



Monmouth-Ocean Educational Services Commission

**PURCHASING
MANUAL**

2021-2022



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Introduction and Purpose

The purpose of this Purchasing Manual is to assist all Monmouth-Ocean Educational Services Commission ('MOESC', 'Commission' or 'District') employees in the proper purchasing practices to be in full compliance with:

- New Jersey Public School Contracts Law N.J.S.A. 18A:18A-1 et seq.;
- New Jersey Administrative Code N.J.A.C. 5:34-1 et seq.;
- Board of Director's ('Board') Policy;
- Other federal, state law and code;
- Local Finance Notices – NJ Division of Local Government Services
- Other laws and administrative code when applicable.

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

1. Compliance with the law, code and Board Policy on purchasing;
2. Promote efficiency in the purchasing practices; and
3. Achieve monetary savings through proper purchasing practices.

Proper Planning

We ask you, the user of the purchasing system, to help achieve these goals through proper planning. Please allow yourself enough leeway between generating a purchase order and the actual date materials or services are needed. Please think of purchasing in terms of a whole year. What items and services do you need on an annual basis? Through proper planning, we can eliminate much of the frustration that is encountered with all public school purchasing procedures.

Who Should Review this Manual?

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

Deliberative Process

- **Compliance with Law; Code; Board Policy**
 - Public school purchasing is a deliberative process, designed to ensure compliance with the Public School Contracts Law, appropriate New Jersey Administrative Code, board of education policy and when applicable, Federal Procurement Code.
- **Limit Fraud**
 - The deliberative process also encompasses checks and balances and internal controls designed to limit fraudulent activities.
- **Purchases of Goods and Services Take Time**
 - Public school purchasing is a time consuming effort. Please be patient.

Mandatory Training

All school personnel involved in the requisition and purchasing process shall attend a mandatory training session concerning proper purchasing procedures, pursuant to N.J.A.C. 5:34-1.1 (b).

Recommending Purchases; Educational/Operational Rationale

Administrators who recommend purchases should be able to explain and defend the need of the purchase and why the purchase is essential to the Commission. Administrators who sign off on requisitions/purchase orders may have to provide an educational or operational rationale for the purchase based 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 may have to justify the need for the purchase and if so required, explain the need at a Board meeting.

QPA Certification

Any thresholds listed are based upon the assumption the School Business Administrator/Board Secretary possesses a Qualified Purchasing Agent (QPA) Certificate and the Board has set the bid threshold at the current maximum of **\$44,000**.

Ethics and Conduct in Purchasing - Vendor Relations

A. **Ethics and Conduct** All Commission 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 within the Commission and those dealings with vendors who provide goods and services to the Commission. All Commission employees should adhere to the following terms and conditions of the Board policy on Ethics and Conduct in Purchasing; Vendor Relations.

Federal Code of Standards of Conduct

The Board, 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 Directors - 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, nor receive any benefit, compensation or reward from any contract for the sale of goods and services to the Board. Reference - N.J.S.A. 18A:6-8.

b. **Solicitation/Receipt of Gifts from Vendors - Prohibited**

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 Commission, or a potential bidder, or an applicant for any contract with the Commission, 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. **Commission Responsibility - Favoritism; Family Members, Businesses - Prohibited**

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 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.

d. Vendor Responsibility - Doing Business with the Commission

Any vendor doing business or proposing to do business with the Commission, 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 Commission 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 Commission, 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 Commission, or their 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 Commission.

f. Violations of the Policy - Sanctions

In accordance with N.J.S.A. 18A:6-8, any school district employee who violates the terms of this policy may be subject to withholding of annual increments, suspension, demotion, school ethics complaint, termination and/or revocation of license to teach or to administer.

B. 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 which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. Ref. 2 CFR 200.318 (c) (1)

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

C. Possible Conflict of Interest

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

D. Criminal Code Citations

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

Title 2C - Criminal Code

2C:27-9 Unlawful Official Business Transaction

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

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

“A public servant commits a crime if, under color of office and in connection with any official act performed or to be performed by the public servant, the public servant directly or indirectly, knowingly solicits, accepts or agrees to accept any benefit, whether the benefit inures to the public servant or another person, to influence the performance of an official duty or to commit a violation of an official duty.” (N.J.S.A. 2C:27-10)

Public School Purchasing - Legal Authority

A. Authority to Purchase - School Business Administrator/Board Secretary

The purchase of goods and/or services by a Board of Directors ('Board') is governed by state statutes, administrative code and board policy. New Jersey State Law 18A:18A-2(b) assigns the legal authority to the Purchasing Agent (School Business Administrator) to make purchases for the Board.

The Purchasing Agent is the only individual in the Commission that has the authority to make purchases for the Board.

The MOESC Board of Directors, by board resolution, has authorized the School Business Administrator/Board Secretary to be the Purchasing Agent for the Commission.

B. Authorized Purchases

All requests for purchases of goods and/or services must be made through an approved Purchase Order signed by the Purchasing Agent, prior to the goods or services being received.

C. Purchase Order

A Purchase Order, pursuant to N.J.S.A. 18A:18A-2 (v), is a document issued by the Purchasing Agent authorizing goods or materials to be ordered for the school district or work/service to begin. No goods or materials may be ordered or work/service be authorized to begin by any other individual in the school district other than the Purchasing Agent.

D. Unauthorized Purchases

Any Commission 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 <=

There shall be no Confirming Purchase Orders allowed (i.e. orders in which the vendor is given the PO number prior to the Purchase Order being processed, which violates State Law).

No Purchase Order is valid until it is signed by the Business Administrator/Purchasing Agent. The Commission is not obligated to pay for an unauthorized purchase.

E. Penalties for Unauthorized Purchases

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

First Offense	Letter in Personnel File	Employee Pays for Purchase
Second Offense	Suspension	Employee Pays for Purchase
Third Offense	Loss of Increment	Employee Pays for Purchase
Fourth Offense	Loss of Employment and/or Tenure Charges	Employee Pays for Purchase

F. Corrective Action Process (CAP) for Non-Compliance

1. Memo to Administrator

If the Purchasing Agent has determined that an unauthorized purchase has been made, a memo will be sent to the responsible Administrator advising same of the unauthorized purchase. The Superintendent of Schools shall receive a copy of the memo.

2. Memo to Superintendent

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

3. Letter to Vendor

The Purchasing Agent will also send a letter to the vendor who provided either unauthorized goods or services. 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.

At any time during the Corrective Action Process (CAP), the Superintendent may invoke the Penalties for Unauthorized Purchases.

G. Commission Sanctions to Violations

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

1. Withholding of State Funds - 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. Audit Finding and Recommendations

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

3. Employee Sanctions

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

H. Purchasing Prohibitions

1. Employees Prohibited from Signing Contracts - Prohibited

Commission employees are prohibited from signing any contract offered by a vendor. The power to sign and execute contracts after Board approval lies with the Board President and the Board Secretary.

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

2. Reimbursements; Employee - Prohibited

The Board 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.

3. Student Activity Accounts - Prohibited

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 Purchasing Agent.

4. Private Purchases - Prohibited

Goods and services procured by the Board 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 are prohibited from purchasing privately goods and/or services from the bid prices and quotation prices offered by the vendors to the Board.

