Bethlehem Township School District

PURCHASING MANUAL

2025-2026

Kirby Hendershot
School Business Administrator/Board Secretary

INTRODUCTION

The purpose of this Purchasing Manual is to assist all school district employees with 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 Indicator #15;
- Local Finance Notices – NJ Division of Local Government Services; and
- Other laws and administrative codes 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 purchasing practices; and
3. Achieve savings 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 team leaders, teachers, secretaries, and others who are involved in the purchasing process. It is imperative that everyone adheres to all purchasing laws and guidelines.

If you have any questions concerning the following guidelines, please do not hesitate to call the Business Office at extension 1231.

Thank you,

Kirby Hendershot
School Business Administrator/Board Secretary
District Purchasing Agent

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, the Federal Procurement Code.

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

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

Recommending Purchases; Educational/Operational Rationale
Administrators, directors, supervisors, and principals who recommend purchases should be able to explain and defend the need for the purchase and why the purchase is essential to the school district. School officials who sign off on requisitions/purchase orders 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 for immediate need?
- Have inventories been checked to determine whether there is a real need for the purchase?

Administrators, directors, supervisors, and principals may have to justify the need for the purchase and, if so required, explain the need at a Board of Education meeting.

NO QPA Certification—Current Bid Threshold--$39,000
Any thresholds listed are based on the assumption that the School Business Administrator does not hold a Qualified Purchasing Agent (QPA) Certificate and that the board of education has set the bid threshold at the current maximum of $39,000.

Ethics and Conduct in Purchasing

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 or board member may have a direct interest in any contract or agreement for the sale of goods and services to the Board of Education nor receive any benefit, compensation, or reward from any contract for the sale of goods and services to the Board of Education. Reference—N.J.S.A. 18A:6-8.

B. Solicitation/Receipt of Gifts from Vendors -- Prohibited

School board members, school officials, 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 things of value** from any person, firm, corporation, partnership, or business that is a recipient of a purchase order from The District, or a potential bidder, or an applicant for any contract with The District, based upon an understanding that what is solicited or offered was for the purpose of influencing the board member or school employee in the discharge of their official duties. This policy shall be consistent with the School Ethics Act—N.J.S.A. 18A:12-21 et seq.

C. School District Responsibility – Favoritism, Family Members, Businesses

School officials and employees who recommend purchases shall not extend any favoritism to any vendor. Each recommended purchase should be based upon the 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 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.

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

Any vendor doing business or proposing to do business with the Bethlehem 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 things of value of any kind to any official or employee of the Board of Education or any member of the official's or employee's immediate family.

No vendor shall cause to influence or attempt to influence, any official or employee of the 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 Bethlehem 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 Board of Education.

F. Disciplinary Actions for Violations of the Policy--Sanctions

In accordance with N.J.S.A. 18A:6-8, any 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.

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 pursuant to UGG, 2 C.F.R. § 200.113. Such disclosures must occur in a timely manner and be submitted in writing to the United States Department of Education or the New Jersey Department of Education.

Conflict of Interests

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 that 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 to Requests for Proposals (RFP) and/or to Competitive Contracting proposals will be required to complete a Conflict of Interest certification in accordance with N.J.A.C. 5:34-4.3 (e) (f).

Possible Conflict of Interest—Contact the School Business Administrator
Any school employee who feels there may be a potential conflict of interest with a recommendation for the 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

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, according to 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
State statutes, administrative codes, and board policy govern a board of education's purchases of goods and/or services. 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 who 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 an approved purchase order signed by the School Business Administrator prior to the goods or services being received.

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

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.
The Superintendent of Schools may assign penalties and sanctions for unauthorized purchases, including having the employee pay for the unauthorized purchase.

Corrective Action for Non-compliance

1. Memo to Administrator
   If the School 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.
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 School Business Administrator 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 and Violations

All district employees are reminded 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 Indicator #15
   The school district is subject to a penalty of four (4) NJQSAC points for not being in compliance with Fiscal Indicator Item #15, which prohibits confirming or unauthorized orders. The purchasing agent (School Business Administrator) signed all purchase orders, and there are no confirming purchase orders in accordance with standard operating procedures.

3. Audit Findings and Recommendations
   All financial transactions are subject to audit review. The District may receive an audit finding and recommendation for unauthorized (confirming) purchases. Repeated 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 codes, board policy, and district purchasing procedures. The sanctions may include but are not limited to, paying for any unauthorized purchase, withholding of increment, employee suspension, or tenure charges.

Purchasing Prohibitions

1. 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.

2. 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.

3. 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 personally purchased by the employee.

