school district. The district fully understands its obligation to provide to all students and staff members, a safe educational environment. To this end, the district will be requiring all contracted service vendors who come in **regular contact with students** to comply with the following requirements.

**Anti-Bullying Reporting--Requirement**
When applicable, the contracted service provider shall comply with all applicable provisions of the New Jersey Anti-Bullying Bill of Rights Act—N.J.S.A. 18A:37-13.1 et seq., all applicable code and regulations, and the Anti-Bullying Policy of the Board of Education. In accordance with N.J.A.C. 6A:16-7.7 (c), a contracted service provider, who has witnessed, or has reliable information that a student has been subject to harassment, intimidation, or bullying shall immediately report the incident to any school administrator or school patrol officer, or the School Business Administrator/Board Secretary.

**Criminal History Background Checks—N.J.S.A. 18A:6-7.1--Requirement**
When applicable, the contracted service provider, shall provide to the school district prior to commencement of contract, evidence or proof that each employee assigned to provide services and that comes in **regular contact with students**, has had a criminal history background check, and furthermore, that said background check indicates that no criminal history record information exists on file for that worker. Failure to provide a proof of criminal history background check for any employee coming in regular contact with students, prior to commencement of contact, may be cause for breach of contract. No employee of a contracted service provider shall commence work at a school facility without having first obtained an approval for employment from the Office of Student Protection. NJ Broadcast 9/9/2019.

**Pre-Employment Requirements**
When applicable, all contracted service providers, whose employees have **regular contact with students**, shall comply with the Pre-Employment Requirements in accordance with New Jersey P.L. 2018 c.5, N.J.S.A. 18A:6-7.6 et seq. Contracted service providers are to review the following New Jersey Department of Education—Pre-Employment Resource P.L. 2018 c.5 link below for guidance and compliance procedures.

https://www.state.nj.us/education/crimhist/

# The Requisition and Purchase Order Process
## Roles and Responsibilities

### A. Preparing a Requisition

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

1. **Requisitions are typed** -- All requisitions are entered in the District requisition system.
2. **Vendor's Name**--All Board checks are made payable to the vendor name (top line) listed on the purchase order/requisition. Please ensure the proper vendor name is printed on the requisition.
3. **Vendor's Complete Address** -- The purchase order must include the vendor's complete address and phone number. Post Office Box addresses are not acceptable unless they are from major, well-known companies.
4. **Current Budget Year Included** -- The current budget year must be included in the body of the Purchase Order/Requisition.
5. **Description of Items, Services, Costs, and Catalogue Numbers** -- Items and/or services requested are to be described clearly with correct and up-to-date catalog numbers/ISBN and costs. Brand names, model numbers, colors, sizes, and other descriptive items are required.
6. **Shipping Costs**--Shipping and handling costs are to be added to all purchase orders. 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, type:

   **"10% Estimated Shipping and Handling"**

   If there are no shipping and handling charges, type on requisition/purchase order:

   **"Shipping and Handling Included"**

7. **Delivery Address--Attention of** -- The delivery address should include the name of a person or a specific department.
8. **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, 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, 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 for then uncrating, setting up, and assembling items to determine good working order and removing

all debris to the satisfaction of the Board of Education within five (5) working days. Please ensure that all purchase orders have the correct delivery designation.

9. **Total Cost** -- Please include the words "Total Cost" on the purchase order with the actual amount of the order. *Minimum Order* -- the minimum order amount for all purchase orders is $25.00. Please try to plan and combine orders to exceed the $25.00 limit.

10. **Budget Account Number** -- Please be sure the correct Budget Account Number is typed on the requisition.

11. **State Contract Orders** -- When ordering through NJ START State Contract vendors (minimum order $100.00), please note the following:

    a. State Contract Number must be included on the requisition;
    b. **1NJCP** must be included on all State Contract requisitions and purchase orders;
    c. Shipping and Handling Included; and
    d. Appropriate documentation when required.

    Special guidance will be issued as it pertains to State Contract purchases.
    As a reminder, the minimum order amount for a State Contract purchase is $100.00

12. **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.

13. **Bids** -- If bids are obtained, please include the following on the requisition:

    a. Bid Date; and
    b. Bid Number.

14. **New Jersey State Sales Tax—School Districts Exempt**
    The Board of Education is exempt from paying New Jersey Sales Tax.
    New Jersey local school districts are political subdivisions of the State. Their purchases are exempt from New Jersey sales and use taxes, and the Board is not exempt from paying out-of-state sales and use taxes.

    **ST-5 Form Not Required**
    An exempt organization ST-5 certificate or number is not required for the local school district, public school, or board of education to make tax-exempt purchases. ST-5 Exempt Organization Certificates are never issued to New Jersey government entities, including public schools. Their official letterhead or official purchase order, signed by a school official, is sufficient proof to the vendor that they are exempt from paying sales taxes. Payment must be made by a school check, including a student activity fund check or a school voucher.
    *Reference—NJ Division of Taxation Tax Bulletin TB-49*

**Responsibilities of Administrator/Supervisor or Principal**
The person authorized to approve requisitions must ensure the following are reviewed before the requisition is sent to the School Business Administrator.

1. **Funds Available**

They must verify whether their budget has sufficient funds *to cover the purchase order amount*.

2. **Requisition Completion**

They must check to determine that items 1-14 previously noted (Responsibilities of the Originator) have been *properly completed*.

3. **Operational or Educational Need for Purchase**

Administrators, directors, supervisors, and principals who approve requisitions should be able to explain why the purchase is essential to the school district. They should be able to support the purchase as an educational or operational need for the district. Of most importance, they should be able to answer the following:

- How will students learn or benefit from the purchase?
- What educational achievement or program may be linked to the purchase?
- How is the purchase of operational value to your school/office?

Requisitions are to be approved online by the appropriate administrator.

4. **Approval of Principal**

Central office administrators, directors, 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.

It is the responsibility of the central office administrator/supervisor to obtain the signature of the principal.

5. **Originator Copy**

The originator copy of the purchase order remains in the office of the administrator/ supervisor/principal. When preparing a requisition, please retain a copy for your files.