I. Purchasing Guidance

1. Cancellation of Purchase Orders - Guidance

All requests to cancel Purchase Orders must be made in writing to the Business Office. Reasons explaining the need to cancel the Purchase Order must be outlined. The Purchasing Agent maintains the sole right to cancel Purchase Orders.

2. Credit Cards Prohibited

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

3. Contracts; Purchase Order Required - Guidance

The award of a contract to a vendor approved by the Board 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, 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. Bids (*Purchases that exceed the bid threshold of \$44,000*)

This method is used for procuring goods, materials, services and public work projects that exceed, in the Aggregate*, the Commission's approved bid threshold of \$44,000.

- a. *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.

Examples of Bidding:

1. Contracted Transportation services
2. Contracted Special Education related services (CST, Speech, OT/PT, Nursing)
3. Construction/Public Works Projects
4. Building Services: Plumbing, Electrical, HVAC work, Custodial Supplies, Pest Control Services, Grounds services
5. Technology: Computers, Supplies/Equipment, Printers, Interactive Boards
6. Commission: Furniture, AV Equipment, Calculators
7. Food: Groceries and canned goods, Kitchen Equipment

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

Bids and Purchasing:

1. **Bid Limit \$44,000** (*with a Qualified Purchasing Agent certificate*):

The Commission is restricted by New Jersey state law on how much money can be spent by the Commission for the entire budget year on materials, supplies, and services with a vendor. This restriction is called the **bid threshold** or **bid limit**. The bid limit is **\$44,000**. This means that any specific item, class of items, and/or services of a similar nature, purchased by the Commission totaling in the aggregate more than **\$44,000** for the entire budget year, must be competitively procured and advertised for bid. This restriction is for the entire Commission and not by location or schools. School officials cannot circumvent the law by splitting purchases to be under the **\$44,000** bid limit. Administrators that have purchases that may exceed the **\$44,000** bid limit are to contact the Purchasing Agent to begin planning the bid process. *The formal bidding process takes about 6-8 weeks to complete.*

2. **Annual Bids:**

The Board, to be in compliance with N.J.S.A. 18A:18A-9, requests that central office department Administrators and Supervisors and school Principals start to plan and prepare for Annual Bids. The proposed time lines are as follows:

- February*
- Administrators/Supervisors prepare technical specifications to be reviewed by Purchasing Agent.

- March* • Purchasing Agent prepares final bid specifications to be drafted in a manner to encourage free, open, and competitive bidding.
- April* • Annual bids are received, opened and tabulated by Purchasing Agent.
- May* • Bid resolutions are prepared by Purchasing Agent for Board approval.

3. Bidding: Time Frame

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

4. Exceptions to the Bid Limit

New Jersey State Law allows for some exceptions to the bid requirements where a Board does not have to bid for specific goods and services. Some of them are:

- a. Purchasing through New Jersey State Contract;
- b. Professional services as outlined by New Jersey law;
- c. Textbooks, kindergarten supplies, student produced publications, library and educational goods;
- d. Legal notices, food supplies, milk, utilities, insurance, election expenses, travel and conferences; and
- e. Contracts with other government entities; county and state colleges. These purchases may be subject to the quotation process pursuant to N.J.S.A. 18A:18A-37(a) if practicable.

The Purchasing Agent should be contacted concerning exceptions to bidding.

B. Quotations (*Purchases that fall between \$6,600 and \$43,999*)

This method of procurement is used for contracts for goods, materials, services and public works projects that in the aggregate are between \$6,600 and \$43,999.

Examples of Quotations:

- 1. Custodial equipment and/or services
- 2. Maintenance equipment and/or services
- 3. NP Security grant purchases
- 4. NP Technology grant purchases

Award of Contract - Price and Other Factors: The Commission 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 the most advantageous, price and other factors included.

Quotations and Purchasing

- 1. **Quotation Limits - \$6,600 through \$43,999:** The quotation limit (threshold) is \$6,600. This means that any specific item or group of items of a similar nature purchased by the Commission, totaling more than \$6,600 and less than \$44,000 for the entire year, must be competitively quoted or advertised for bid at the discretion of the Purchasing

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

2. **Quotation Process:** All quotations shall be in writing and will be coordinated by the Purchasing Agent. When a quotation is deemed necessary, the Administrator or Principal is asked to please contact the Business Office. The Purchasing Agent will review the quotation specifications to determine whether they are set up to provide open and competitive quotations. *The formal quotation process could take 2-4 weeks from start to finish. There will be no telephone quotations except in a case of extreme urgency.*
3. **Receipt of Two (2) Quotations:** Pursuant to N.J.S.A 18A:18A-37(a) the school district shall solicit two (2) quotations, if practicable. Evidence of the quotation process shall be kept on file. A copy of the quotation shall be attached to the Purchase Order.

C. Request for Proposal (RFP) - This method is preferred for the following contracts:

Examples of RFPs:

1. **Professional Services**
 - a. Medical
 - b. Auditing; Accounting
 - c. Legal
 - d. Engineering, Architectural
2. **Academic/Operational Services**
 - a. (Contracts less than \$44,000)
 - b. Instructional Improvement
 - c. Educational Consultants
 - d. Professional Development

Award of Contract - Evaluative Criteria

The RFP methodology is designed to award a contract to the vendor based upon a list of criteria which include technical, management and cost related criteria as required by N.J.S.A. 18A:18A-4.4b

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

The contract for an RFP does not have to be awarded 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 (Specialized Goods and Services over \$44,000)

This procurement method is used for specialized goods and services worth over \$44,000.00. The Commission can only use this method for contacts that are outlined in N.J.S.A 18A:18A-

4.1. Some of the examples that are permitted are:

1. Proprietary Computer Software for Board Use
2. Operation, management or administration of recreation or social service programs
3. Operation, management or administration of data processing services
4. Energy Savings Improvement Plans (ESIPs)
5. Food Service Management Company (FSMC) services
6. Concessions

Award of Contract - Evaluative Criteria

The award of contract is similar to the RFP award of contract. It is based upon the same evaluative criteria that is designed to award the contract to the respondent whose response will provide the highest quality services at fair and competitive prices. The administrative process of Competitive Contracting as outlined in N.J.S.A. 18A:18A-4.1 et seq. and N.J.A.C. 5:34-4.1 et seq. is a protracted process and make take 6-8 weeks to complete.

E. State Contract Purchasing

Pursuant to N.J.S.A. 18A:18A-10 (a), a Board of Education may purchase goods and services through New Jersey START (NJ START) contract vendors. If the purchase exceeds the bid threshold, the Board of Education must adopt a resolution awarding the contract. It is the recommendation of the Purchasing Agent to procure the following equipment and supplies from New Jersey START contract vendors.

1. Office Supplies and School Supplies

The Purchasing Agent will distribute separate memos highlighting State Contract vendors who sell Office Supplies and School Supplies. Please review these memos with your staff. If you plan to purchase Office Supplies and School Supplies from the State Contract vendor, please follow the instructions on the memo.

2. Computers:

If you plan to purchase computers, please adhere to the following process prior to completing Purchase Orders for computers. Please contact the Chief Information Officer as he will be best able to assist you with the technical aspects and the State Contract requirements of purchasing computers.

