

# PURCHASING MANUAL

*2016 – 2017*



*Lumberton Township Board of Education*  
Mrs. Rachel Paulin, President

Mr. Chris Stridiron, Vice President  
Mrs. Melissa Cirii  
Mr. Thomas Colling, III  
Mrs. Sheila Ellis

Mrs. Margaret Bupp  
Mrs. Jill Clevenger  
Mrs. Jennifer DeJoseph  
Mr. Nate Wood

## Administration

Mr. Joseph F. Langowski, Superintendent of Schools  
Mr. Thomas J. Fanuka, Board Secretary/Business Administrator

Prepared By:  
**Mr. Thomas J. Fanuka**  
Board Secretary/Business Administrator

LUMBERTON TOWNSHIP PUBLIC SCHOOLS

*Business Office  
33 Municipal Drive  
Lumberton, New Jersey 08048*

Table of Contents

<u>Topic</u>	<u>Page</u>
Purchase Order Procedures .....	4-9
Bids and Purchasing.....	10-14
Quotations and Quotation Procedure.....	15
Purchase Order Process .....	16-18
Ethics in Purchasing .....	19-20
Criminal Code Citation .....	21
Appendix .....	22

# LUMBERTON TOWNSHIP PUBLIC SCHOOLS

*Business Office  
33 Municipal Drive  
Lumberton, New Jersey 08048*

## **Office of Thomas J. Fanuka**

*Board Secretary/School Business Administrator*

July, 2016

TO: All District Employees

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

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

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

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

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

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

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

If you have any questions concerning the following guidelines, please do not hesitate to call the **Board Office, (609) 267-1406 Extension 6615.**

Thank you,

**Thomas J. Fanuka**

Board Secretary/Business Administrator,

## **PURCHASE ORDER PROCEDURES**

### **Authority to Purchase**

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

The Board Secretary/Business Administrator is the only individual in the school district that has the authority to make purchases for the board of education.

The Lumberton Township Board of Education by board resolution has authorized Mr. Thomas J. Fanuka to be the Board Secretary/Business Administrator for the school district.

### **Authorized Purchases**

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

A purchase order, pursuant to State Law, is a document issued by the Board Secretary/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 Board Secretary/Business Administrator.

### **Unauthorized Purchases**

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

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

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

### **Corrective Action for Non-compliance**

If the Board Secretary/Business Administrator has determined that an unauthorized purchase has been made, a notification will be sent to the responsible administrator advising the administrator of the unauthorized purchase.

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

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.

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

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

Miscellaneous:

### Preview of Materials

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

### Reimbursements; Employee

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

### Student Activity Accounts

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

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

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

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

If you are unable to ascertain the actual charges, type

**“10% Estimated Shipping and Handling”**

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

**“Shipping and Handling Included.”**

7. **Delivery Address--Attention Of**--The delivery address should include a name of a person or a specific department.
8. **Delivery, Types of**

The Lumberton Township Board of Education recognizes two (2) types of delivery.

- a. **INSIDE DELIVERY**

Items are to be delivered to a Board of Education location and taken off the truck by

transportation carrier personnel and brought to a designated area inside the school or office building.

b. **SPOTTED DELIVERY**

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

9. **Total Cost**--Please include the words "Total Cost" on the purchase order with the actual amount of the order. **Minimum Order**-- The minimum order amount for all purchase orders is \$25.00. Please try to plan and combine orders to exceed the \$25.00 limit. Please verify your figures for accuracy. Please note: The Board of Education is exempt from paying New Jersey Sales Tax.

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

11. **State Contract Orders**--When ordering through State Contract vendors (minimum order \$100.00) please include:

- a. State Contract Number;
- b. Shipping and Handling Included; and
- c. Appropriate documentation when required.

12. **Quotations**--If quotations are obtained, please attach to the purchase order a copy of each written quotation received. Please type the quotation date and the quotation number in the upper left hand corner on the purchase order in the space provided.

13. **Bids**--If bids are obtained, please type the following in the upper left corner on the purchase order in the space provided:

- a. Bid Date; and
- b. Bid Number.

**B. Responsibilities of Administrator/Supervisor or Principal**

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

1. **Funds Available**

They must check to determine if *funds are available* in their budget to cover the purchase order.