6. **Receiving Copy**

Once the purchase order has been approved, the Business Office will email the purchase order to the vendor and copy the originator. The receiving copy of the purchase order shall be kept until goods/serviced have been received. Upon receipt the originator signs the receiving copy of the purchase and provides copy to accounts payable. If you do not receive the receiving copy within two (2) weeks, please contact the Business Office.

## C. <u>Responsibilities of Business Office</u>

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

- **Available Funds**—The Requisition system will not permit a requisition to be finalized if there are insufficient funds in the account. If preparing a PO, be sure to check for funds availability.

- **What is being ordered and the cost**--The Purchasing Agent reviews the technical aspects of the purchase order to ensure compliance with Federal and State Law and Board Policy.

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

| | |
|---|---|
| The Quotation Limit | **$ 5,850.00** |
| The Bid Limit | **$39,000.00** |

A determination will be made by the Purchasing Agent whether the district has to solicit quotations or advertise for a bid.

**Document Check**
Pursuant to various State Laws, the 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 and over (cumulative)
- Business Registration Certificate (BRC) – Purchases $5,850.00 and over
- Chapter 271 – Political Contribution Disclosure Form (PCD)
    - Purchases over $17,500.00 (cumulative)
- Iran Financial Disclosure Form
- IRS W-9 Form
- Russia, Belarus Form
- Other Federal Procurement Documents.

**Technical Review of Purchase Order --** The purchase order is also reviewed for technical aspects as

- Account number missing or incorrect;
- Shipping charges added;
- Signatures missing;
- State contract numbers incorrect/missing;
- The vendor address is incomplete.

Incomplete or improper purchase orders/requisitions will be returned with an explanation of deficiencies.

If the Purchasing Agent is satisfied, they sign the purchase order and/or approve the requisition. The Business Office will then:

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

**Purchase Order Process--Deliberative Process—Five to Ten Days**

As explained, the purchase order process may take 5 to 10 days to complete. Public school purchasing takes time, as it is a deliberative process designed to comply with the law and limit fraudulent activities. Please plan accordingly.

**Transfer of Funds**--The Business Office processes purchase orders only if appropriate funds 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 the School Business Administrator.

All fund transfers must 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 to the vendor the purchase order and the voucher. If the purchase order amount is less than $5,850.00 (15% of the Bid Threshold per Title 18A Section 18A:19-3), the vendor is not required to sign and return the voucher. If the purchase order amount is $5,850 or more, the vendor must sign the voucher and return it to the Business Office with an invoice. If you receive a signed voucher or invoice, send it to the Business Office. A check is prepared for the vendor once the Business Office has a:

- Signed voucher (if required)
- All packing slips
- Invoice
- Signed receiving copy

The award of a 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.

# ACCOUNTS PAYABLE SECTION
## Receipt of Goods/Services

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

The purchase order consists of three (3) sheets, each color coded for a certain purpose. Listed below are the names and the purpose of each sheet.

| Copy | Color | Disposition |
|---|---|---|
| Voucher Copy | White | Sent to vendor for signature and to order items/provide services |
| Invoicing Copy | Yellow | Remains on file in accounts payable with back-up |
| Receiving Copy | Green | Sent to originator; returned to accounts payable upon receipt of goods |

**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**

   All items received be immediately checked. Please note the following:

   a. Obtain a copy of the purchase order and packing slip of the 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 slips to the receiving copy of the purchase order.
   d. The school principal/office supervisor should sign the receiving copy and send it with the packing slip to the

**Accounts Payable, c/o Business Office**

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

Administrators, directors, supervisors, and principals 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, then the administrator 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.

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

There will be instances where the Business Office Accounts Payable Office will send a courtesy reminder to any school or office that has not returned the paperwork in a timely fashion. The School Business Administrator has approved the following procedures.

- **Thirty (30) Day Notice—Original**
  The Accounts Payable 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 Accounts Payable 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 Accounts Payable Office will send a Final Notice reminder seven (7) days later if no paperwork is received from the school or office.

- **Superintendent's Office Contacted—Three (3) Days**
  The School 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 of purchase orders and packing slips should be signed and sent to the Business Office within seven (7) days of receipt of items.**

The Board 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. **Paying Bills in a Timely Fashion—within 30-60 days** and **Paying Bills Pursuant to State Law—within 90 days N.J.S.A. 18A:18A-10.1**

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.

- ***Problem:*** **Items Missing from the Order**
  Sometimes, items are marked on the packing slip as they were delivered but are missing from your shipment.

  ***Process to Follow:*** **Items Missing**
  - Call the company and tell them what was missing.
  - Mark what items were missing on the receiving copy and packing slip.
  - 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/wrong item in the next shipment, check off your copies of the receiving copy and return them to the Business Office.

- ***Problem:*** **Discontinued Item**
  Sometimes the items you requested have been discontinued.

  ***Process to Follow*: Discontinued Item**
  - Mark on the receiving copy (pink) of the purchase order "discontinued."
  - Do not call the company for a replacement item. You must complete a new purchase order.

# VENDOR PAYMENT PROCESS
## Contracted Services

## Role of School District

**Purchase Order Contract Amount—Not To Be Exceeded!**
The contracted services vendor/provider (vendor) receives a purchase order from the Purchasing Agent notifying the vendor that services may begin.

The purchase order has a total contract amount. This contract amount may not be exceeded unless authorized by the Board of Education in writing.

**Monitoring Contract Amount—District Administrator Responsibility!**
The School Business Administrator asks all district administrators to monitor all vendor bills and invoices to ensure they do not exceed the total contract amount. Administrators are asked to contact the Purchasing Agent, forty-five (45) days in advance, if the total contract amount is close to being exceeded. The Purchasing Agent then can begin a process to exceed the purchase order amount pursuant to administrative code.

**Exceeding Contract Amount—Unauthorized Service!**
If any administrator permits a vendor to exceed the contract amount, the administrator has permitted an unauthorized service, which is similar to an unauthorized purchase. Administrators are asked to monitor the dollar amount of services being provided to the district.

**Monitoring Contract Amount—Vendor Responsibility!**
The district asks all vendors to also monitor all bills and invoices to ensure they do not exceed the total contract amount. Vendors are asked to contact the respective administrator, forty-five (45) days in advance if the total contract amount is close to being exceeded.

**Exceeding Contract Amount –- Written Authorization!**
Contracted vendors may only exceed the amount on the purchase order when authorized by the School Business Administrator in writing. The authorization will be in the form of a new purchase order being issued to the contractor signed by the Purchasing Agent.