3. Other State Contract Purchasing

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

Purchase Order Requirements - State Contract

All Purchase Orders made through State Contract vendors shall include the following:

1. State Contract Number;
2. State Contract System Identifier '1 NJCP'
3. Notification of Award attached to the Purchase Order
4. Approved State Contract price list

5. Shipping and Handling included

Other Purchasing Procedures

A. Cooperative Purchasing

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

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

Cooperative Purchasing System Identifiers—Include on Purchase Orders

School districts are required by administrative code to identify the cooperative group and include the identification number on the purchase order. 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 course of the year.

1NJCP New Jersey START Contract vendors

26EDCPS Educational Data Services, Inc., vendors

65MCESCCPS Educational Services Commission of New Jersey vendors

34HUNCCP Hunterdon County Educational Services vendors

B. Emergency Contracts

Emergency contracts are strictly regulated by N.J.S.A. 18A: 18A-7. An emergency situation must exist affecting the health or safety of the occupants of school property that requires the immediate delivery of goods or the performance of services.

The emergency contract process is reviewed in Appendix B. Please note that the Superintendent of Schools must be notified **first** of all emergency purchase requests. Only the Purchasing Agent 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, equipment repair services and vending machines. The Purchasing Agent will coordinate all EUS activities pursuant to N.J.S.A. 18A:18A-5a 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 are in conflict or **more restrictive**.

Effective July 1, 2015, school districts when procuring goods and services using federal funds, are to comply with the **Uniform Administrative Requirements - 2 CFR 200.317 et seq.**

Federal Funds Procurement Thresholds - More Restrictive

More Restrictive Threshold	Procurement Activity	Citation
Less than \$3,500	Micro-purchase; sound business practices	200.320 (a); 200.67
\$3,500-\$43,999	Use of Quotations; Use of RFP's	18A:18A-37 (a)
\$44,000 or more	Use of Bids; Use of Competitive Contracting, Formal advertising	18A:18A-4 (a) 18A:18A-4.1 et seq.

A more comprehensive Threshold Chart will be distributed by the Purchasing Agent.

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 Commission. The School Business Administrator, in accordance with N.J.A.C. 6A:23A-6.10 will identify and investigate the reason(s) for any increase to a Purchase Order. A Purchase Order cannot be increased by more than 10% of the original value.

F. New Vendors

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

1. Affirmative Action Evidence - Certificate of Employee Information Report
2. Business Registration Certificate from the State of New Jersey
3. Chapter 271 Political Contribution Disclosure form
4. Iran Financial Disclosure Form
5. IRS W-9 Form
6. Other documents required by Federal Procurement Code

Please refer to the *Purchase Order Requirements* chart in Appendix D.

Vendor Performance - Unsatisfactory

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

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

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 <https://www.state.nj.us/treasury/revenue/debarment/debsearch.shtml> or the Federal System for Award—SAM.gov.

G. Renewal of Contracts - Services

Any vendor contract for services other than professional services, may be extended or renewed by the Board 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 Purchasing Agent will notify all Administrators in February of the preceding fiscal year of any vendor contracts that are eligible for renewals.

Student Activity Account Purchases

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

Signing of Contracts with Vendors - Prohibited

School officials are strictly prohibited of 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 his signature to the vendor contract

Purchases - Bids May Be Required - Discretion of School Business Administrator

The School Business Administrator is aware of the following exception to bidding

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

It will be the determination of the School Business Administrator, whether an advertisement for bid will be required for a Student Activities purchase, which in the aggregate exceeds the bid threshold of \$44,000.

Purchases—Quotations Required

Goods and services paid with student activity funds and require no budget appropriation from the board of education, are considered an exception to bidding under the New Jersey Public School Contracts Law. It is important to note however, that purchases less than the bid threshold may be subject to official quotations solicited by the School Business Administrator. Please alert the Business Office for any upcoming purchases that are more than \$6,600.

Purchases—Board Resolution Required Exceeding the Bid Threshold

All purchases exceeding the bid threshold, currently \$44,000, require prior board of education approval at a regularly scheduled meeting.



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

Purchases of yearbooks, school rings; 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

The Commission may secure, through the competitive bid process, prices for various types of transportation vehicles needed for approved field trips. All staff are reminded of the following guidance as it pertains to field trip transportation:

1. The field trip transportation Purchase Order must have attached to it a copy of the Board action approving the destination of the field trip.
2. The field trip transportation Purchase Order must be prepared and processed prior to the date of the field trip.
3. 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.
4. 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 N.J.A.C. 6A:23A-5.8 on Board expenditures for meals and refreshments. The expenditure of public funds for meals and refreshments may be used for the following:

1. Permitted Activities for Meals; Refreshments; Catering

- a. **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.
- b. **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.
- c. **Dignitaries:** Reasonable costs* for light meals and refreshments for dignitaries are permissible.
- d. **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 Director's 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 16-11-OMB Section XI - Letter J)

Documentation Required - Light Meals and Refreshments must be provided to support expenditures for light meals and refreshments. The following information is to be provided on the Purchase Order Rationale Form:

- a. Description of the activity;
- b. Purpose/justification of the activity; goal; objectives;
- c. Make-up of the group receiving the meals; and
- d. Names of employees and board members included in the group.

2. Prohibited Activities - Meals and Refreshments

- a. **Athletic Activities - Feeding Guests:** Light meals and refreshments served to guests at any athletic event, game or contest are not permitted.
- b. **Staff and Employees of the School District:** Light meals and refreshments are not permitted for employees and staff of a school district, unless the staff member or employee is essential to a student activity where light meals or refreshments are being served. N.J.A.C. 6A:23A-7.12 (d); 6A:23A-5.8 (b) (4)
- c. **Honoring Employees:** Receptions, dinners or other social functions held for or honoring any employee or group of employees are not permitted when public funds are being used.

3. Purchase of Food Supplies - Supermarkets

New Jersey state law and code excludes the purchase of food supplies from the bidding process if the food supplies are for the school cafeteria or the home economics classes.

Food supplies purchased from supermarkets shall be in compliance with state law and code and only for approved situations.

4. Food Supplies

New Jersey Administrative Code (N.J.A.C.) 6A:23A-16.5(b) notes that food supplies include those supplies that are “eaten or drunk.” Administrators are to ensure that purchases from the supermarkets have only items listed that follow the code. The Business Office will review the register receipts and highlight those items that do not follow the code.

C. Miscellaneous Permitted and Non-Permitted Purchases

1. Permitted Purchases:

- a. Commencement; Convocation Activities: All reasonable costs for commencement; convocation activities are permitted.
- b. Field Trips / Extracurricular Activities: All field trips using Board funds (using a 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. Board approval of the field trip must be attached to the Purchase Order.
- c. Library Books; Magazines, Videos/DVD’s/CD’s: All library books; magazines and multi-media presentation materials shall be for educational or operational purposes.
- d. T-Shirts: The Superintendent will consider, on a case by case basis, requests for the purchase of T-Shirts.