4. **Student Activity Accounts--Prohibition**
   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 School Business Administrator.

5. **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 of the vendors' bid prices and quotation prices to the Board.

Purchasing Guidance

1. **Cancellation of Purchase Orders--Guidance**
   All requests to cancel purchase orders must be made in writing to the School Business Administrator. Reasons explaining the need to cancel the purchase order must be outlined. The School Business Administrator 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 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. N.J.S.A. 18A:18A-2 (v).

4. **Preview of Materials--Guidance**
   All staff members must receive permission from administrators, directors, 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 in the aggregate that exceed the bid threshold--$39,000)

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

Bid Limit -- $39,000

The Bethlehem 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 $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 advertised for bid. School officials cannot circumvent the law by splitting purchases to be under the $39,000 bid limit. Administrators, directors, supervisors, and principals that have purchases that may exceed the $39,000 bid limit, are to contact the Business Office to begin planning the bid process.

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, directors, supervisors, and principals to plan and prepare for Annual Bids. The proposed timelines are as follows:

February-March	Administrators, directors, supervisors, and principals prepare technical specifications to be reviewed by the School Business Administrator.
April	The SBA 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 the School Business Administrator.
June	Bid resolutions are prepared by the School Business Administrator for Board approval.
June	Purchase orders are generated by administrators, directors, supervisors, and principals 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/September delivery.

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.

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.

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

- Purchasing through New Jersey State Contract; Other State Approved Co-ops.
- Professional services as outlined by New Jersey law;
- Textbooks, student-produced publications, library, and educational goods;
- Legal notices, food supplies, milk, utilities, insurance, election expenses, travel and conferences; and
- Contracts with other government entities, county and state colleges.

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

Award of Contract--Lowest Responsible Bidder
The common thread of all these bids is the Board of Education has to award the contract pursuant to N.J.S.A. 18A:18A-4 (a) to the lowest responsible bidder.

B. QUOTATIONS (Purchases that fall between $5,850 and $38,999)
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

Award of Contract—Price and Other Factors
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.**

Quotations and Purchasing

1. Quotation Limits--$5,850 and $38,999
   The quotation limit (threshold) presently is $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 $39,000 for the entire year, must be competitively quoted or advertised for bid at the discretion of the School Business Administrator. School officials cannot circumvent the law by splitting purchases to be under the quotation threshold.

2. Quotation Process
   All quotations shall be in writing and will be coordinated by the Office of the School Business Administrator. When a quotation is deemed necessary, the administrator/supervisor or school principal is asked to contact the Business Office. The School 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.

3. Receipt of Two (2) Quotations; Prefer Three (3) Quotes
   Pursuant to N.J.S.A. 18A:18A-37(a), the purchasing agent shall solicit two (2) 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. It is the responsibility of the School Business Administrator to solicit formal quotations.

C. REQUEST FOR PROPOSAL—RFP -- 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	

Award of Contract—Evaluative Criteria: The RFP method is designed to award the contract to the vendor based upon a list of criteria.

Best Practices in Awarding Service Contracts (2010):

1. Technical
- Submission of a narrative of how the firm will provide services, a planned approach; measurable results
- Understanding how services will be provided
2. Management
- Business organization; staffing
- Experience; and
- Knowledge of district
3. Cost
- Fee proposal submission; cost analysis

The contract for an RFP contract does not have to be given to the respondent who submits the lowest price. The evaluative criteria process is designed to award the contract to the respondent whose response will provide the highest quality services at fair and competitive prices.

D. COMPETITIVE CONTRACTING (Certain Contracts over $39,000)

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 Competitive Contracting award is similar to the RFP award. 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 rather lengthy and may take 6-8 weeks to complete.

OTHER PURCHASING PROCEDURES

A. COOPERATIVE PURCHASING

The school district may use the services of an authorized cooperative purchasing entity to purchase goods and services. Recognized cooperative purchasing groups are, but are 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. The following Cooperative Purchasing System Identifiers are provided for your use. This is not an all-inclusive list. The Business Office shall inform all school officials of other cooperative purchasing system entities during the year.