**Submission Deadlines – Third Tuesday of Each Month**
The Board of Education traditionally meets on the third Tuesday of each month. The Business Office asks that all bills and invoices for payment be submitted at least 5 days prior to the meeting date.

The Business Office cannot begin the payment process until the receiving copy is received by the Accounts Payable Clerk.

**End of Year Billing/Cancellation of Purchase Orders**
Administrators are to work with contracted service vendors so that end of the year invoices are submitted to the Business Office in a timely fashion. This is imperative. In order to comply with the State of New Jersey Department of Education requirements, the district has adopted a policy of canceling open purchase orders at the end of the fiscal year. All invoices must be billed within thirty

(30) days of services to meet the State Department of Education deadline. If we are not in receipt of your invoice within the thirty (30) day deadline, we will not be able to process payment in a timely fashion and the corresponding purchase order may be cancelled, thereby causing a delay in payment.

# APPENDIX

A. Formal Bid Process

B. Emergency Purchases/Contracts

C. Chart—Purchase Order Requirements

D. Vendor Letter—Unauthorized Purchases

E. CSI PO/Requisition Entry Screen

F. Copy of Purchase Order

G. Purchasing Cooperative List

H. Federal Contracts

I. Federal Contracts—Chart of Thresholds

J. Petty Cash Rules

K. Purchasing Policy List

L. Iran Investment Activities Disclosure Form

M. Russia/Belarus Disclosure Form

N. NJ Business Registration Certificate Requirements

O. Chapter 271 Political Contribution Disclosure Form

P. Concessions Procurement

Q. State Law-Paying Vendors

R. Textbook Rationale Form

(Appendix A)

## ***FORMAL BID PROCESS***

| **Process** | **Timeline** |
|---|---|
| Initial request to bid made by Administrator/Supervisor.<br>Certification that funds exist. | One Day |
| Review of specifications, fully outlining items, materials, or services to be bid by the Purchasing Agent. | One Week |
| Return of reviewed specifications to Administrator/Supervisor for final approval.<br>Administrator/Supervisor signs off final approval. | One Week |
| Bid package prepared by the 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.<br>Bids are opened and read publicly. | 10-20 Days |
| Bid results are reviewed by: a. Administrator/Supervisor<br>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.

(Appendix B)

# 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. Federal and State of New Jersey *Declarations of Emergencies* may also apply. The School Business Administrator will contact the Board Attorney for guidance on such declarations.

**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, wherein the emergency occurred 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 with the Purchasing Agent as soon as possible.

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. **Acknowledgement by Board of Education**
   The Board of Education, at its next regular Board of Education Public Meeting, shall review and acknowledge said emergency purchase. This may be done by board resolution.

(Appendix C)

## PURCHASE ORDER REQUIREMENTS

| *CONTRACT/PURCHASE ORDER THRESHOLDS (AGGREGATE)* | *AFFIRMATIVE ACTION EVIDENCE (AA)* | *BUSINESS REGISTRATION CERTIFICATE (BRC)* | *CHAPTER 271 PCD (PAY TO PLAY) (271)* | *RUSSIA BELARUS FORM (Goods and Services Only)* |
|---|---|---|---|---|
| **$1,000.00 and over** | (a) | No | No | **YES** |
| **Up to $5,849** | (a) | No | No | **YES** |
| **$ 5,850 - $17,499** | (a) | **YES** | No | **YES** |
| **$17,500 - $38,999** | (a) | **YES** | **YES** | **YES** |
| **$39,000 - and over** | **YES** | **YES** | **YES** | **YES** |

| **Affirmative Action Evidence Exemptions** | **Business Registration Certificate Exemptions** | **Chapter 271 (PCD) Exemptions** |
|---|---|---|
| • Contracting Units Subject to Title 40A:11<br>• State of New Jersey Contract Purchases<br>• Boards of Education including Educational Services Commissions<br>• Other contracting units, e.g. County and State Colleges and local authorities, Boards, etc. | • Contracting Units Subject to Title 40A:11<br>• State of New Jersey Contract Purchases<br>• Boards of Education including Educational Services Commissions<br>• Other contracting units, e.g. County and State Colleges and local authorities, Boards, etc.<br>• Non-profit Organizations<br><br>***Exempt Situations***<br>• Emergency Purchases – No payment unless BRC is on file.<br>• Employee settlements paid to attorneys;<br>• Establishments that are out of state & business being conducted takes place out of state, e.g., hotels, band camps, seminars, theatres, etc.<br>• Purchase made entirely through School Student Activity Funds. | • Contracting Units Subject to Title 40A:11<br>• State of New Jersey Contract Purchases<br>• Boards of Education including Educational Services Commissions<br>• Other contracting units, e.g. County and State Colleges and local authorities, Boards, etc.<br>• Non-profit Organizations<br>• New Jersey School Boards Association<br>• Contract Renewals<br>• Public Utilities, e.g., PSE&G<br><br>***Exempt Situations***<br>• Emergency purchases;<br>• Litigation payments to parties through court order. |

**Iran Disclosure Form –** It is suggested that school districts request this form from all vendors doing business with the district.

(Appendix D)

Carlstadt Public School
550 Washington Street
Carlstadt, NJ 07072

**TO: All Vendors** **Date: _____**

***UNAUTHORIZED ORDERS***

***Official Notification***

**Authorized Purchases**

The Carlstadt Board of Education only recognizes purchases made through the approved purchase order process. All purchases made by the Carlstadt Board of Education require:

- ***Written Purchase Order;***
- ***Purchase Order Number; and an***
- ***Authorized Signature (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.

**Vendors' Responsibility**

- **Do NOT Honor Requests!**

  Vendors are not to honor or accept any requests for goods or services unless the vendor receives a written purchase order with an authorized signature and a purchase order number.

- **Contact the Business Office!**

  Please alert Tracy Luciani at 201-672-3000 ext. 3101if any Board employee attempts to place an order without an authorized purchase order.

- **You will NOT Get Paid!**

  The Carlstadt Board of Education will not be held responsible for any unauthorized orders or unauthorized purchases.

