

PURCHASING MANUAL.



Orange Board of Education

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orange Board of Education

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TO: All District Employees

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

- New Jersey Public School Contract Laws Title 18A: 18A, et. seq.;
- New Jersey Administrative Code N.J.A.C. 5:34 et. seq.;
- Board of Education Policy; and
- Other federal, state law and code.

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

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

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

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

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

If you have any questions concerning the following guidelines, please do not hesitate to call the Business Office, Extensions 6005, 6016, 6018 or 6013.

Thank you,

Mr. Adekunle James
Board Secretary/Business Administrator

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PURCHASE ORDER PROCEDURES

Authority to Purchase

The purchase of goods and/or services by a board of education is governed by state statutes, administrative code and board policy. New Jersey State Law (18A:18A-2(b)).

Authorized Purchases

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

A purchase order, pursuant to State Law, is a document issued by the Business Administrator or the Assistant Business Administrator authorizing goods or materials to be ordered for the school district or work/service to begin. No goods or materials may be ordered or work/service be authorized to begin by any other individual in the school district other than the Business Administrator or the Assistant Business Administrator ..

Unauthorized Purchases

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

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

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

Penalties for Unauthorized Purchases

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

Corrective Action for Non-compliance

If the Business Administrator or the Assistant Business Administrator has determined that an unauthorized purchase has been made, a memo will be sent to the responsible administrator advising the administrator of the unauthorized purchase.

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

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

Corrective Action for Non-compliance (continued)

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

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

Miscellaneous:

Preview of Materials

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

Reimbursements: Employee

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

Student Activity Accounts

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

A. Responsibilities of Originator of Purchase Order- Preparing a Purchase Order

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

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

If you are unable to ascertain the actual charges, type

"10% Estimated Shipping and Handling"

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

"Shipping and Handling Included."

5. Delivery Address--Attention of--The delivery address should include a name of a person or a specific department.
6. Delivery, Types of
The Orange Board of Education recognizes two (2) types of delivery.

a. INSIDE DELIVERY

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

b. SPOTTED DELIVERY

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

7. Total Cost--Please include the words "Total Cost" on the purchase order with the actual amount of the order. Please verify your figures for accuracy. Please note: The Board of Education is exempt from paying New Jersey Sales Tax.
8. Budget Account Number--Please be sure the correct Budget Account Number is typed on the requisition/purchase order.
9. State Contract Orders--When ordering through State Contract vendors (minimum order \$100.00) please include:
 - a. State Contract Number;
 - b. Shipping and Handling Included; and
 - c. Appropriate documentation when required.
10. Quotations--If quotations are obtained, please attach to the purchase order a copy of each written quotation received. Please type the quotation date and the quotation number in the body of the requisition/purchase order in the space provided.
11. Bids--If bids are obtained, please type the following in the body of the purchase order in the space provided:
 - a. Bid Date; and
 - b. Bid Number.
12. Staple Requisition Order--Requisitions are to be stapled if two or more forms are used for the same order.
13. Multi-PagePurchaseOrders--Multi-pagepurchaseordersshouldnotexceedthree(3) pages.
14. Purchase Order Rationale Form-- Attach to top of Requisition.

B. Purchase Order' Rationale Form

A Purchase Order Rationale Form shall be attached to the top of each purchase order submitted (exceptions noted) to the Deputy Superintendent of Schools. This form asks for a written explanation as to the educational or operational need for the purchase.

Administrators who submit purchase orders will now have to put in writing why the purchase is essential to the school district. Administrators who sign off on purchase orders will now have to provide explanations on the following:

- How students will 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?

Administrators will now have to justify the need for the purchase and if so required, explain to the Business Administrator or Deputy Superintendent.

The Deputy Superintendent will review each purchase order to ensure what is requested is essential to the school district. It has been determined that the following items are considered *non-essential*. The list is not all inclusive and may be amended throughout the school year. The Deputy Superintendent will not approve purchase orders for the *non-essential items*.