Cooperative Purchasing Systems	System ID
ACES-CPSACES Program/NJSBA TECH	E-8801-NJSBA
Camden County Educational Services Commission	66CCEPS
Edge Market Cooperative Purchasing System	269MCPS
*Educational Data Services, Inc..	26EDCPS
*Educational Services Commission of New Jersey	65MCESCCPS
Hunterdon County Educational Services	34HUNCCP
Monmouth Ocean Educational Services Commission	289-MOESC
New Jersey Cooperative Purchasing Alliance	CK04
Northern Region Educational Services Commission	293NRESC
Second River Cooperative	294SRPC
Union County Cooperative Pricing Systems	8UCCP

**What is used by the Bethlehem Township School District. If others become an option, the District will be notified.*

B. EMERGENCY CONTRACTS

Emergency contracts are strictly regulated by N.J.S.A. 18A:18A-7. A situation must exist that affects the health or safety of the occupants of school property and 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 SERVICES 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 must comply with the Federal Procurement Code, 2 CFR 200.317 et seq., when procuring goods and services using federal funds. The Appendix section of this manual provides a more detailed explanation.

E. INCREASING A PURCHASE ORDER AMOUNT
There may be times when a purchase order amount has to 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.

Vendors Doing Business with The District

New Vendors
The School Business Administrator must enter new vendor information in the Business Office financial system before using that new vendor's services or goods. The School Business Administrator also has to receive certain legal documents from vendors before 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 School Business Administrator.

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

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, the School Business Administrator must be informed.

Vendor/Contractor Evaluation & Recommendation
The Public School Contracts Law permits the school district to renew the contract of a vendor or contractor who provides services to The District. School officials administering the contract for those vendors shall, pursuant to N.J.S.A. 18A:18A-42, complete the Vendor/Contractor Evaluation and Recommendation form to determine if the vendor has provided services to The District in an "effective and efficient manner.

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 or the Federal System for Award—SAM.gov/exclusions.

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 School Business Administrator will notify all administrators, directors, supervisors, and principals of any vendor contracts that are eligible for renewals in March of the preceding fiscal year.

Student Activity Account Purchases

Student activity funds should finance the normal legitimate co-curricular activities of the student body organization. Only expenditures relating to student group activities that 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 their 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)
The School Business Administrator will determine whether an advertisement for bid will be required for a Student Activities purchase that exceeds the bid threshold of $39,000 in aggregate.

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 $5850.

Purchases—Board Resolution Required Exceeding the Bid Threshold
All purchases exceeding the bid threshold, currently $39,000, require prior Board 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 a board resolution prior to the purchase being made. Purchases of yearbooks, school rings; and 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 Transportation

Through the competitive bid process, the District has secured prices for various types of transportation vehicles needed for approved field trips. A special bulletin has been issued to all administrators, directors, supervisors, and principals. All employees are reminded of the following guidance as it pertains to field trip transportation:

1. Purchase orders must be prepared and processed prior to the date of the field trip.
2. Attached to the field trip transportation purchase order is a copy of the Board of Education resolution approving the destination of the field trip.
3. The approved list of bus companies and corresponding prices are to be used whether the field trip is paid through Board of Education funds (PO) or student activity funds.
4. All field trips using Board 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.
5. The cost of field trips may be borne by the pupils' parents, with the exception of pupils in special education classes and pupils with financial hardship. Reference—N.J.S.A. 18A:36-21

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 District expenditures for meals and refreshments.
The expenditure of public funds for meals and refreshments may be used for the following:
Permitted Activities for Meals, Refreshments, and 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 the 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;
- The make-up of the group receiving the meals; and
- Names of employees and board members included in the group.

Prohibited Activities for Meals, Refreshments, Catering:

- Athletic Activities—Feeding Guests
  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)
- 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!

C. Textbooks: Approval and Purchase

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 the Board of Education has not approved is a violation of state law. The District has set up procedures to have textbooks approved by the Board of Education.

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 new edition requires a new textbook.

It is important that all purchase orders for textbooks 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.

Ordering Books; Recommended Purchasing Procedures

Purchase Orders Processed—Once a Month

The Business Office, to ensure compliance with Public School Contracts Law and board policy, will now process all purchase orders for books and workbooks that require a board of education approval once a month. The Business Office will hold all purchase orders for books and workbooks to determine whether the total cost of the purchase orders exceeds the bid threshold. If the total cost of the purchase orders exceeds the bid threshold, then the Business Office will prepare the appropriate board resolution. After the board of education adopts the resolution to purchase the books/workbooks, the purchase orders will be signed and processed if all the documents required are on file.

Purchases Must Be Planned

All schools/offices buying books and workbooks must now plan appropriately. Administrators, directors, supervisors, and principals are to direct teachers and staff members to have all purchase orders ready before the deadline; otherwise, they will have to wait for the next board of education

meeting. Purchase orders for books and workbooks are prepared using pricing obtained through the book company representative or online pricing.