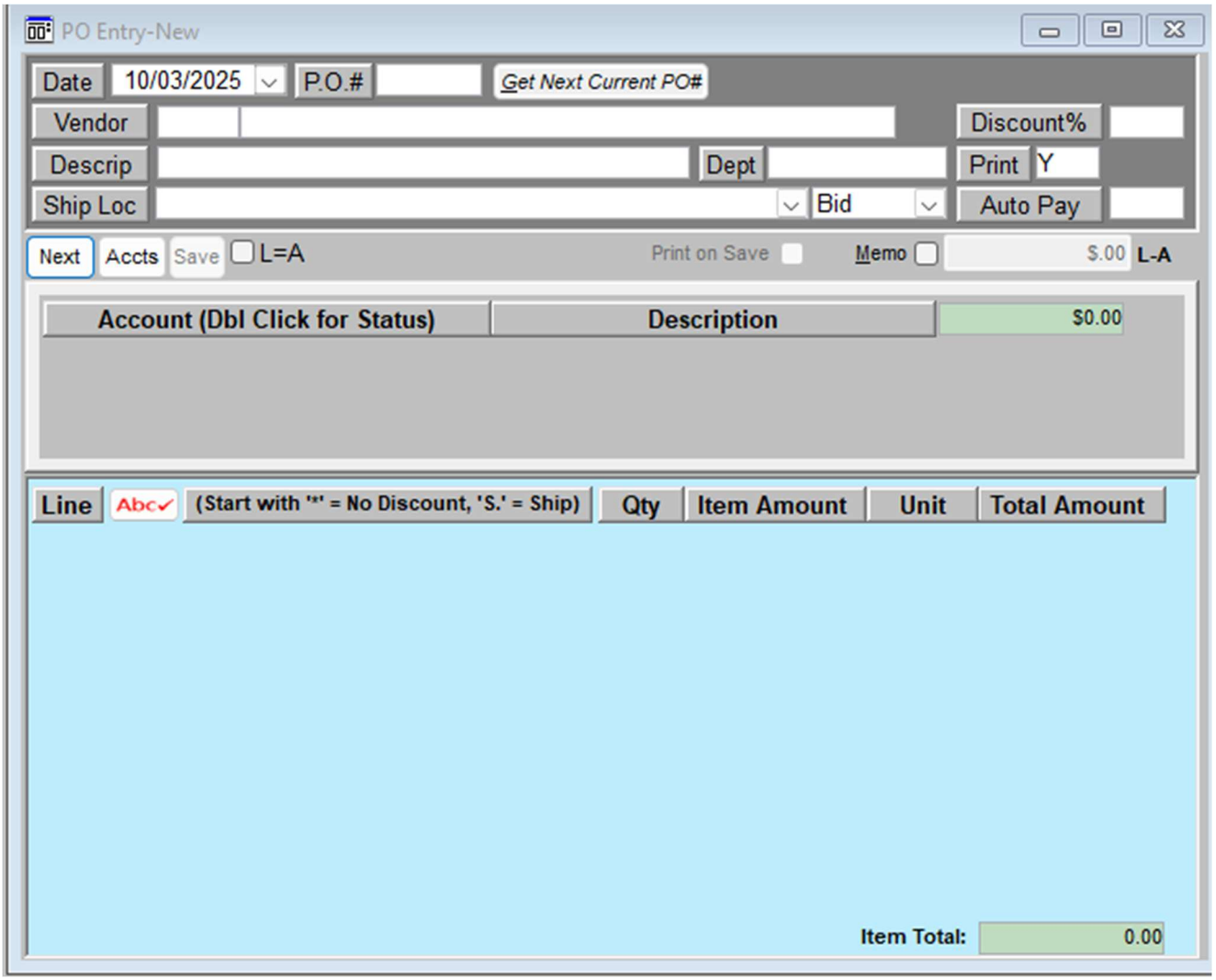
**Authorized Signatures**

The Carlstadt Board of Education will only recognize purchase orders signed by:

**Tracy Luciani**
**Business Administrator, Board Secretary**

(Appendix E)

**CSI PO/Requisition Entry Screen**



Appendix F

SEND ALL INVOICES TO →

**PURCHASE ORDER**

CARLSTADT BOARD OF EDUCATION
550 WASHINGTON STREET
CARLSTADT, NEW JERSEY 07072
(201) 672-3000 EXT. 3007 • FAX (201) 672-9845
Tax Exempt No: 22-6001705

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES & CORRESPONDENCE

Page 1 of 1
Copy 1

| Account Code | Amount |
|---|---|
| | |

Ship to

To:

Date: Dept:

| Qty | Unit | Description | Unit Price | Amount |
|---|---|---|---|---|
| | | | | |

Total for Lines

*ALL MATERIALS & SUPPLIES ORDERED MUST BE LABELED ACCORDING TO THE NEW JERSEY WORKER & COMMUNITY RIGHT-TO-KNOW ACT N.J.S.A.34:5A-1 et seq. SPECIFICALLY 34:5A-30. LABELS AND MSDS SHEETS MUST BE SUPPLIED WITH SHIPMENT.*

**CLAIMANTS'S CERTIFICATION & DECLARATION**

I do solemnly declare and certify under penalties of the law that the within bill is correct in all its particulars, that the articles have been furnished or services rendered as stated herein, that no bonus as been given or received by any person or persons within the knowledge of this claimant in connection with the above claim, that the amount therein stated is justly due and owing, and that the amount charged is a reasonable one

X

SIGNATURE TITLE

ARE YOU INCORPORATED?