Non-Essential Items

- Carnival activities in schools;
- Catering- except for back-to-school nights (coffee, cookies, etc.);
- Celebration or Decorative Items- including but not limited to:
 - Balloons
 - Flowers; floral
 - Gift Baskets, etc.
 - Gifts for employees; teacher appreciation
 - Greeting cards
 - Floral arrangements

Exceptions for Purchase Order Rational Form

Purchase orders for the following items do not require a Purchase Order Rationale form:

- After School Snpplementaly Service Providers

This program coordinated through the Office of Title I Research and Testing, is regulated by federal and state law and no further justification is needed.

- Emergency Purchases (N.J.S.A. 18A:18-7)

Emergency purchases are regulated by state law. In order to approve an emergency purchase, rationale must be first provided thus negating the need for a purchase order rationale form.

- Field Trip Transportation

Field Trip Transportation
Purchase orders for field trip transportation do not need a rationale form as long as there is a Field trip request fom1 for the purchase order for the admissions fee. If the Superintendent approves the field trip admissions fee purchase order, then by default the purchase order for the transportation will be approved.

- Pupil Transportation: Athletic Transportation

Transportation of students *is* regulated by state law, administrative code and the student's IEP.
Transportation of athletes to and from events does not require a rationale form

- Travel Reimbursement for Employee.s

Travel reimbursement costs are regulated by state law, state administrative code and board policy. All conditions after approvals for this reimbursement have been met in order for the purchase order to have been prepared.

- Tuition Contracts-special Education Schools

As with pupil transportation purchase orders, tuition to special education schools are regulated by federal and state law and no further justification is needed.

- Tuition Reimbursement for Employees

This employee contractual benefit needs no further explanation. All conditions and approvals for tuition reimbursements have been met in order for the purchase order to have been prepared.

A copy of the Purchase Order Rationale Form is in the Appendix D.

C. Responsibilities of Administrator/Supervisor or Principal

Administrators/supervisors and principals must ensure the following before the purchase order is sent to the Deputy Superintendent:

1. Funds Available
They must check to determine if *funds are available* in their budget to cover the purchase order.
2. Purchase Order Completion
They must check to determine that items 1-14 previously noted (Responsibilities of the Originator) have been *properly completed*.
3. Signature on Requisition Order
The requisition order must be signed (no rubber stamps, please) and *sent to the Deputy Superintendent's Office*. By signing the purchase order, the administrator/supervisor or principal is certifying that funds are available in the budget account line to cover the cost of the purchase.
4. Purchase Order Rationale Form (Exceptions Noted)
The Purchase Order Rationale Form shall be signed and submitted with the purchase order. (Placed on top of purchase order).
5. Approval of Principal
Central office administrators and supervisors have been notified that whenever they order materials, textbooks, and equipment for the instructional staff of the various schools, the purchase order for these items must be approved by the school principal. The principal must co-sign the purchase order.

It is the responsibility of the central office administrator/supervisor to obtain the signature of the principal.
6. Receiving Copy (Blue)
Once the purchase order has been posted and mailed to the vendor, the Business Office will send the Receiving Copy (Blue) of the purchase order back to the school or office. If you do not receive the Receiving Copy (Blue) within two (2) weeks of signing the purchase order, please contact the Business Office.

D. Responsibilities of the Deputy Superintendent of Schools

Upon receipt of the requisition order, the Deputy Superintendent's Office stamps the date and time on it. The Superintendent or the Deputy Superintendent reviews and determines the educational or operational value of each purchase order. The Deputy Superintendent reviews each Purchase Order Rationale Form and if satisfied signs and approves the requisition order.

The requisition order is then signed by the Deputy Superintendent or Superintendent and sent to the Business Office.