2. **Prohibited and Non-Essential Purchases:**

- a. Carnivals
- b. Gifts for Employees
- c. Teacher appreciation gifts/activities
- d. Plaques/trophies
- e. Bereavement flowers; baskets
- f. Student entertainment

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

D. **Travel Reimbursement - Purchase Order - Conferences and Workshops**

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

1. **Written Approval of the Superintendent - prior to travel event:**

The travel shall be approved in writing by the Superintendent prior to the travel event, and shall be included with the Purchase Order for reimbursement.

2. **Board Approval - prior to travel event:**

The travel shall be approved by the Board, again, prior to the travel event. A copy of the Board approval shall be attached to the Purchase Order.

3. **Reimbursement Procedures:**

Prior to being reimbursed for approved costs for the travel event, the following must be presented with the Purchase Order when applicable

- a. Approvals in writing;
- b. Travel Report;
- c. Original Receipts for hotel & meals (when applicable), parking and tolls;
- d. Mileage Travel Form;
- e. Copy of NJ Insurance Identification Card pursuant to N.J.A.C. 6A:23A-7.9 (c) 4 (v).; and
- f. Other documents when requested.

All staff and Board members are to review all Board policy and school administrative procedures prior to planning for the travel event.

E. **Purchase Orders - Annual Deadline**

The deadline for submitting Purchase Orders for the current operating budget is May 1st, unless a Purchasing Freeze is enacted on an earlier date by the Purchasing Agent. Exceptions to the deadline date may be for purchases of the following:

1. Cost Center contracted service invoices will be accepted only until the 4th business day following June 30th. After that, the vendors will not be paid.
2. State and/or federal funded program grant programs;
3. End of the year activities: field trips, graduation, assemblies;
4. Employee contractual obligations: tuition reimbursement;
5. Emergency contracts;
6. Travel reimbursements; and

7. Other goods, materials or services approved by the Purchasing Agent

F. Fixed Assets

Generally Accepted Accounting Principles (GAAP) reporting requires the Commission 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.

- a. *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.
- b. *Recording of Fixed Assets:* School officials ordering and receiving a fixed asset item, shall properly record the item on the purchase order in accordance with Business Office procedures. The fixed asset item shall also be identified with the district's bar coding system.
- c. *Disposal of Fixed Assets:* All school district property must be disposed in a manner prescribed by law as per the Records Retention Schedule prepared by the New Jersey Bureau of Records Management. The Business Office will assist all school officials in the disposal of all school property, especially those identified as fixed assets.

Contracted Service Providers - Protecting Our Children

Regular Contact with Students

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

Anti-Bullying Reporting--Requirement

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

Criminal History Background Checks—N.J.S.A. 18A:6-7.1--Requirement

When applicable, the contracted service provider, shall provide to the Commission prior to commencement of contract, evidence or proof that each employee assigned to provide services and that comes in **regular contact with students**, has had a criminal history background check, and furthermore, that said background check indicates that no criminal history record information exists on file for that worker. Failure to provide a proof of criminal history background check for any employee coming in regular contact with students, prior to commencement of contact, may be cause for breach of contract. No employee of a contracted service provider shall commence work at a school facility without having first obtained an approval for employment from the Office of Student Protection. (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/>

Professional Development and Travel

A. Professional Affiliations:

Payment for approved professional affiliations require all original bills to be attached to the Purchase Order Requests for verification with the account to be charged.

B. Workshop/Trip Reimbursement:

1. An ***MOESC Request for Seminar-Training-Travel.pdf*** form (available on the website) must be submitted to the Superintendent with the use of a Professional Development Request Form prior to the travel date(s). Prior Board approval is necessary for all travel in excess of \$150.00.

The request shall include supporting documentation to include a statement outlining the primary purpose for the travel and key issues that will be addressed and their relevance to improving instruction or the operation of the Commission. Additionally, the documentation must include the type of travel; location, date(s) of travel; and all related costs including transportation expenses, parking, tolls, lodging, meals, and other expenses.

A Purchase Order with the registration and/ or lodging request must be submitted at the same time. Lodging will only be paid at the Federal GSA (US General Service Administration) rate. Any amount that exceeds that rate the individual must reimburse the Board the difference.

2. The Superintendent of Schools shall review and may approve or deny each request for travel expense. The Superintendent's signature designating approval is required on the Professional Development Request Form.
3. All requests for travel approved by the Superintendent shall be forwarded to the Business Administrator, or designee, to determine if the expenses as outlined in the request are in compliance with the New Jersey travel reimbursement guidelines as established by the Department of Treasury and with guidelines established by the Federal Office of Management and Budget (car rentals and/or limousine services are ineligible expense for reimbursement).
4. Expenses for travel and related expenses must meet two sets of tests in order to be reimbursable. First, there is the requirement that the expenses be incurred for matters affecting the Commission and they be ordinary and necessary. Secondly, there is the requirement that travel and related expenses not be reimbursed unless adequately substantiated and accompanied by an **original receipt**.
5. Lodging and meals must comply with the Federal per diem rate. Lodging expenses may exceed the Federal per diem rates if the hotel is the site of the convention, conference, seminar or meeting and the going rate of the hotel is in excess of the federal per diem rate.
 - a. If expenses are in compliance with the guidelines, the Superintendent will include the Professional Development Request information on the Board agenda for approval.
 - b. If any expenses are not in compliance with the guidelines, the Business

Administrator, or designee, will return the request to the Superintendent.

- c. The Superintendent will notify the staff member or Board member of any expenses not in compliance with the guidelines. To receive final approval, the staff member or Board member must agree to assume financial responsibility for the non-compliant expenses.
6. Approval of the travel request requires a majority of the full voting membership of the Board at a Board meeting.
 7. A copy of the approved Professional Development Request Form will be returned to the staff or Board member if approval is granted by the Superintendent and the Board.
 8. The staff or Board member, upon completion of the pre-approved travel, must submit the following to the Business Office for reimbursement after the travel event:
 - a. Professional Development Request Form (copy)
 - b. Receiving Copy (green) of the Purchase Order (that must be signed)
 - c. all receipts
 9. All fees or expenses not covered by the Purchase Order must be submitted for reimbursement at the conclusion of the travel event.
 10. The Purchase Order for expenses should not be submitted until the staff member has the cancelled check or a receipt from a credit card. The cancelled check or the receipt from a credit card should be attached to the Purchase Order.
 11. A duly executed Purchase Order should be submitted following the *Purchase Order Schedule* to have it included for payment at the next regular Board meeting.
 12. At the time of submission of all expenses, the staff member must submit a brief report that will state the purpose of the travel and key issues addressed at the event.

C. Cancellation of Travel

Board members, officers and designated employees of the Commission who register for conferences, workshops, or other professional growth and development activities but fail to attend without proper notification shall be responsible for reimbursing the Board for all incurred expenses.

Exceptions caused by extenuating circumstances may be granted at the Superintendent's discretion.

D. Travel Expenditures - Prohibited

Travel expenditures reimbursed shall NOT include costs for the following:

1. No subsistence reimbursement for one-day trips, except for meals expressly authorized by, and in accordance with, the provisions of N.J.A.C. 6A:23A-7.12.
2. No subsistence reimbursement for overnight travel within the State shall be permitted, except where authorized by the Commissioner in accordance with the procedure set forth in N.J.A.C. 6A:23A-7.11(d) and where home to convention commutation exceeds 50 miles.