2. **Purchase Order Completion**

They must check to determine that items 1-16 previously noted (Responsibilities of the Originator) have been *properly completed*.

3. **Signature on Purchase Order**

The purchase order must be signed (no rubber stamps, please) and *sent to the Board Secretary/Business Administrator's Office*. By signing the purchase order, the administrator/supervisor or principal is certifying that funds are available in the budget account line to cover the cost of the purchase.

**4. Approval of Principal**

- a. Central office administrators and supervisors have been notified that whenever they order materials, textbooks, and equipment for the instructional staff of the various schools, the purchase order for these items must be approved by the school principal. The principal must co-sign the requisition form attached to the purchase order.

**5. Originator Copy (Pink)**

- a. The originator copy (pink) of the purchase order remains in the office of the administrator/supervisor/principal.

**C. Responsibilities of Business Office**

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

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

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

The Quotation Limit **\$6,000.00**

The Bid Limit **\$40,000.00**

**3. Document Check – State Law**

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

- Affirmative Action Evidence – Contracts \$40,000.00 and over (cumulative).
- Business Registration Certificate (BRC) – Purchases \$6,000.00 and over.
- Chapter 271 – Political Contribution Disclosure Form (PCD) \* Purchases over \$17,500.00 (cumulative).

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

A copy of the PCD is in the Appendix.

**4. Review of Purchase Order**--The purchase order is also reviewed for technical aspects such as:

- a. Account number missing or incorrect;
- b. Shipping charges added;
- c. Signatures missing;
- d. State contract numbers incorrect/missing;
- e. Vendor address incomplete; and
- f. Other items as listed in Section A.

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

If the Board Secretary/Business Administrator is satisfied, he signs the purchase order. The Business Office will then:

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

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

5. **Transfer of Funds**--The Business Office processes purchase orders only if there are appropriate funds to cover the purchase. Purchase orders lacking sufficient funds are sent back to the originator for a request to transfer funds. All letters requesting a transfer of funds are to be sent to

**Mr. Thomas J. Fanuka, Board Secretary/Business Administrator**

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

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.

**D. Responsibility of the Vendor**

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

- Signed Voucher
- Invoice
- All Packing Slips

**E. Employees Prohibited from Signing Contracts**

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

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

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

**F. Contracts; Purchase Order Required**

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

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

**G. Cancellation of Purchase Orders**

All requests to cancel purchase orders must be made in writing to the Business Office. Reasons explaining the need to cancel the purchase order must be outlined. The Board Secretary/Business Administrator maintains the sole right to cancel purchase orders.



**H. Private Purchases -- Prohibited**

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

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

**BIDS AND PURCHASING**

**A. Bid Limit -- \$40,000**

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

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

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

If you find that your purchases may exceed the \$40,000 bid limit, please contact the Purchasing Office at once.

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

### **B. Annual Bids**

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

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

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

### **C. Bidding: Time Frame**

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

### **D. Exceptions to the Bid Limit**

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

#### **D. Exceptions to the Bid Limit (continued)**

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

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

Please contact the Board Secretary/Business Administrator for further explanation.

#### **E. State Contract Purchasing**

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

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

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

The Board Secretary/Business Administrator will distribute separate memos highlighting State Contract vendors who sell Office Supplies and School Supplies. Please review these memos with your staff.

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

##### **❷ Computers**

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

- Contact the Director of Educational Technology

Please contact the **Director of Technology at (609) 702-5555 Ext. 3610**. He will be able to assist you with the technical aspects and the State Contract requirements of purchasing computers.

- Contact the Director of Facilities

Please contact the **Director of Facilities, at (609) 267-9749**. The Director has to be apprised of all computer purchases to properly plan for electrical hookups.

##### **❸ Copiers-- Pre-Approval Needed**

If you plan to purchase a copier, please contact my office at Ext. 6615. All purchases of copiers must be pre-approved by the Board Secretary/Business Administrator and the Superintendent of Schools.

#### **Purchase Orders--State Contract**

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

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

#### **F. Professional Services/Professional Consultants**

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

If proposals are to be obtained, they are to be sealed proposals and may be scheduled to be opened publicly. This scheduling, together with the text of the solicitation for proposals, is to be reviewed with the Board Secretary/Business Administrator.