E. Responsibilities of Business Office:

The Assistant Business Administrator reviews each purchase order. Special attention is given to the following:

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

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

The Quotation Limit \$ 6,000.00

The Bid Limit \$40,000.00

3. Document Check- State Law

Pursuant to various State Laws, the Assistant Business Administrator must ensure the following documents are on file in the Business Office before the purchase order is signed and processed:

- Affirmative Action Evidence- Contracts \$40,000.00 and over (cumulative).
- Business Registration Certificate (BRC) and a certificate of Employee Information Report- Purchases \$6,000.00 and over.
- Chapter 271 -Political Contribution Disclosure Form (PCD) * Purchases over \$40,000.00, (cumulative).

*Administrators recommending contracts for professional/educational services are to secure the Chapter 271 PCD from the vendor when the vendor submits his/her proposal. The PCD must be forwarded to the Business Office.

A copy of the PCD is in the Appendix.

4. Review of Purchase Order--The requisition order is also reviewed for technical aspects such as:
 - a. Account number missing or incorrect;
 - b. Shipping charges added;
 - c. Signatures missing;
 - d. State contract numbers not correct/missing;
 - e. Vendor address incomplete; and
 - f. Other items as listed in Section A.

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

If the Assistant Business Administrator is satisfied, he signs the requisition order. The Business Office will then:

- Print the purchase order.
- The Business Administrator will sign the purchase order.

Accounts payable will mail the purchase order to the vendor

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

5. Transfer of Funds—The Business Office processes purchase orders only if there are appropriate funds to cover the purchase. Purchase orders lacking sufficient funds are sent back to the originator for a request to transfer funds. All forms requesting a transfer of funds are to be sent to Ms. Widener (Accountant) in the Business Office.

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

The Orange Board of Education is an Abbott District. 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.

F. Responsibility of the Vendor

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

- | | |
|---------------------|--------------------------------|
| • Signed Voucher | • Invoice |
| • All Packing Slips | • Receiving Copy (Blue) Signed |

G. Employees Prohibited from Signing Contracts

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

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

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

Contracts; Purchase Order Required

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

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

I. Cancellation of Purchase Orders

All requests to cancel purchase orders must be made in writing to the Business Office. Reasons explaining the need to cancel the purchase order must be outlined.

J. Private Purchases --Prohibited

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

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

BIDS AND PURCHASING

A. Bid Limit- \$40,000

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

This restriction is called the bid threshold or bid limit. The bid limit is \$40,000. This means that any specific item, class of items, and/or services of a similar nature, purchased by the school district totaling more than \$40,000 for the entire year must be competitively bid. This restriction is for the entire district and not by location or schools.

You cannot circumvent the law by splitting purchases to be under the \$40,000 bid limit.

If you find that your purchases may exceed the \$40,000 bid limit, please contact the Business Administrator or the Assistant Business Administrator at once.

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

B. Annual Bids

The Board of Education requests that central office department administrators and supervisors and school principals start to plan and prepare for Annual Bids. The proposed timelines are as follows:

- | | |
|-----------------|--|
| <i>March</i> | Administrators/Supervisors prepare technical specifications to be reviewed by the Business Administrator or the Assistant Business Administrator. |
| <i>April</i> | The Business Administrator or the Assistant Business Administrator prepares final bid specifications to be drafted in a manner to encourage free, open, and competitive bidding. |
| <i>May/June</i> | Annual bids are received, opened and tabulated by the Business Administrator or the Assistant Business Administrator. |

June Bid resolutions are prepared by the Business Administrator or the Assistant Business Administrator for Board approval.

July • Purchase orders are generated by Administrators/Supervisors for August/September delivery.

Please note: The delivery of furniture usually takes place about 8-12 weeks after receipt of purchase order.

C. 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.

D. Exceptions to the Bid Limit

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

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

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

Please contact the Business Administrator or the Assistant Business Administrator for further explanation.

E. State Contract Purchasing

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

A form (Form A-1) has been developed to help complete this requirement

Office Supplies and School Supplies

The Business Administrator or the Assistant Business Administrator 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 a State Contract vendor, please follow the instructions on the memo.