☐ YES ☐ NO

TAX I.D. # OR SOC. SEC. #

**NOT VALID UNLESS SIGNED BY THE BUSINESS ADMINISTRATOR**

BY

BUSINESS ADMINISTRATOR

***VOUCHER COPY - SIGN AT X AND RETURN FOR PAYMENT***

Appendix G

## Purchasing Cooperative List

1. **ACES Cooperative Purchasing System**
   https://www.aces-nj.com/

2. **Education Data Services, Inc. Cooperative Procurement Management**
   https://www.ed-data.com/

3. **Educational Services Commission of New Jersey (Formerly Middlesex Regional Educational Services Commission)**
   https://www.escnj.us/

4. **Hunterdon County Educational Services Commission**
   http://www.hunterdonesc.org/hcesc/

5. **New Jersey Cooperative Purchasing Alliance**
   http://www.bergenbids.com/

6. **OMNIA Partners (Formerly National IPA and US Communities) (National Cooperative)**
   https://www.omniapartners.com/

7. **Sourcewell (formerly National Joint Purchasing Alliance) (National Cooperative)**
   https://www.sourcewell-mn.gov/

Information on the New Jersey Cooperative Pricing System:
http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl_docs/copurguide.doc

Information on how to use National Purchasing Cooperatives
https://www.nj.gov/dca/divisions/dlgs/lfns/12/2012-10.pdf

(Appendix H)

# FEDERAL CONTRACTS

**Examples of Federal Funding Sources—Elementary and Secondary Education Act (ESEA)**

- Title I, Part A – Improving Basic Programs Operated by LEA's
- Title II, Part A – Teacher and Principal Training and Recruiting
- Title III– English Language Acquisition and Language Enhancement
- Title III—Immigrant Education Program
- Title IV, Part A – Student Support and Academic Enrichment Program

**Other Examples of Federal Funding Sources**

- I.D.E.A. Part B Handicapped
- Perkins Vocational Education
- National School Lunch Program
- National School Breakfast Program
- ESSER Act- Elementary and Secondary School Emergency Relief Act 2020
- CARES Act- Coronavirus Aid, Relief and Economic Security Act 2020

**Federal Procurement Guidelines—Federal Regulations 2 CFR Part 200.318 et seq.**

School districts, when procuring goods and services using federal funds, shall comply with Federal Regulations Procurement Standards 2 CFR 200.318 et seq., and the New Jersey Public School Contracts Law.

## Methods of Procurement- When Using Federal Funds

All procurement transactions must be conducted in a manner providing full and open competition. (2 CFR 200.319). Examples of procurement methods to be used.

**New Jersey Department of Education Guidance on Federal Spending**
All school districts must comply with federal regulations and the Public School Contracts Law and should adhere to the guidance provided by the New Jersey Department of Education in the publication ***Navigating the Uniform Grant Guidance.***

- **Micro-purchases—Purchases less than $5,850.00**

The Purchasing Agent shall use sound business practices for purchases in the aggregate that do not exceed $6,600.00. Reference--2 CFR 200.320 (a) and 2 CFR 200.67

- **Small Purchase Procedures—$5,850 through $38,999**

The Purchasing Agent shall use the competitive quotation process as outlined in N.J.S.A. 18A:18A-37 (a) or the Request for Proposal process, when applicable, in procuring goods and services in the

aggregate of more than $8,850.00 and less than $39,999. It is recommended that the district solicit three (3) quotations. Reference--2 CFR 200.320 (b) and 2 CFR 200.88

- **Sealed Bids—$39,000 or more**

The Purchasing Agent shall use the competitive bid process to procure those contracts which in the aggregate exceed the $39,000 bid threshold. The contract shall be awarded to the vendor who submits the lowest responsible bid for a firm fixed contract price—lump sum or unit cost.
Reference--2 CFR 200.320 (c),

- **Competitive Proposals—$39,000 or more**

The Purchasing Agent shall use the Request for Proposal (RFP) or competitive contracting process when procuring certain contracts which in the aggregate exceed the $39,000 bid threshold, which are to be awarded by an evaluative process, rather than a firm fixed contract price. Reference--2 CFR 200.320 (d) and N.J.S.A. 18A:18A-4.1 et seq.

- **Non-competitive Proposals (Sole Source)**

Although the Federal government recognizes contracts may be awarded to sole source vendors through non-competitive proposals, the Purchasing Agent shall use the competitive proprietary bid process or the competitive contracting process for sole or single source contracts.
Reference 2 CFR 200.320 (f) and N.J.S.A. 18A:18A-15. The amounts listed are subject to change.

**Debarment and Suspension for Federal Contracts; Confirmation of Vendor on SAM.gov/Exclusions-- Excluded Parties List System (EPLS); *Debarment and Suspension (E.O. 12549 and E.O. 12689)*.**
A contract award (see 2 CFR 180.220) will not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM.gov.) Prior to contracting with a vendor, the School Business Administrator shall use the System for Award Management (SAM) (SAM.gov/Exclusions) to search for the vendor by name, tax identification number, or another characteristic to verify the vendor has not been suspended or debarred from performing federally funded work.

This is part of the Federal Excluded Parties List System (EPLS), which is an electronic directory of individuals and organizations that are not permitted to receive federal contracts or assistance from the United States government. It is recommended that evidence of verification (printout from SAM.gov/content/Exclusions) be maintained in procurement files for each contract awarded.

**Federal Programs/Targeted Students—Include on Requisitions/Purchase Orders**
Purchase orders using Federal Funds shall include on the document:

- Name of Federal Program
- Quotation, bid number, if applicable
- Name of Cooperative Purchasing Entity; if applicable
- Board approval date; if applicable
- Location(s) of equipment
- Federal funding account numbers can easily be identified if split funding
- Approved CIP Code; if required

**Stevens Amendment—Statement on Bid Advertisement**
The Board of Education recognizes its obligation as it pertains to the Stevens Amendment, Section 8136 of the Department of Defense Appropriations Act (P.L. 104-134, Sec.507) which requires the board of education to state clearly the percent (%) of the total cost of this project will be financed through Name of Federal Grant.

## REPORTING FRAUD, WASTE, AND ABUSE OF FEDERAL FUNDS

### Disclosure of Fraudulent Activities

The Board of Education will disclose all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award according to UGG, 2 C.F.R. § 200.113. Such disclosures will be reported in writing to the United States Department of Education and the New Jersey Department of Education, as well as local law enforcement officials.