Purchase Order Review – Online Pricing or Price Quotations
Each purchase order for the purchase of books and workbooks will be reviewed by the Business Office. It is expected that attached to the purchase order will be either:

- Copies of the price quotation received from the sales representative or
- Copies of the online pricing were obtained from the company's website.
- Shipping and handling costs must be confirmed by the sales representative or the customer service number.

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

<u>Travel Reimbursement--Purchase Order—Conferences and Workshops</u>

The State of New Jersey, pursuant to N.J.S.A. 18A:11-12, has adopted strict travel guidelines for school districts to follow. All school officials and employees seeking travel reimbursement must adhere to the law and travel administrative code—N.J.A.C. 6A:23A-7.1 et seq. **At a minimum**, reimbursement purchase orders for travel must meet the following requirements:

- **Written Approval of the Superintendent—prior to a travel event**
  - 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 a travel event**
  - The travel shall be approved by resolution at a public board of education meeting, again prior to the travel event. A copy of the board resolution shall be attached to 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.

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 of $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 barcoding system.

Disposal of Fixed Assets
All school district property must be disposed of 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 in the disposal of all school property, especially those identified as fixed assets.

Purchase of Food Supplies Guidance

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: Shoprite

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.
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, 2025,** unless on an earlier date set by the Superintendent.Exceptions to the deadline date may be 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 Superintendent

Contracted Service Providers—Protecting Our Children

Regular Contact with Students
There will be times during the performance of a vendor contract when a contracted service provider may come in contact with school district students. The District fully understands its obligation to provide all students and staff members with a safe, educational environment. To this end, The District will require 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 safe schools resource officer or the School Business Administrator.

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 the contract, evidence or proof that each employee assigned to provide services and who 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 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 approval for employment from the Office of Student Protection. New Jersey DOE 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.nj.gov/education/crimhist/preemployment/

The Requisition and Purchase Order Process

Responsibilities When 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 (Google Form)

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 to add to your requisition. 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 or NA"**

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 remove 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 requisition 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 -- The business office will determine this

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 upload a copy of each quotation received in the Google form. The quote is then printed and attached to the purchase order.

13. Bids -- If bids are obtained, the business office shall include the following information on the PO:

   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. **Requisition Completion**
They must check to determine that items on the requisition form have been *properly completed*.

2. 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 in the Google Sheet (generated from the requisition form) by the appropriate administrator.

3. Receiving Copy
Once the purchase order has been posted and mailed to the vendor, the Business Office will send the Receiving Copy of the purchase order back to the school or office. If you do not receive the Receiving Copy within two (2) weeks of submitting the requisition, please contact the Business Office. The receiving sheet has to be signed and returned to the business office once the goods and/or service is received. This signals that it is okay to pay.

Responsibilities of Business Office
The Purchasing Agent reviews each approved each requisition. If approved, accounts payable generates a purchase order. Special attention is given to the following:

- **Available Funds**— A requisition could be denied if funds are not available for the appropriate account number. 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 and over (cumulative)
- ☐ Business Registration Certificate (BRC) – Purchases $5,850 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 a memo explaining 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.

All funds 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.

Responsibility of the Vendor
The Business Office sends 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 Signed

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 is made of up to 4 sheets. Listed below are the names and the purpose of each sheet. (A Requisition becomes a purchase order after all required administrators have approved the requisition in the Business Office Software System).

Copy	Disposition
Vendor Copy	Sent to the vendor to order items/provide services and they retain for their records
Voucher Copy	Sent to the vendor for signature and return for payment
Receiving Copy	Sent to school/office; returned signed to Business Office upon receipt of goods/services
Business Office Copy	Remains on file in Business Office

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 must be immediately checked. Please note the following:
   a. Obtain receiving 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 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 Receiving sheet of the purchase order and send all items to the Business Office 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 following procedures have been approved by my office:

- **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**

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 backorder. The packing slip will have backorder 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 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 School Business Administrator 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, directors, supervisors, and principals to monitor all vendor bills and invoices to ensure they do not exceed the total contract amount. If the total contract amount is close to being exceeded, they are asked to contact the school business administrator forty-five (45) days in advance. The School Business Administrator can then begin a process to exceed the purchase order amount pursuant to the 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, directors, supervisors, and principals are asked to monitor the dollar amount of services being provided to The District.

Monitoring Contract Amount—Vendor Responsibility!
The District asks all vendors also to 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 and signed by the School Business Administrator.

Submission Deadlines -- The Board of Education traditionally meets once per month. The Business Office asks that all bills and invoices for payment be submitted *by the Wednesday prior to the BOE meeting.*

All bills and invoices submitted to the Business Office by the vendor will be sent to the appropriate school district administrator/supervisor for review and approval. The Business Office cannot begin the payment process until it receives the signed receiving sheet and an invoice.