***All Professional Services being considered by a district employee to an individual must consider certain requirements. If a district employee is considering services by an individual (sole proprietor) not working for a company must ensure that this sole proprietor provides the district with a copy of their valid New Jersey Business Registration Certificate (in the same name as the Purchase Order will be made out to), a W-9 and a copy of a valid Professional Liability Insurance certificate with a minimum of \$1,000,000 in coverage. This Professional Liability Insurance must also name the Lumberton Township Board of Education as an additional insured.***

#### Professional Contracts/Educational – Board Approval Needed

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

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

#### 3. Chapter 271 Political Contribution Disclosure Form (PCD)

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

#### 4. Legal Advertisement -- Prepare Form

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

All resolutions are to be sent to the Superintendent's Office with a copy of the written proposal attached. A copy of the resolution and proposal should be sent to the Board Attorney. A written contract will be prepared by the Board Attorney.

#### G. Emergency Contracts

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

The Emergency Contract process is reviewed in the Appendix. Please note that the Superintendent of Schools must be notified **first** of all emergency purchase requests.

Only the Board Secretary/Business Administrator may award an Emergency Contract.

#### H. Cooperative Purchasing

The Lumberton Township Board of Education has contracted with Educational Data Services of Saddle Brook, NJ, to bid on items in the following categories on an as needed basis.

- |                          |                                    |
|--------------------------|------------------------------------|
| 1. Office Supplies       | 5. School Supplies                 |
| 2. Copy Duplicator Paper | 6. Art Supplies                    |
| 3. Science Supplies      | 7. Nursing Supplies                |
| 4. Custodial Supplies    | 8. Other Goods/Services, as needed |

The above categories are represented in the blue, pink, etc. books that are sent to all schools and central office departments early in the school year.

**I. Purchases, Contracts Exceeding the Bid Threshold**

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

Administrators and Supervisors must anticipate their needs as certain purchases once allowed just by purchase order now must be approved by the Board of Education first, then a purchase order can be signed and mailed.

**J. Student Activity Account Purchases**

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

**K. Increasing the Purchase Order Amount—Change Orders**

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

**Change Order Process**

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

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

**Points of Concern – Board Review – Approval; Denial**

- Approval Granted  
Once the Change Order approval is granted by the Board of Education, the Accounts Payable Department shall prepare a purchase order for the approved increase.

- Request Denied

If the request to increase the purchase order is denied, the administrator/supervisor shall notify the vendor that all work or service is to cease.

## **QUOTATIONS AND QUOTATION PROCEDURES**

### **A. Quotations**

The quotation limit (threshold) is now \$6,000. This means that any specific item or group of items of a similar nature purchased by the school district, totaling more than \$6,000 and less than \$40,000 for the entire school or fiscal year, must be *competitively quoted or advertised for bid at the discretion of the Board Secretary/Business Administrator*.

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

### **B. Quotation Process**

*All quotations will go through the Office of the Board Secretary/Business Administrator except for the Food Services Department and the Building Services Department. Quotation proposals prepared by Food Services and Building Services shall first be received and approved by the Board Secretary/Business Administrator. When a quotation is deemed necessary, the Principal or Department Head is asked to contact the Purchasing*

Office. The Board Secretary/Business Administrator will review these quotation specifications to determine whether they are set up to provide open and competitive quotations.

Please note: The formal quotation process could take about 2-4 weeks from start to finish.

There will be no telephone quotations except in a case of extreme urgency.

**C. Receipt of Two Quotations**

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

**PURCHASE ORDER PROCESS**

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

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

<b><u>Copy</u></b>	<b><u>Color</u></b>	<b><u>Disposition</u></b>
Vendor Copy	White (top)	Sent to vendor to order items/provide services
Voucher Copy	Goldenrod (2nd)	Sent to vendor for signature
Originator Copy	Pink	Sent to school/office; returned to Business Office upon receipt of goods/services

File Copy	Yellow	Remains on file in the Board 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. The building custodian should receive the boxes and return the signed receiving copy (green) to the Board Office.
- b. Obtain the originator copy (pink) of the purchase order and packing slip of items ordered.
- c. Open boxes and check off items received on the originator copy (pink) and the packing slip.
- d. If all items are enclosed then sign the packing slip and attach the packing slip to the receiving copy (green) of the purchase order.
- e. The school principal/administrator should sign the originator copy (pink) and send it with the packing slip to the Board Office.