(Appendix I)

# Federal Contracts—Chart of Thresholds

| Description of Goods/Services | Amount | Procurement Method |
|---|---|---|
| Goods and Services | Less than $5,850 | Sound Business Practice |
| Goods and Services | $5,850-$38,999 | Quotation or Bid |
| Goods and Services | $39,000 or more | Sealed Bid |
| | | |
| Professional Services | Less than $5,850 | Simple Proposal |
| Professional Services | $5,850-$38,999 | Request for Proposals (RFP) |
| Professional Services | $39,000 or more | Competitive Contracting |
| | | |
| Educational Consultant Services | Less than $5,850 | Simple Proposal |
| Educational Consultant Services | $5,850 - $38,999 | Request for Proposals (RFP) |
| Educational Consultant Services | $39,000 or more | Competitive Contracting |
| | | |
| Instructional Improvement Services | Less than $5,850 | Simple Proposal |
| Instructional Improvement Services | $5,850 - $38,999 | Request for Proposals (RFP) |
| Instructional Improvement Services | $39,000 or more | Competitive Contracting |
| | | |
| Professional Development Services | Less than $5,850 | Simple Proposal |
| Professional Development Services | $5,850 - $38,999 | Request for Proposals (RFP) |
| Professional Development Services | $39,000 or more | Competitive Contracting |
| | | |
| Sole Source (Proprietary) | Less than $5,850 | Simple Proposal |
| Sole Source (Proprietary) | $5,850 - $38,999 | Proprietary Quotation |
| Sole Source (Proprietary) | $39,000 or more | Proprietary Bid |
| | | |
| Services Provided by Government Units/Schools | Less than $5,850 | Simple Proposal |
| Services Provided by Government Units/Schools | $5,850 - $38,999 | Request for Proposals (RFP) |
| Services Provided by Government Units/Schools | $39,000 or more | Competitive Contracting |
| | | |
| Construction; Public Works | Less than $5,850 | Written Proposal; PW Documents |
| Construction; Public Works | $5,850-$38,999 | Quotation or Bid |
| Construction; Public Works | $39,000 or more | Sealed Bid |

**The District shall issue a public notice when using the Sealed Bid or Competitive Proposal Process.**

(Appendix J)

# Petty Cash Rules

The allotment of the petty cash advance is listed below:

| Account Title | Custodian (s) | Amount | Maximum Single Expenditure |
|---|---|---|---|
| | | | |
| Superintendent's Office | Superintendents Secretary | $200 | $50 |
| School Office Account | Building Principal | $200 | $25 |
| SBA/BS Office | SBA/BS | $200 | $50 |

Petty cash funds may be disbursed only for the immediate payment of comparatively small expenditures and may not be used to circumvent the regular purchasing procedures of this district. Each request for petty cash funds must be in a written document that is signed by the person making the request; supporting documents, if any, will be affixed to the request.

N.J.S.A. 2C:21-15
N.J.S.A. 18A:19-13; 18A:23-2
N.J.A.C. 6A:23-2.9 et seq.

(Appendix K)

Purchasing Policies

All Board Policies are available on the Carlstadt Public School website under Board of Education.

Carlstadt Bylaws and Policies

Policy #
6311 Contracts for Goods or Services Funded by Federal Grants
6320 Purchases Subject to Bid
6340 Multiple Year Contracts
6350 Competitive Contracting
6360 Political Contributions
6362 Contributions to Board Members & Contract Awards
6421 Purchases Budgeted
6422 Budget Transfers, Emergency Purchases & Over expenditure of Funds
6423 Expenditures for Non-Employee Activities, Meals & Refreshments
6424 Emergency Contracts
6440 Cooperative Purchasing
6450 Choice of Vendor
6470 Payment of Claims
6471 School District Travel
6480 Purchase of Food Supplies
6620 Petty Cash
6660 Student Activity Fund

(Appendix L)

**CARLSTADT BOARD OF EDUCATION**
**DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM**

**BID SOLICITATION/PROPOSAL TITLE** _____

**VENDOR/BIDDER NAME** _____

Pursuant to N.J.S.A. 52:32-57, et seq. (P.L. 2012, c.25 and P.L. 2021, c.4) any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must certify that neither the person nor entity, nor any of its parents, subsidiaries, or affiliates, is identified on the New Jersey Department of the Treasury's Chapter 25 List as a person or entity engaged in investment activities in Iran. The Chapter 25 list is found on the Division's website at https://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf. Vendors/Bidders must review this list prior to completing the below certification. If the Director of the Division of Purchase and Property finds a person or entity to be in violation of the law, s/he shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

**CHECK THE APPROPRIATE BOX**

☐ I certify, pursuant to N.J.S.A. 52:32-57, et seq. (P.L. 2012, c.25 and P.L. 2021, c.4), that neither the Vendor/Bidder listed above nor any of its parents, subsidiaries, or affiliates is listed on the New Jersey Department of the Treasury's Chapter 25 List of entities determined to be engaged in prohibited activities in Iran.

OR

☐ I am unable to certify as above because the Vendor/Bidder and/or one or more of its parents, subsidiaries, or affiliates is listed on the New Jersey Department of the Treasury's Chapter 25 List. I will provide a detailed, accurate and precise description of the activities of the Vendor/Bidder, or one of its parents, subsidiaries or affiliates, has engaged in regarding investment activities in Iran by completing the information requested below.

Entity Engaged in Investment Activities _____
Relationship to Vendor/ Bidder _____
Description of Activities _____
_____
Duration of Engagement _____
Anticipated Cessation Date _____

*Attach Additional Sheets If Necessary*

**CERTIFICATION**

I, the undersigned, certify that I am authorized to execute this certification on behalf of the Vendor/Bidder, that the foregoing information and any attachments hereto, to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein, and that the Vendor/Bidder is under a continuing obligation from the date of this certification through the completion of any contract(s) with the State to notify the State in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification. If I do so, I will be subject to criminal prosecution under the law, and it will constitute a material breach of my agreement(s) with the State, permitting the State to declare any contract(s) resulting from this certification void and unenforceable.

_____ _____

**Signature** **Date**

_____

**Print Name and Title**

(Appendix M)

**CERTIFICATION OF NON-INVOLVEMENT IN PROHIBITED ACTIVITIES IN RUSSIA OR BELARUS**

**CARLSTADT BOARD OF EDUCATION**
**CARLSTADT, NEW JERSEY**
**N.J.S.A. 18A:18A-49.5**

Pursuant to N.J.S.A. 52:32-60.1, et seq. (L. 2022, c. 3) any person or entity (hereinafter "Vendor[i]") that seeks to enter into or renew a contract with a State agency for the provision of goods or services, or the purchase of bonds or other obligations, must complete the certification below indicating whether or not the Vendor is identified on the Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list, available here: https://sanctionssearch.ofac.treas.gov/. If the Department of the Treasury finds that a Vendor has made a certification in violation of the law, it shall take any action as may be appropriate and provided by law, rule, or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I, the undersigned, certify that I have read the definition of "Vendor" below, and have reviewed the Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons list, and having done so certify:

*(Check the Appropriate Box)*

○ A That the Vendor is not identified on the OFAC Specially Designated Nationals and Blocked Persons list on account of activity related to Russia and/or Belarus.