3. Overnight travel by appropriate staff or Board members at approved in-state conferences shall only be permitted for reimbursement for lodging when the conference has received a waiver by the Commissioner pursuant to N.J.A.C. 6A:23-7.11(c) and the event occurs in multiple consecutive days.
4. No lunch or refreshments for training sessions and retreats held within the Commission, including in-service days and for employee participants traveling from other locations within the Commission, shall be reimbursed.
5. No car rentals, limousine services, reverse telephone charges or entertainment costs shall be reimbursed.
6. Air fare without documentation of quotes from at least 3 airlines and/or travel agencies and/or online services shall be reimbursed.

E. Out of State Travel

Pursuant to the definitions of N.J.S.A. 18A:11-12, out-of-state travel shall be limited to the fewest number of staff or board members needed to acquire and present the content offered to all other staff or board members, as applicable, at the conclusion of the event. Lodging may only be provided if the event occurs on two or more consecutive days and where home to event commute exceeds 50 miles.

Pursuant to N.J.A.C. 6A:23A-5.9, when an out-of-state travel event has a total cost that exceeds \$5,000, regardless of the number of attendees, or where more than five (5) individuals from the district are to attend an out-of-state event, the commission shall obtain the prior written approval of the Executive County Superintendent.

F. Mileage ONLY Reimbursement (mileage not related to travel noted above)

1. All staff members must utilize the ***Employee Travel Reimbursement Claim Form*** (available on the website) to be reimbursed for all appropriate travel.
2. An **original copy** of the ***Employee Travel Reimbursement Claim Form*** should be submitted for reimbursable mileage on a monthly basis.
3. For one day trips involving tolls and parking, all **original receipts** must be attached to the ***Employee Travel Reimbursement Claim Form***.
4. Staff members who are assigned duties in more than one building may be compensated for mileage. For travel between schools, mileage will be reimbursed based upon the State rate. Please utilize the ***Employee Travel Reimbursement Claim Form*** to keep track of the daily mileage and submit on a monthly basis.
5. ***Employee Travel Reimbursement Claim Form*** for the month of June and all final travel and mileage for the now completed school year shall be turned into the Business Office no later than the last day of the school year.

Professional Legal Services

Procedure:

In order to help minimize the cost of legal services, the Board will authorize the designated persons, Superintendent and the Business Administrator, to contact legal counsel. The designated persons shall ensure that contacted legal counsel is not contacted unnecessarily for management decisions or readily available information contained in Commission materials such as Board policies, administrative regulations, or guidance available through professional source materials.

If legal advice is requested by anyone other than the designated persons, a request for legal advice shall be made in writing and shall be maintained on file in the administrative office. The designated person(s) will determine whether the request warrants legal advice or if the information can be obtained elsewhere.

A **Legal Services Contact Log** form (Appendix H) of all legal counsel contacts shall be maintained and submitted monthly to the Business Office by each designated person(s) and shall include:

1. Designated Person's name;
2. Attorney's name;
3. Date of contact;
4. Method of contact (phone, email)
5. Purpose of contact (Issue discussed); and
6. Time duration of the contact.

Legal service invoices shall be compared to the monthly **Legal Services Contact Log** forms and any variances shall be investigated and resolved. Payments for legal services will comply with payment requirements and restrictions pursuant to N.J.S.A. 18A:19-1 et seq. as follows:

1. Advance payments are prohibited.
2. Contract shall describe in detail services to be provided.
3. Invoices for payment shall itemize the services provided for the billing period.
4. Payment shall only be for services actually provided.

The Board will annually establish, prior to the budget preparation, a maximum dollar limit for each type of professional service, including legal services. In the event it becomes necessary to exceed the established maximum dollar limit for the professional service, the Superintendent shall recommend to the Board an increase in the maximum dollar amount. Any increase shall require formal Board action.

Contracts for legal services will be issued by the Board in a deliberative and efficient manner such as through a Request For Proposals (RFPs) based on cost and other specified factors or another comparable process that ensures the Commission receives the highest quality services at a fair and competitive price or through a shared service arrangement. Contracts for legal services shall be limited to non-recurring or specialized work for which the Commission does not possess adequate in-house resources or in-house expertise to conduct.

Requisition/Purchase Order Responsibilities

A. Order Originator Responsibilities

Requisition requests are generated at the building or department level and need to be approved by the building Principal, Administrator or Supervisor. The formal requisition is entered into Systems 3000 by an authorized staff member who is responsible for ensuring the following:

1. **Funds Available** - The Systems 3000 software will not permit a requisition to be entered if there are insufficient funds in the GAAP account. If this is the case, the Originator must complete an **MOESC Transfer Request** form, signed by your Department Administrator, and submitted to the Business Office before you can proceed.
2. **Vendor Name** - All Board checks are made payable to the vendor name (top line) listed on the requisition, so please ensure the proper vendor name is entered.
3. **Vendor Complete Address** - The requisition 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).
4. **Current Budget Year Included** - The current budget year must be included in the body of the requisition.
5. **Description of Items, Services, Costs and Catalog Numbers** - Items and/or services requested are to be described clearly with correct and up-to-date catalog numbers and costs.
6. **Shipping Costs** - Shipping and handling costs are to be added to all requisitions/Purchase Orders. Please read the catalog or contact the vendor to determine the actual shipping and handling costs.
 - a. If you are unable to determine shipping charges, add to the total and indicate: *"10% Estimated Shipping and Handling"*
 - b. If there are no shipping and handling charges, indicate: *"Shipping and Handling Included"*
 - c. As applicable, please indicate: *"If amount exceeds the listed amount including shipping, please contact MOESC for approval. Failure to contact MOESC will result in payment of original amount."*
7. **Delivery Address - Attention of** - The delivery address should include a contact person's name and/or a specific department.
8. **Delivery Types** - The Board recognizes two (2) types of delivery.
 - a. **Inside Delivery** - Items are to be delivered to a Commission 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 Commission 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 to then uncrate, setup, assemble items to determine good working order and remove all debris to the satisfaction of the Commission within five (5) working days.

Please ensure that all requisitions have the correct delivery designation.

9. **Total Cost** - Please include the words "Total Cost" on the requisition with the actual amount of the order. Please verify your figures for accuracy.
11. **Budget (GAAP) Account Number** - Please be sure the correct GAAP Account Number is entered on the requisition.
12. **State Contract Orders** - When ordering through State Contract vendors (minimum order \$100.00), please include on the requisition:
 - a. State Contract Number;
 - b. '1NJCP' must be included on all State Contract requisitions/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.

13. **Quotations** - If quotations are obtained, please attach to the requisition a copy of each written quotation received. Please type the quotation date and the quotation number.
14. **Bids and/or RFPs** - If bids and/or RFPs are utilized, please include the following on the requisition:
 - a. Bid Number; and
 - b. Bid Date
15. **Multi-Page Requisitions - Limit Two (2) Pages** - There will be times where there is a need to order a large amount of items from one vendor. The number of pages of requisitions is limited to two pages per order. For orders in excess of the two page limit, please follow the procedures below:
 - a. Type on the body of the requisition what is being purchased. *Example:* School Supplies, Office Supplies, etc.
 - b. Type on requisition: "See Attached List" – The list should be neatly typed or downloaded from company website and should include quantities, full description of items, unit prices and total price.
 - c. Attach a copy of the list to the requisition (The Business Office attaches these copies to the various copies of the Purchase Order).
 - d. Type on the requisition the full price and any shipping/delivery costs.