6 Computers

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

- Contact the Supervisor of Technology

Please contact the Supervisor of Technology at Ext. 6082. He will be able to assist you with the technical aspects and the State Contract requirements of purchasing computers.

The Supervisor or his/her designee must sign all purchase orders for computers and technology equipments before they are sent to the Assistant Business Administrator and the Deputy Superintendent.

- Contact the Assistant Business Administrator

Please contact the Assistant Business Administrator, at Ext. 6018. The Assistant Business Administrator has to be apprised of all computer purchases to properly plan for electrical hookups. The Assistant Business Administrator must sign all purchase orders for new computers before they are sent to the Deputy Superintendent.

E. State Contract Purchasing (continued)

Copiers-- Pre-Approval Needed

If you plan to purchase a copier, please contact my office at Ext. 6005, 6016 or 6018. All purchases of copiers must be pre-approved by the Business Administrator or the Assistant Business Administrator and the Superintendent of Schools.

Purchase Orders-State Contract

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

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

F. Professional Services/ Professional Consultants

Although Professional Services, as defined in Title 18A:18A-5, do not require competitive bids or quotations, it is in the best interest of the Board of Education to obtain at least three (3) proposals for any professional service.

If proposals are to be obtained, they are to be sealed proposals and may be scheduled to be opened publicly at a Committee of the Whole meeting. This scheduling, together with the text of the solicitation for proposals, is to be reviewed with the Business Administrator or the Assistant Business Administrator.

Professional Contracts/Educational - Board Approval Needed

All Professional Services and Consultant Contracts must be approved by the Business Administrator or the Assistant Business Administrator if the contract exceeds \$6,000.00. If you plan to recommend a contract for a professional consultant, please be advised of the following:

1. An appropriate resolution must be written for placement on the Board of Education meeting agenda.
2. A district consultant request form should be completed, approved and attached to the resolution
3. With the resolution should be a written proposal from the consultant and/or vendor outlining the following:
 - a. Name, address of consultant/vendor (No P.O. Box #'s);
 - b. A description of services to be provided;
 - c. Starting date of service; ending date of service; and
 - d. The cost of the services/terms of payment(s).

4. Chapter 271 Political Contribution Disclosure Form (PCD)

It is the responsibility of the administrator/supervisor recommending the contract to provide to the Business Office a copy of the vendor's Chapter 271 Political Contribution Disclosure Form.

5. Legal Advertisement-- Prepare Form

Contract for professional services that exceed the bid threshold must be advertised in an official newspaper. A form has been developed to complete this requirement.

All resolutions are to be sent to the Superintendent's Office with a copy of the written proposal attached.

G. Emergency Contracts

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

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 Business Administrator or the Assistant Business Administrator may award an Emergency Contract.

H. Cooperative Purchasing

The Orange Board of Education has contracted with School Specialty for some bulk order as approved on August 26, 2008 Resolution #A08-038.

See Attached Bulk Order Items

I. Purchases, Contracts Exceeding the Bid Threshold

Pursuant to State Law N.J.S.A. 18A:18A-5 all purchases and contracts exceeding the bid threshold of \$40,000 shall be awarded by board resolution at a public meeting of the Board of Education. This includes all items exempted from bidding and all State Contract purchases that exceed \$40,000. Only the purchase of textbooks and emergency contracts are exempt from this law.

J. *Students Activity Account Purchases*

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

Examples of items purchased through the Student Activity Accounts that may exceed the bid threshold are

- Class Gift
- Class Rings
- Field Trips
- Proms
- Yearbooks

A form has been developed to meet this requirement.

K. Increasing the Purchase Order Amount-Change Orders

There may be times where the original purchase order contract amount, for work performed or services rendered, will have to be increased. To increase the purchase order, amount the administrator will have to follow the Change Order Process.

Change Order Process

In accordance with N.J.A.C. 6A:23-7.1 et. seq. increases in the total contract amount of a purchase order for work performed or services rendered are to be made through the Change Order Process, prior to the need to increase the amount.