***OR***

○ B That I am unable to certify as to "A" above, because the Vendor is identified on the OFAC Specially Designated Nationals and Blocked Persons list on account of activity related to Russia and/or Belarus.

***OR***

○ C That I am unable to certify as to "A" above, because the Vendor is identified on the OFAC Specially Designated Nationals and Blocked Persons list. However, the Vendor is engaged in activity related to Russia and/or Belarus consistent with federal law, regulation, license or exemption. A detailed description of how the Vendor's activity related to Russia and/or Belarus is consistent with federal law is set forth below.

_____
_____
_____
_____
_____
_____

| | |
|---|---|
| Signature of Vendor's Authorized Representative | Date |
| Print Name and Title of Vendor's Authorized Representative | Vendor's FEIN |
| Vendor's Name | Vendor's Phone Number |

| | |
|---|---|
| Vendor's Address (Street Address) | Vendor's Fax Number |
| Vendor's Address (City/State/Zip Code) | Vendor's Email Address |

(Appendix N)

**New Jersey Business Registration Certificate Requirements**

**BRC Required—15% of Bid Threshold**

Pursuant to N.J.S.A. 52:32-44, a contractor (business organization) that seeks to enter into a contract with a board of education in an amount that exceeds fifteen (15%) percent of the bid threshold, shall submit to the board a valid and current New Jersey Business Registration Certificate. A business organization does not include a government agency or a nonprofit entity.

**Requirement Deadline of BRC Submission—Prior to Award of Contract**

A **contractor** shall provide the board of education with the business registration certificate of the contractor and that of any named subcontractor **prior to the time a** contract, purchase order, or other contracting document is awarded or authorized.

**Submission with Bid, Proposal, Quotation—Board May Request; Not Require**

A board of education may request; not require that a contractor submit their business registration certificate with a bid, proposal or quotation request. Boards of education are not permitted to reject bids, proposals or quotations submitted by contractors for failure of the contractor to submit the business registration certificate with the bid, proposal or quotation.

**Responsibilities of the Boards of Education**

1. Obtain the NJ Business Registration Certificate prior to the contract award.
2. Retain copies of the NJ Business Registration Certificate with the
   - Contract
   - Bid or proposal
3. Maintain a file of NJ BRC's in alphabetical order—N.J.S.A. 52:32-44 (c)
4. Due Diligence Process
   NJ BRC's have no expiration date, however, it is incumbent upon the board of education to perform a due diligence check. It is therefore recommended that prior to signing a purchase order, the Purchasing Agent visit the **On-Line Business Registration Certificate Service of the NJ Division of Revenue and check the current status of each NJ BRC submitted. The link is as follows:**

https://www1.state.nj.us/TYTR_BRC/jsp/BRCLoginJsp.jsp

**Final Note: Geographical Borders of New Jersey**

The NJ BRC is required from a contractor, where the goods that are received, services that are delivered, and construction is constructed, are within the geographic borders of the State of New Jersey. Out of state contractors providing goods to be **delivered to New Jersey schools** or **providing services to and in New Jersey schools** shall submit the NJ BRC.

**HOWEVER**

If students or officials of NJ schools visit out of state contractors and use the contractor's goods and services out of state, then the NJ BRC is not required.

For example

- Conference lodging in out of state hotels.
- Football or band camps held in out of state venues.
- Field trip admissions in out of state venues.

**Sample Business Registration Certificates**

STATE OF NEW JERSEY
BUSINESS REGISTRATION CERTIFICATE
FOR STATE AGENCY AND CASINO SERVICE CONTRACTORS

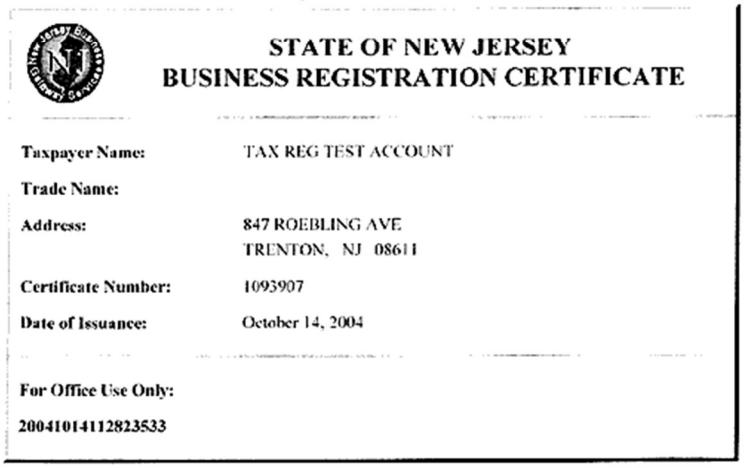
DEPARTMENT OF TREASURY
DIVISION OF REVENUE
PO BOX 252
TRENTON, N.J. 08646-0252

TAXPAYER NAME:
TAX REGISTRATION TEST ACCOUNT
TAXPAYER IDENTIFICATION#:
970-097-382/500
ADDRESS:
847 ROEBLING AVE
TRENTON NJ 08611
EFFECTIVE DATE:
01/01/01
FORM-BRC(08-01)

TRADE NAME:
CLIENT REGISTRATION
SEQUENCE NUMBER:
0107330
ISSUANCE DATE:
07/14/04

Acting Director

This Certificate is NOT assignable or transferable. It must be conspicuously displayed at above address.