16. Sales Taxes

- a. **MOESC is exempt from paying New Jersey Sales Tax** (N.J.S.A. 54:32B-1)
 - i. New Jersey local school districts are political subdivisions of the State of New Jersey. Their purchases are exempt from New Jersey sales and use taxes. The board is not exempt from paying out of state sales and use taxes.
- b. **MOESC is prohibited from reimbursing New Jersey Sales Tax**
 - i. If an employee of a school makes a purchase on behalf of a school that includes Sales Tax, please note that the school's auditor will not allow reimbursement of the Sales Tax portion of the purchase to the school employee.
 - ii. When an employee of a school makes a school purchase using a personal check or personal credit card, there is no exemption from Sales Tax, even if the employee provides Form ST-4 to the seller. If the person making the purchase pays with personal funds, the exemption from Sales Tax does not apply even if the purchaser will receive reimbursement of the purchase from the school.
- c. **ST-5 Form Not Required**
 - i. 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.

B. Administrator Responsibilities

Administrators, Supervisors and Principals must ensure the following is reviewed before giving his/her LEVEL 1 and/or LEVEL 2 approval in Systems 3000:

1. **Funds Available** - They must check to determine if funds are available in their budget to cover the amount of the purchase order.
2. **Requisition Completion** - check to determine that the previously noted *A. Order Originator Responsibilities* (items 1 through 18 listed above) have been properly completed.
3. **Operational or Educational Need of Purchase** - Administrators who approve requisitions should be able to explain why the purchase is essential to the Commission. They should be able to support the purchase as an educational or operational need for the Commission. Of most importance they should be able to answer the following:
 - a. How students will learn or benefit from the purchase?
 - b. What educational achievement or program may be linked to the purchase?
 - c. How is the purchase of operational value to your school/office?

4. **Requests to “Rush”** a Purchase Order should be avoided. Planning is essential to comply with the established timelines regarding purchasing. The failure to adequately plan does not constitute an emergency.
5. **When supplies or materials have been received and/or services have been completed**, Administrators, Supervisors, Principals, or the designated person are to sign the Receiving Copy (green) of the Purchase Order and return it to the Business Office. Authorization can be noted for a partial payment. Full payment must include any/all Packing List(s) attached to the Receiving Copy (green).
6. **Encumbered Purchase Orders** - When an item of expense is repetitive, encumbered Purchase Orders are appropriate. Administrators may prepare an encumbered Purchase Order and make copies of the Receiving Copy (green) to keep on file. Expenses such as gas, electric, water, sewerage, garbage, lawn cutting, phone, internet services, custodial services, copier machines, postage machines, contracted transportation services and other similar repetitive expenses may be encumbered. Monthly invoices are then attached to the duplicated Receiving Copy (green) and sent to the Business Office.
7. **Employee Reimbursement of Purchased Items** - With proper planning, staff should not have to purchase items and then seek reimbursement. Such a practice should be infrequent and of a minor nature. No Purchase Order is valid until signed by the Business Administrator/Purchasing Agent.

C. Central Office Responsibilities

Requisitions are reviewed by various central office Administrators and are given LEVEL 2 approval if deemed correct and in compliance with the requirements. Incomplete or improper requisitions will not be approved. An explanation regarding the deficiencies will be sent to the originator. When a requisition is rejected, it is the responsibility of the originator to make the required correction(s) and re-submit the requisition for approval.

D. Business Office Responsibilities

The Business Administrator/Purchasing Agent will review all requisitions with special attention given to the following:

1. **Funds Available** - Check to determine if funds are available on the proper GAAP account in the budget to cover the requisition.
2. **Correct GAAP Account** is charged.
3. **Cost Thresholds** - The Business Administrator/Purchasing Agent reviews the technical aspects of the requisition to ensure compliance with Federal Law and Board Policy:
 - a. Checks the cost of each item and determines if it can be purchased from another vendor at a savings.
 - b. Reviews whether the Purchase Order exceeds the Qualified Purchasing Agent thresholds:
 - i. Quotation Limit: **\$ 6,600.00**

- ii. Bid Limit: **\$44,000.00**

4. Document Verifications

- a. Pursuant to various State Laws, the Business Administrator/Purchasing Agent must ensure the following documents are on file in the Business Office before the requisition is signed and processed (also see Appendix D):
 - i. Affirmative Action Evidence - Contracts \$44,000 & over (cumulative)
 - ii. Business Registration Certificate (BRC) - \$6,600 and over
 - iii. Chapter 271 Political Contribution Disclosure Form (PCD) - over \$17,500 (cumulative) and all Professional/Educational Services (EUS)
 - iv. Iran Financial Disclosure Form
 - v. IRS W-9 Form
- b. The requisition is also reviewed for technical aspects such as:
 - i. Account Number missing or incorrect;
 - ii. Shipping charges added;
 - iii. Signatures missing;
 - iv. State contract numbers incorrect/missing;
 - v. Vendor's **Original Invoice** with accurate Address; and
 - vi. Other items as listed in Section A.

Incomplete or improper requisitions will be returned with a memo explaining deficiencies. See a copy of the memo in Appendix C.

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 letters requesting a transfer of funds are to be sent to the School Business Administrator/Board Secretary. All transfers of funds have to be approved by the Board of Education at a public meeting.

6. Business Administrator/Purchasing Agent Approval

If the Business Administrator/Purchasing Agent is satisfied, LEVEL 3 approval is given, which converts the requisition into a Purchase Order. The Business Office will then print the Purchase Order and:

- b. Issue a Purchase Order number;
- c. Mail a copy of the Purchase Order to the vendor.

The Purchase Order process, as explained, may take 5 - 10 days to complete. Please plan accordingly.

7. Purchase Order Form

Each Purchase Order consists of four (4) parts:

<u>Copy</u>	<u>Color</u>	<u>Disposition</u>
Voucher	White	Sent to vendor for confirming signature, then returned to the Business Office
Vendor	Pink	Sent to vendor to confirm order items, prices, shipping, terms, etc.
Receiving	Green	Sent to school/office, order receipt verified and compared with Packing List, then returned to Business Office
Business Office	Yellow	Remains on file in the Business Office

The Business Office handles the mailing of the Purchase Order to vendors, collects the Receiving Copy (green) and matches it with the vendor’s original invoice and the signed Voucher Copy (white). Once a complete set of documentation (as above) exists, the Voucher is prepared for payment and added to the Bills List for approval at the next meeting of the Board. Once the Bills List is approved by the Board, checks are mailed to the vendors.

E. Vendor Responsibility

The Business Office sends to the vendor the Voucher Copy (white) and the Vendor Copy (pink). The vendor is to sign the Voucher and return it to the Business Office with their invoice. If you receive a signed Voucher, please forward it to the Business Office. A check is prepared for the vendor once the Business Office has a:

1. Voucher Copy (white) signed
2. Invoice
3. All Packing Lists
4. Receiving Copy (green) signed

The award of contract to a vendor approved by the Board 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.