- Request for Change Order Form- Prior to the Need
Any administrator or supervisor requesting to increase a purchase order for work performed or services rendered shall complete a Request for Change Order Form, prior to the need to increase the amount.

A copy of the form is in the Appendix.

- Scope of Original Contract
All change order requests shall be within the scope of the activities of the marginal contract and not for the purpose of undertaking new or different work or service.
- Certification of Funds
The Business Administrator and/or his designee shall certify that funds exist to pay for the increase.
- Authorization Required
In accordance with N.J.A.C. 6A:23-7.1(a-4) responsibility for approving change orders for services rendered or work performed shall be exercised by the Board of Education, unless so delegated to the Business Administrator.

Points of Concern- Board Review- Approval; Denial

- Approval Granted
Once the Change Order approval is granted by the Business Administrator, the Accounts Payable Department shall prepare a purchase order for the approved increase.
- Request Denied
If the request to increase the purchase order is denied, the administrator/supervisor shall notify the vendor that all work or service is to cease.

QUOTATIONS AND QUOTATION PROCEDURES

A. *Quotations*

The quotation limit (threshold) is now \$4,350. This means that any specific item or group of items of a similar nature purchased by the school district, totaling more than \$6,000 and less than \$40,000 for the entire year must be *competitively quoted or advertised for bid at the discretion of the Business Administrator or the Assistant Business Administrator*. You cannot circumvent the law by splitting purchases to be under the quote threshold.

B. *Quotation Process*

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

Please note: The formal quotation process could take about 2-4 weeks from start to finish. There will be no telephone quotations except in a case of extreme urgency.

C. Receipt of Two Quotations

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

PURCHASE ORDER PROCESS

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

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

	Color	Disposition
Vendor Copy	White (top)	Sent to vendor to order items/provide services
Voucher Copy	Yellow (2nd)	Sent to vendor for signature
Receiving Copy	Blue	Sent to school office; returned to Business Office upon receipt of goods/services
File Copy	Canary	Remains on file in Business Office
Authorization Copy	Golden red	Signatures authorizing purchase remains on file in the Business Office
Originator Copy	Green	Remains with office of administrator or supervisor.

B. Receipt of Goods and Services

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

1. Receipt of Items Ordered

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

- a. Obtain receiving copy (blue) of purchase order and packing slip of items ordered.
- b. Open boxes and check off items received on the receiving copy and the packing slip.
- c. If all items are enclosed, then sign and attach packing slip to the receiving copy of the purchase order.
- d. The school principal/office supervisor should sign the receiving copy (blue) and send it with the packing slip to the Business Office, Accounts Payable.

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

The Orange Board Of Education has an excellent reputation for paying its bills in a timely fashion. We ask that all employees assist in maintaining this reputation.

B. Receipt of Goods and Services (continued)

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 (blue) of the purchase order those items you did not receive.
- Make and keep a copy of your receiving copy (blue) and the packing slip.
- Send the original receiving copy (blue) 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 (blue) and the packing slip and send both copies to the Business Office.

*

Problem: Items Missing from Order

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

Process to Follow: Items Missing

- Call the company and tell them what was missing.
- Mark on the receiving copy and packing slip what items were missing.
- Make and keep a copy of your receiving copy (blue) and the packing slip.
- Send the original receiving copy (blue) 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 (blue) and the packing slip and send both copies to the Business Office.

-1.. 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 and the timeline for the return.
- Return the item(s) to the company within the timeline provided.
- On the receiving copy (blue) and the packing slip, mark what items were returned and the reasons for being returned. Please note how the items were returned (UPS/Vendor Pick Up), etc.
- Send the receiving copy and packing slip to the Business Office.
- Upon receipt of the missing item in the next shipment, check off your copies of the receiving copy (blue) and the packing slip and send both copies to the Business Office.

B. Receipt of Goods and Services (continued)

2. Problems Encountered with Receipt of Goods

111. Problem: Discontinued Item

Sometimes the items you requested have been discontinued.