***All originator copies (pink) of the purchase order and packing slips should be sent as soon as possible to the Business Office for prompt payment processing.***

The Lumberton Township 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.

**Problems Encountered with Receipt of Goods**

**Order Cancelled** - if the order is cancelled prior to receipt of goods or services are performed. Please do the following.

- a. Note on the originator copy (pink) of the purchase order "ORDER CANCELLED."
- b. Make a copy of the originator copy (pink) of the purchase order for your records.
- c. Send the originator copy (pink) and packing slip to the Business Office.
- d. Any correspondence or phone conversations should be noted and attached to the originator copy (pink) of the purchase order.

**Order Cancelled** – if the order is cancelled after receipt of goods or services are performed. Please do the following:

- a. Contact the vendor and inform them of the return. The vendor may supply you with a call tag to return the items.
- b. Contact the school office to prepare the package for returning to the vendor.
- c. If the vendor sends a call tag, be sure the school secretary is aware of the pick-up service. If the school will be returning the items, please ask the school secretary to return via Airborne Express.
- d. Note on the originator copy (pink) of the purchase order "ORDER RETURNED."
- e. Make a copy of the originator copy (pink) of the purchase order for your records.
- f. Send the originator copy (pink) and packing slip to the Business Office.
- g. Any correspondence or phone conversations should be noted and attached to the originator copy (pink) of the purchase order.

**Back Orders** – if the order is incomplete because there is a back order ***do not*** wait for the next shipment. Please do the following:

- a. Mark on the originator copy (pink) of the purchase order those items you did not receive.



- b. Make a copy of the originator copy (pink) and the packing slip.
- c. Send the originator copy (pink) and packing slip to the Business Office.
- d. Upon receipt of the back order in the next shipment, check off your copies of the originator copy (pink) and the packing slip and send both copies to the Business Office.
- e. If the items do not arrive in a reasonable time (30 days) please call the vendor and cancel the remainder of the items and return the originator copy (pink) with that notation. Order the remainder of the items with another vendor, if possible.

**Items Missing From the Order** – Sometimes items are marked on the packing slip as being delivered, however, they are missing from the shipment. Please do the following:

- a. Call the vendor and tell them what is missing.
- b. Mark and keep a copy of the originator copy (pink) and the packing slip.
- c. Send the originator copy (pink) and packing slip to the Business Office.
- d. Upon receipt of the missing item(s), check off your copies of the originator copy (pink) and the packing slip and send both copies to the Business Office.

**Items Damaged or Wrong Item** – Sometimes you will receive items that are damaged or the wrong items.

- a. Call the vendor and ask them what the procedure is for returning damaged or wrong items.
- b. Return the items to the company.
- c. On the originator copy (pink) and the packing slip note what items were returned and the reasons for being returned. Please note how the items were returned (UPS/PO/Vendor Pick Up).
- d. Send the originator copy (pink) and the packing slip to the Business Office.

**Discontinued Item** – Sometimes the items requested have been discontinued.

- a. Note on the originator copy (pink) of the purchase order “DISCONTINUED.”
- b. Do not call the company for a replacement item. You must issue a new purchase order.

### **C. Purchase Order Cut Off Date**

Administrators and Supervisors are to be alerted to the fact that purchase orders for the present school year will not be accepted after the **first Friday of May**.

## **ETHICS IN PURCHASING**

### **Financial Interest in any Contract; Direct or Indirect**

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

Reference—N.J.S.A. 18A:6-8.

### **Solicitation/Receipt of Gifts from Vendors -- Prohibited**

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

Reference—N.J.A.C. 6A:10-2.1 (7f); Board Policy 6460

### School District Responsibility – Recommendation of Purchases

School officials and employees who recommend purchases shall not extend any favoritism to any vendor. Each recommended purchase should be based upon quality of the items, service, price, delivery, and other applicable factors in full compliance with N.J.S.A. 18A:18A-1 et. seq.

School officials and employees are to avoid recommending purchases from members of their families, businesses that employ members of their families and from businesses in which the official, employee or members of their immediate family have a direct financial interest.