Requisition / Purchase Order Processes

A. Requisition / Purchase Order - Format

A requisition becomes a Purchase Order after all of the required Administrators have approved the requisition in the Systems 3000 software.

Each Purchase Order has four (4) sheets or copies:

<u>Copy</u>	<u>Color</u>	<u>Disposition</u>
Voucher	White	Sent to vendor for confirming signature, then returned to the Business Office
Vendor	Pink	Sent to vendor to confirm order items, prices, shipping, terms, etc.
Receiving	Green	Sent to school/office, order receipt verified and compared with Packing List, then returned to Business Office
Business Office	Yellow	Remains on file in the 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:** It is important that all items received be immediately checked. Please note the following:
 - a. Obtain the Receiving Copy (green) of the Purchase Order & the Packing List of items ordered.
 - b. Open all boxes and check off the items received on the Receiving Copy and the Packing List.
 - c. If all items are received and accepted, then sign and attach the Packing List to the Receiving Copy (green) of the Purchase Order.
 - d. The school Principal or the Supervisor should also sign the Receiving Copy (green) and send it with the Packing List to the Business Office.

2. **Responsibilities of Administrators; Supervisors**

Administrators and Supervisors are to ensure that all goods received have been checked-in for accuracy. If the goods received match the Purchase Order and the Packing List, then the Administrator should do the following:

- a. Sign the Packing List to confirm receipt of delivery of goods;
- b. Sign the Receiving Copy (green) of the Purchase Order;
- c. Sign any invoices that may have been submitted with the order; and
- d. Immediately send all items to the Business Office c/o Accounts Payable.

3. **Accounts Payable Procedures - Notification Process - Unreturned Paperwork**

There will be instances where the Business Office Accounts Payable will send a courtesy reminder to any school or office that has not returned the Receiving Copy (green) with attached Vendor Invoice(s) in a timely fashion.

All Receiving Copies (green) of Purchase Orders and Packing List(s) should be signed and immediately sent to the Business Office.

The Board 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

4. Problems Encountered with Receipt of Goods

a. Back Orders:

Sometimes items ordered will not be received in the first shipment. This is known as a back order. The Packing List will have back order written on those particular items.

i. Process to Follow:

If the order is incomplete because there is a back order:

- Mark on the Receiving Copy (green) of the Purchase Order those items you did not receive.
- Contact the Vendor and find out when the back ordered items will ship.
- When the back ordered items are received, and now the order is complete, sign and immediately send the original Receiving Copy (green) and the Packing List(s) to the Business Office.
- If the back ordered items will not ship from the vendor, then mark and initial those items as “Cancelled” on the Receiving Copy (green) of the Purchase Order and immediately send (with the Packing List of the items already received) to the Business Office.

b. Items Missing from Order:

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

ii. Process to Follow:

- Mark on the Receiving Copy (green) and on the Packing List what items were received to determine what items are missing.
- Contact the Vendor and inform them what was missing and find out when the missing items will ship.
- When the missing items are received, and now the order is complete, sign and immediately send the original Receiving Copy (green) and the Packing List(s) to the Business Office.
- If the missing items will not ship from the vendor, then mark and initial those items as “Missing - Cancelled” on the Receiving Copy (green) of the Purchase Order and immediately send (with the Packing List of the items already received) to the Business Office.

c. **Items Damaged; Incorrect Item:**

Sometimes you will receive items that are damaged or the wrong item.

iii. Process to Follow:

- Mark on the Receiving Copy (green) and on the Packing List what items were damaged or incorrect.
- Contact the Vendor and inform them what was damaged or incorrect, and ask them what the procedure is for returning the damaged or incorrect items.
- Return the item(s) to the Vendor.
- Please note how the items were returned (UPS/PO/Vendor Pick Up) on the Receiving Copy (green) of the Purchase Order.
- Contact the Vendor and find out when the replacement items for the damaged or incorrect items will ship.
- When the replacement items are received, and now the order is complete, sign and immediately send the original Receiving Copy (green) and the Packing List(s) to the Business Office.
- If the replacement items will not ship from the vendor, then mark and initial those items as “Damaged” or “Incorrect” on the Receiving Copy (green) of the Purchase Order, immediately send (with the Packing List of the items already received) to the Business Office, and advise the Purchasing Agent.

d. **Discontinued Item:**

Sometimes the item you requested has been discontinued.

iv. Process to Follow:

- Mark on the Receiving Copy (green) of the Purchase Order “Discontinued - Cancelled.”
- Do not call the Vendor for a replacement item. You must complete a new Purchase Order with an alternate Vendor.

Vendor Payment Process

Role of Cost Center - Contracted Services

Purchase Order Contract Amount - Not To Be Exceeded!

The contracted services vendor/provider (vendor) receives a Purchase Order from the Purchasing Agent notifying the vendor that services may begin. The Purchase Order has a total contract amount. This contract amount may not be exceeded unless authorized by the Board in writing.

Monitoring Contract Amount - Commission Administrator Responsibility!

The School Business Administrator asks all Commission administrators to monitor all vendor bills and invoices to ensure they do not exceed the total contract amount. Administrators are asked to contact the Purchasing Agent, forty-five (45) days in advance, if the total contract amount is close to being exceeded. The Purchasing Agent then can begin a process to exceed the Purchase Order amount pursuant to administrative code.

Exceeding Contract Amount - Unauthorized Service!

If any administrator permits a vendor to exceed the contract amount, the administrator has permitted an unauthorized service, which is similar to an unauthorized purchase. Administrators are asked to monitor the dollar amount of services being provided to the Commission.

Monitoring Contract Amount - Vendor Responsibility!

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

Exceeding Contract Amount - Written Authorization!

Contracted vendors may only exceed the amount on the purchase order when authorized by the School Business Administrator in writing. The authorization will be in the form of a new purchase order being issued to the contractor signed by the Purchasing Agent.

Submission Deadlines – Adherence to *Purchase Order Schedule*

The Board usually meets on the fourth (4th) Wednesday of each month. The Business Office asks that all bills and invoices for payment be submitted according to the ***Purchase Order Schedule***.

All bills and invoices submitted to the Business Office by the vendor will be sent to the appropriate Cost Center for review and approval. The Business Office cannot begin the payment process until it receives the invoices signed and approved by the appropriate Cost Center administrator.

End of Year Billing/Cancellation of Purchase Orders

Administrators are to work with contracted services vendors so that end of the year invoices are submitted to the Business Office in a timely fashion. This is imperative. In order to comply with



State of New Jersey, Department of Education requirements, the Commission has adopted a policy of canceling open purchase orders at the end of the fiscal year. All invoices must be billed within thirty (30) days of services to meet the State Department of Education deadline. If we are not in receipt of your invoice within the thirty (30) day deadline, we will not be able to process payment in a timely fashion and the corresponding purchase order may be cancelled, thereby causing a delay in payment.