Process to Follow: Discontinued Item

- Mark on the receiving copy (blue) of the purchase order "discontinued."
- Do not call the company for a replacement item. You must complete a new requisition and purchase order.

C. Purchase Order Cut Off Date

Administrators and Supervisors are to be alerted to the fact that purchase orders for the present school year will not be accepted after a cut off date to be determined by the Business Administrator no later than April 15.

D. Training Sessions

All school personnel involved in the purchasing process will attend an annual training session concerning the proper purchasing procedure.

ETIDCS IN PURCHASING

Financial Interest in any Contract: Direct or Indirect

No employee or board member may have a direct interest in any contract or agreement for the sale of goods and services to the Board of Education, nor receive any benefit, compensation or reward from any contract for the sale of goods and services to the Board of Education.

Reference-N.J.S.A. 18A:6-8.

Solicitation/Receipt of Gifts from Vendors -- Prohibited

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

Reference-N.J.A.C. 6A:10-2.1 (7f); Board Policy 3320,3323

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:15A-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 3320,3323

Vendor Responsibility-Doing Business with the Board of Education

Any vendor doing business or proposing to do business with the Orange 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 Orange 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 Orange Board of Education, in any manner which might tend to impair the objectivity or independence of judgment of said official or employee.

Ethics in Purchasing (Continued)

Vendor Certification

Vendors will be asked to certify that no official or employee of the Orange 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 Orange Board of Education.

Violations of the Policy

In accordance with N.J.A.C. 6A:10A-4.1(f)iii, and 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.

Reference Board Policy-N.J.A.C. 6A:10-2.1 (7f); Board Policy 3320,3323

CRIMINAL CODE CITATIONS

Title 2C -- Criminal Code

2C:27-9 Unlawful Official Business Transaction

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

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

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

APPENDIX

- A. Formal Bid Process
- B. Emergency Purchases/Contracts
- C. Memorandum--Return of Purchase Order
- D. Purchase Order Rationale Form
- E. Request for Change Order
- F. Political Contribution Disclosure Form (PCD)
- G. List of Agencies With Elected Officials Required for PCD
- H. Copy of Purchase Order

FORMAL BID PROCESS

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

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

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

EMERGENCY CONTRACTS (18A:18A-7)

A. Background

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

B. Definition of Emergency

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

C. Process in Declaring an Emergency

1. Superintendent of Schools Notified

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

2. Business Administrator/Assistant Business Administrator

The official in charge of the building or facility, wherein the emergency occurred shall notify in writing the Business Administrator/Assistant Business Administrator 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 Business Administrator or Assistant Business Administrator as soon as possible.

3. Awarding of Contract by Business Administrator or Assistant Business Administrator

If the Business Administrator or Assistant Business Administrator is satisfied the emergency exists, the Business Administrator or Assistant Business Administrator 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. 5:3_4-6.1, the following documents must be filed with the Bureau of Facility Planning and the County Superintendent within three (3) days after awarding the contract or agreement:

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

5. Approval by Board of Education

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

ORANGE BOARD OF EDUCATION

BUSINESS OFFICE
Orange, New Jersey 07050

MEMORANDUM

To: _____
From: **Adekunle James**, Business Administrator/Board Secretary
Date: _____
Re: ***Return of Purchase Order(s)/Requisition (s)***

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

Account Number Incorrect; Missing--Please use Account Code
Bid Number, Quotation Number--Not Included on Purchase Order
Board Resolution Needed--Attach to Purchase Order
Chapter 271-Political Contribution Disclosure Form Required
Conference Request Form--Not Attached; Not Approved
Description of Item(s), Service Needed
Date of Requisition Missing--Secretary's Initials Missing
Proposal/Contract Missing-- Attach to Purchase Order
Quotation Needed--Please contact me X 6005/ 6016 or the Asst. BA X 6018 to discuss process
Rationale Form Missing; Unsigned
Shipping Charges Not Added
Shipping Charges Not Needed. Type on P.O. "Shipping and Handling Included"
Signature Missing--Administrator, Supervisor, Principal
State Contract Number Incorrect, Missing--State Contract Documentation Missing
Unauthorized Order--Please contact me X 6005 / 6016 or the Asst. BA X 6018 to discuss process
Vendor Address Incomplete--Post Office Box Number Only
Vendor Check Needed?
As Per Attached Memo
Oiler _____