APPENDIX

A. Formal Bid Process
B. Emergency Purchases/Contracts
C. Chart—Purchase Order Requirements
D. Federal Contracts
    a. Federal Programs for School Districts
    b. Compliance with 2 CFR 200.317 et seq.
    c. Federal Funds Procurement Methods
    d. Debarment and Suspension for Federal Contacts
    e. Stevens Amendment
E. Federal Procurement Chart of Thresholds

FORMAL BID PROCESS

Process	Time Line
The initial request to bid is made by the Administrator/Supervisor. Certification that funds exist.	One Day
Review of specifications, fully outlining items, materials, or services to be bid by the School Business Administrator.	One Week
Return reviewed specifications to the Administrator/Supervisor for final approval. The Administrator/Supervisor signs off final approval.	One Week
The bid package is prepared by the School Business Administrator.	One Week
Copies of bids are prepared.	One Day
Legal advertisement sent to the newspaper.	Three Day Advance Notice
Bid Date/Time -- must be at least ten days after the Legal Ad appears in the newspaper. Bids are opened and read publicly.	10-20 Days
Bid results are reviewed by: a. Administrator/Supervisor b. School Business Administrator	One Week
Administrator/Supervisor prepares spreadsheet showing lowest bidders and recommends award of bid. The School Business Administrator reviews bids. A resolution is prepared.	One-Two Weeks
Bids are reviewed at the Board Agenda, Committee of the Whole, and Regular Public Meetings.	One Week
Purchase orders are prepared by the 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. 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. School Business Administrator Notified

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

C. Awarding of Contract by School Business Administrator

If the School Business Administrator is satisfied that an emergency exists, the School Business Administrator is authorized to award the contract by state law.

D. Filing of Documents with the State and County by the 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.

E. Acknowledgment by the Board of Education

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

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*
Up to $ 5850	(a)	No	No	**$1,000**
$ 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 • State of New Jersey Contract Purchases • Boards of Education including Educational Services Commissions • Other contracting units, e.g., County and State Colleges and local authorities, boards, etc.	• Contracting Units Subject to Title 40A:11 • State of New Jersey Contract Purchases • Boards of Education including Educational Services Commissions • Other contracting units, e.g., County and State Colleges and local authorities, boards, etc. • Non-profit Organizations ***Exempt Situations*** • Emergency Purchases – No payment unless BRC is on file. • Employee settlements paid to attorneys; • Establishments that are out of state & business being conducted takes place out of state, e.g., hotels, band camps, seminars, theatres, etc. • Purchase made entirely through School Student Activity Funds.	• Contracting Units Subject to Title 40A:11 • State of New Jersey Contract Purchases • Boards of Education including Educational Services Commissions • Other contracting units, e.g., County and State Colleges and local authorities, boards, etc. • Non-profit Organizations • New Jersey School Boards Association • Contract Renewals • Public Utilities, e.g. PSE&G ***Exempt Situations*** • Emergency purchases; • Litigation payments to parties through a court order.

(a) It is suggested that Affirmative Action evidence is on file from vendors and contractors.
It is further recommended that the District have on file the Iran Disclosure Form from all vendors.

FEDERAL CONTRACTS

Examples of Federal Funding Sources—Every Student Succeeds Act (ESSA)

- 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 I, II, III **ESSER ARP**—Elementary and Secondary School Emergency Relief Act
- CARES Act—Coronavirus Aid, Relief and Economic Security Act 2020

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

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

Methods of Procurement—When Using Federal Funds

All procurement transactions must be conducted in a manner that provides full and open competition (2 CFR 200.319). Here are some 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 $5,850.00. Reference--2 CFR 200.320 (a) (1) and 2 CFR 200.67

- **Simplified Acquisition 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 $5,850 and less than $38,999. It is recommended the district solicit three (3) quotations. Reference--2 CFR 200.320 (a) (2) (i) and 2 CFR 200.88

- **Sealed Bids—$39,000.00 or more---(Public Notice)**

The Purchasing Agent shall use the competitive bid process to procure those contracts that, 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 (b) (1)

- **Proposals—$44,000.00 or more—(Public Notice)**

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

- **Non-competitive Procurement (Single 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 (c) and N.J.S.A. 18A:18A-15

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 evidence of verification (printout from SAM.gov/content/Exclusions) be maintained in procurement files for each contract awarded.

Federal Programs--Include on Requisitions/Purchase Orders
Purchase orders using Federal Funds shall be included 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 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.

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

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)
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.