Formal Bid Process Timeline

<u>Process</u>	<u>Time Required</u>
Initial request to bid made by Administrator/Supervisor. Certification that funds exist.	1 Day
Review of the specifications (including possible revisions of prior-year specifications and/or contracts) to fully outline the items, materials or services to be bid by the Purchasing Agent.	1 Week
Administrator/Supervisor reviews the revised specifications for final approval.	3 Days
Bid Package prepared by the Purchasing Agent.	1 Week
Attorney review as necessary of the Bid Package	1 Week
Legal advertisement sent to newspaper.	3 Days Advance Notice
Bid Date/Time - must be at least 10 days after Legal Ad appears in newspaper. Bids are opened and read publicly.	10 Days Minimum
Bid Opening results are reviewed by the Purchasing Agent	3 Days
Resolution is prepared for the Agenda.	1 Day
Resolution is reviewed in the Board Agenda meeting	1 Day
Purchase Orders are prepared by Administrator/Supervisor.	1 Day

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

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 goods or the performance of services”. 18A:18A-7

C. Process in Declaring an Emergency

1. **Superintendent of Schools Notified**

The Superintendent of Schools is notified by the employee / Supervisor / Administrator of the possible emergency.

2. **Business Administrator/Purchasing Agent Notified**

The official in charge of the building or facility, wherein the emergency occurred, shall notify the Business Administrator/Purchasing Agent of the following:

- a. Nature of the emergency;
- b. Time of the occurrence; and
- c. The need for the performance of a contract.

Such notification shall be prepared in writing and filed with the Purchasing Agent as soon as possible.

3. **Executive County Superintendent Notified**

As soon as reasonably possible, but within three days of declaring the emergency, the Superintendent of Schools shall notify the Executive County Superintendent of the nature of the emergency and the estimated needs for goods and services necessary to respond to it. 5:34-6.1 (a)

4. **Awarding of Contract by Business Administrator/Purchasing Agent**

If the Business Administrator/Purchasing Agent is satisfied the emergency exists, the Business Administrator/Purchasing Agent by State Law is authorized to award the contract. Under no circumstances shall the emergency purchasing procedure be used to enter into a multi-year contract.

5. **Approval by Board of Directors**

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



Business Office

MEMORANDUM

To: _____

From: Business Administrator/Board Secretary

Date: _____

Re: Return of Purchase Order(s)

I am returning the attached Purchase Order(s) for the reason(s) checked below:

- Account Number Incorrect; Missing - Please use Account # _____
Bid Number, Quotation Number - Not Included on Purchase Order
Board Resolution Needed - Attach to Purchase Order
Conference Request Form - Not Attached; Not Approved
Description of Item(s), Service Needed
Funds; Federal/State - Title of Grant Program - Type on Purchase Order/requisition
Proposal/Contract Missing - Attach to Purchase Order
Quotations Needed
Rationale Form Missing; Unsigned
Sales Tax is not reimbursable
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
Textbook Documentation Missing
Website Documentation / Board Resolution
Unauthorized Order - (Please contact me Ext. _____ to discuss procedures)
Vendor Address Incomplete - Post Office Box Number Only
As Per Attached Memo
Other _____

Please make the adjustments needed and return the Purchase Order with this form to my office.

Purchase Order Requirements

Contract/Purchase Order Thresholds (Aggregate)	Affirmative Action Evidence (AA)	Business Registration Certificate (BRC)	Chapter 271 PCD (Pay To Play) (271)
Up to \$ 6,599	No	No	No
\$ 6,600 -> \$17,499	No	YES	No
\$17,500 -> \$43,999	No	YES	YES
*\$44,000 -> and over	YES	YES	YES

*Based upon a QPA \$44,000 Bid Threshold

Affirmative Action Evidence Exemptions	Business Registration Certificate Exemptions	Chapter 271 (PCD) Exemptions
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 <p><u>Exempt Situations</u></p> <ul style="list-style-type: none"> Emergency Purchases – No payments 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. 	<ul style="list-style-type: none"> 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 <p><u>Exempt Situations</u></p> <ul style="list-style-type: none"> Emergency purchases; Litigation payments to parties through court order.

It is suggested that school districts request from all vendors the Iran Disclosure Form!

TO: All Vendors

Date: _____

<h2 style="margin: 0;">Unauthorized Orders</h2>

Official Notification

Authorized Purchases

The Monmouth-Ocean Educational Services Commission (MOESC) Board of Directors only recognizes purchases made through the approved Purchase Order process. All purchases made MOESC requires:

- **Written Purchase Order;**
- **Purchase Order Number; and an**
- **Authorized Signature (Purchasing Agent)**

Unauthorized Purchases

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

Vendors' Responsibility

• **DO NOT Honor Requests!**

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

• **Contact the Business Office!**

Please alert the Business Administrator/Board Secretary at 732-695-7827 if any Commission employee attempts to place an order without an authorized Purchase Order.

• **You WILL NOT Get Paid!**

The MOESC Board of Directors will not be held responsible for any unauthorized orders or unauthorized purchases.

Authorized Signatures

The MOESC Board of Directors will only recognize Purchase Orders signed by:

Business Administrator, Board Secretary

Federal Contracts

1. Debarment and Suspension for Federal Contracts

Debarment and Suspension (E.O. 12549 and E.O. 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p 235). Debarment and Suspension. **SAM Exclusions** contains the names of parties debarred, suspended or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. (Ref. 2 CFR 200.212)

2. Federal Programs/Targeted Students

Purchase Orders using Federal Funds shall include on the document:

- c. Name of Federal Program
- d. Targeted Group of Students

3. Compliance -- Uniform Administrative Regulations—2 CFR Part 200

All purchases using Federal Funds shall be in compliance with the Uniform Administrative Regulations—2 CFR Part 200



Federal Contracts - Chart of Thresholds

<u>Description of Goods/Services</u>	<u>Amount</u>	<u>Procurement Method</u>
Goods and Services	Less than \$3,500	Sound Business Practice
Goods and Services	\$3,500-\$43,999	Quotation or Bid
Goods and Services	\$44,000 or more	Bid
Professional Services	Less than \$3,500	Simple Proposal
Professional Services	\$3,500-\$43,999	Request for Proposals (RFP)*
Professional Services	\$44,000 or more	Competitive Contracting
Educational Consultant Services	Less than \$3,500	Simple Proposal
Educational Consultant Services	\$3,500 - \$43,999	Request for Proposals (RFP)*
Educational Consultant Services	\$44,000 or more	Competitive Contracting
Instructional Improvement Services	Less than \$3,500	Simple Proposal
Instructional Improvement Services	\$3,500 - \$43,999	Request for Proposals (RFP)*
Instructional Improvement Services	\$44,000 or more	Competitive Contracting
Professional Development Services	Less than \$3,500	Simple Proposal
Professional Development Services	\$3,500 - \$43,999	Request for Proposals (RFP)*
Professional Development Services	\$44,000 or more	Competitive Contracting
Sole Source (Proprietary) ^(a)	Less than \$3,500	Simple Proposal
Sole Source (Proprietary) ^(a)	\$3,500 - \$43,999	Proprietary Quotation
Sole Source (Proprietary) ^(a)	\$44,000 or more	Proprietary Bid
Services Provided by Government Units/Schools	Less than \$3,500	Simple Proposal
Services Provided by Government Units/Schools	\$3,500 - \$43,999	Request for Proposals (RFP)*
Services Provided by Government Units/Schools	\$44,000 or more	Competitive Contracting

**RFPs must be advertised when federal funds are being used.*