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

ORANGE BOARD OF EDUCATION
OFFICE OF THE DEPUTY SUPERINTENDENT
Orange, New Jersey 07050

Purchase Order Rationale Form

A. Educational Rationale

As a result of this purchase, please explain what will students learn or how students will benefit. Note any educational achievement or program that may be linked to this purchase.

B. Operational Rationale

Provide a brief explanation how this purchase is of operational value to your school/office. Note any particular benefits to the district. Explain whether any goods/services are being utilized on a regular basis and whether they are useful on a long term basis.

Name of School/Office _____

Administrator/Supervisor_____

Signature:_____Date_____

Name of Vendor _____

Amount\$ _____ Account# _____

_____Approved

_____Not Approved

Other:_____

_____Date_____Date_____

Dr. Paula Howard
Deputy Superintendent of Schools

Mr. Ronald C. Lee
Superintendent of Schools [On Appeal Only]

Please attach the Rationale Form to the Purchase Order
One Form Per Purchase Order

CHANGE ORDER# _____

ORANGE BOARD OF EDUCATION
BUSINESS OFFICE
451 Lincoln Avenue
Orange, New Jersey 07050

REQUEST FOR CHANGE ORDER
(Services; Work Provided)

I hereby request an increase to the total amount of the contract through the change order process for

Name of Vendor _____ PO# _____

Address _____

City, State, Zip _____

who was awarded a contract on _____ to provide the following work/services

Original Award of Contract \$ _____

Increase Requested \$ _____

Revised Total \$ _____

Reason for Request to Increase _____

Name of Administrator _____

Signature _____

Date _____

A copy of the purchase order shall be attached to this form!

This form shall be submitted to: Mr. Adekunle James, Board Secretary,
School Business Administrator

Certification of Funds - School Business Administrator/Designee

In accordance with N.J.A.C. 6A:23-7.1 (c-3), I hereby certify that funds exist in Account# _____
to support this increase.

School Business Administrator/Designee Date

Board Approval/Denial

In accordance with N.J.A.C. 6A:23-7.1 (a-4), the Board of Education
the request to increase the total amount of the contract at the
meeting.

Approved

Denied
Board of Education

School Business Administrator/Designee Date

Orange Board of Education
Business Office
451 Lincoln Avenue
Orange, New Jersey 07050

Chapter 271
Political Contribution Disclosure Form
(Contracts that Exceed \$17,500.00)
Ref. N.J.S.A. 52:34-25

Part I-Vendor Information

Vendor's Name		
Address:		
City:	State:	Zip:

The undersigned being authorized to certify, hereby certifies that the submission herein represents compliance with the provisions N.J.S.A. 19:44-20.26 and as represented by the instructions accompanying this form.

Signature	Printed Name	Title
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Part II-Contribution Disclosure

Disclosure requirement: Pursuant to N.J.S.A. 19:44A-20.26 this disclosure must include all reputable political contributions (more than \$300 per election cycle) over the 12 months prior to submission to the committees of the government entities listed on the form provided by the local unit.

Check here if disclosure is provided in electronic form.

Contributor Name	Recipient Name	Date	Dollar Amount
			\$

Check here if the information is continued on subsequent page(s).

No Reportable Contributions (Please check (./) if applicable.)

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

List of Agencies with Elected Officials Required for Political Contribution Disclosure
N.J.S.A. 52:34-25

County Name: Essex

State: Governor, and Legislative Leadership Committees

Legislative District#: 36

State Senator and two members of the General Assembly per district.