STATE OF NEW JERSEY
BUSINESS REGISTRATION CERTIFICATE

Taxpayer Name: TAX REG TEST ACCOUNT
Trade Name:
Address: 847 ROEBLING AVE
TRENTON, NJ 08611
Certificate Number: 1093907
Date of Issuance: October 14, 2004

For Office Use Only:
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(Appendix O)
**Carlstadt Board of Education**
**Chapter 271**
**Political Contribution Disclosure Form**
**(Contracts that Exceed $17,500.00)**
**Ref. N.J.S.A. 19:44-20.26**

The undersigned, being authorized and knowledgeable of the circumstances, does hereby certify that _____(**Business Entity**) has made the following **reportable** political contributions to any elected official, political candidate or any political committee as defined in N.J.S.A. 19:44-20.26 during the twelve (12) months preceding this award of contract:

**Reportable Contributions**

| **Date of Contribution** | **Amount of Contribution** | **Name of Recipient Elected Official/ Committee/Candidate** | **Name of Contributor** |
|---|---|---|---|
| | | | |
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| | | | |
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| | | | |

The Business Entity may attach additional pages if needed.

☐ **No Reportable Contributions** (Please check (✓) if applicable.)

I certify that _____(Business Entity) made no reportable contributions to any elected official, political candidate or any political committee as defined in N.J.S.A. 19:44-20.26.

**Certification**

I certify, that the information provided above is in full compliance with Public Law 2005—Chapter 271.

Name of Authorized Agent _____

**Signature**_____**Title**_____

Business Entity_____

(Appendix P)

**CONCESSIONS**
**Procurement Process Activities**

**N.J.A.C. 5:34 - 9.4 (d)**

The governing body shall

- **Obtain Legal Opinion**
  The legal counsel (board attorney) shall provide an opinion of the legality of procuring a concession

- **Pass a Resolution**
  Pass a resolution authorizing the procurement of a concession

The resolution shall include:

- Description of the public need for the concession;
- The concession to be awarded (type);
- The considerations (benefits and risks) the governing body took into account in reaching the decision to award a concession;
- An estimate value of the concession;
- An estimate of any revenue or services to be received by the governing body;
- Basis of award of the concession is based upon the most advantageous price and other factors;
- An estimate of costs to be received by the governing body;
- Any services, facilities or endorsement to be provided by the governing body;
- The method to be used to procure the concession.

**Awards of Contract 5:34-9.4 (g) Methods of Procurement**

- Quotations--total value of concessions less than the bid threshold
- Public Bid
- Competitive Contracting

**Concession** 18A:18A:2(aa)

Means the granting of a license or **right to act for on behalf on the Board of Education** or to provide a service requiring the approval of endorsement of the Board of Education and which may or may not involve a payment of exchange, or provision of services by or to the board of education provided that the term concession shall not include vending machines.

**Services 18A:18A-2 (dd)**

Service or services may also include an arrangement in which a vendor compensates the board of education for the vendor's right to operate a concession.

**Examples of Concessions N.J.A.C. 5:34-9.4 (b)**

1. Selling Advertisements

   Publishing a map, newsletter, directory, or calendar containing the meeting schedules and other information about the "school district" services or activities where the contractor sells advertising as full or partial payment for providing the service.

2. Welcome to Sign

   Installation of "welcome to" signs on public property where a local organization pays a fee to the sign manufacturer, who may or may not make a payment to the contracting unit, and includes the name of the local organization on the sign.

3. Use of Public Space

   The use of public space or facilities
   Example, scoreboards, bus shelters, facility advertising for advertising in exchange for fees or services, or discounts on services.

4. Vending Machines (other than food and drink)

   The installation of vending machines in public facilities. (Not newspaper machines) 9(c)

5. Donations, Sale of Equipment

   The donation, sale, installation, or maintenance of equipment of facilities for use of the contracting unit.

6. Public Pay Phones

   The choice of a local or long-distance telephone service for pay phones on public property.

7. Copying Machines--Public Use

8. Selling of goods on Public Property

9. Other services, rights or use as may meet the definition of concession

***Exceptions to Concessions 9(c)***

Public events:

| | |
|---|---|
| Seasons recreational programs. | Holiday celebrations |
| Concert series. | Tourism related items |

A concession shall not be deemed to include contributions of goods, services or financial support for sponsorship of public events.

**Vending Machines**

Vending machines providing food or drink ***are not*** considered concessions.

Vending machines providing food or drink are an exception to the bid threshold. Quoted if under the bid threshold. 18A:18A-5(23)

Vending machines containing other items are subject to bidding/quoting.

## Concession

How do we contract for concessions?

Monies Received:

- Exceed the Bid Threshold
  1. Seek competitive bids
  2. Use competitive contracting process
- Below the Bid Threshold

  Formal quotation process
- Below 15% of Bid Threshold

  Outright Purchase

(Appendix Q)

**Paying the Bills of the Board of Education**

Accounts Payable is a very important part of the Business Office. Employees of this department ensure that vendor bills are paid accurately and in a timely fashion. Vendors will not do business with school districts that do not pay their bills on time.

**Timely Fashion— within 30-60 days**

**State Law—within 90 days—N.J.S.A. 18A:18A-10.1**
**Vendors now can charge interest for late payments**

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

**Receipt of Items Ordered—Immediately Checked for Accuracy**
All items received must be checked immediately for accuracy. The individual shall do the following:

- Obtain the receiving copy of the purchase order and packing slip of items ordered.
- Open boxes and check off items received on the receiving copy and the packing slip.
- Sign the packing slip.
- Sign the receiving copy of the purchase order.
- Submit these documents to the Accounts Payable Clerk within seven (7) days of receipt of goods.

(Appendix R)

***Textbook Purchases***

# CARLSTADT PUBLIC SCHOOL

**Office of the School Business Administrator**

***Textbook Purchases***

**Textbook Order Rationale Form**

A. Conditions of Purchase – New Jersey Administrative Code 6A:23A-9.3 (c)(12)

Please check the appropriate box(es) that apply to the purchase.

- ☐ Purchase is in accordance with the textbook replacement plan;
- ☐ Purchase is to replace lost, stolen, or destroyed textbooks.
- ☐ Purchase of textbooks reflects a change in curriculum.
- ☐ Purchase reflects a new edition of the textbook.

B. Documentation Requirement

The textbook named on this purchase order was approved by the board of education pursuant to N.J.S.A. 18A:34-1 on the following date:

Meeting Date:

Name of School/Office _____

Administrator/Supervisor _____

Signature _____ Date _____

Title of Textbook _____

_____

**Curriculum Department Review and Approval**

Approved _____ Denied _____

_____ _____

Curriculum Director Signature Date

Please attach the Textbook Order Rationale Form to the front of the requisition or purchase order.