School officials and employees who are authorized to sign off on purchase orders and/or to recommend purchases or business transactions by virtue of their signature on the purchase order certify that their actions are consistent with this policy and all applicable statutes.

Reference Board Policy—N.J.A.C. 6A:10-2.1 (7f); Board Policy 6460

### Vendor Responsibility – Doing Business with the Board of Education

Any vendor doing business or proposing to do business with the Lumberton Township Board of Education, shall neither pay, offer to pay, either directly or indirectly, any fee, commission, or compensation, nor offer any gift, gratuity, or other thing of value of any kind to any official or employee of the Lumberton Township Board of Education or to any member of the official's or employee's immediate family.

No vendor shall cause to influence or attempt to cause to influence, any official or employee of the Lumberton Township Board of Education, in any manner which might tend to impair the objectivity or independence of judgment of said official or employee.

### **Ethics in Purchasing (Continued)**

#### Vendor Certification

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

#### Violations of the Policy

In accordance with N.J.A.C. 6A:10A-4.1(f)iii, and N.J.S.A. 18A:6-8, any school district employee who violates the terms of this policy may be subject to withholding of annual increments, suspension, demotion, school ethics complaint, termination and/or revocation of license to teach or to administer.

Reference Board Policy—N.J.A.C. 6A:10-2.1 (7f); Board Policy 6460

## **CRIMINAL CODE CITATIONS**

### Title 2C -- Criminal Code

#### 2C:27-9 Unlawful Official Business Transaction

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

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

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

## **APPENDIX**

- A. Formal Bid Process
- B. Emergency Purchases/Contracts
- C. Political Contribution Disclosure Form (PCD)

**FORMAL BID PROCESS**

<b><u>Process</u></b>	<b><u>Time Line</u></b>
Initial request to bid made by Administrator/Supervisor. Certification that funds exist.	One Day
Review of specifications, fully outlining items, materials or services to be bid by Board Secretary/Business Administrator.	One Week
Return of reviewed specifications to Administrator/Supervisor for final approval. Administrator/Supervisor signs off final approval.	One Week
Bid package prepared by Board Secretary/Business Administrator.	One Week
Copies of bids run off by Central Copy.	One Day
Legal advertisement sent to newspaper.	Three Day Advance Notice
Bid Date/Time-- must be at least 10 days after Legal Ad appears in newspaper. Bids are opened and read publicly.	10-20 Days
Bid results are reviewed by: <ul style="list-style-type: none"> <li>a. Administrator/Supervisor</li> <li>b. Board Secretary/Business Administrator</li> </ul>	One Week

Administrator/Supervisor prepares spreadsheet showing lowest bidders and recommends award of bid. Board Secretary/Business Administrator reviews bids. Resolution is prepared.	One-Two Weeks
Bids are reviewed at Board Agenda, Committee of the Whole, and Regular Public Meetings.	One Week
Purchase orders are prepared by Administrator/Supervisor.	One Week

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

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

## **EMERGENCY CONTRACTS (18A:18A-7)**

### **A. Background**

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

### **B. Definition of Emergency**

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

### **C. Process in Declaring an Emergency**

#### **1. Superintendent of Schools Notified**

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

#### **2. Business Administrator/Board Secretary/Business Administrator Notified**

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

**3. Awarding of Contract by Business Administrator/Board Secretary**

If the Business Administrator/Board Secretary is satisfied the emergency exists, the Business Administrator/Board Secretary by State Law is authorized to award the contract.

**4. Filing of Documents with State and County by Board Secretary/School Business Administrator**

In accordance with N.J.A.C. 5:34-6.1, the following documents must be filed with the Bureau of Facility Planning and the County Superintendent within three (3) days after awarding the contract or agreement:

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

**5. Approval by Board of Education**

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

**Lumberton Township Board of Education  
Business Office**

33 Municipal Drive  
Lumberton, New Jersey 008048

**REQUEST FOR CHANGE ORDER  
(Services; Work Provided)**

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

Name of Vendor \_\_\_\_\_ PO # \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

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

\_\_\_\_\_.

Original Award of Contract    \$ \_\_\_\_\_

Increase Requested            \$ \_\_\_\_\_

Revised Total                    \$ \_\_\_\_\_

Reason for Request to Increase \_\_\_\_\_

\_\_\_\_\_

Name of Administrator \_\_\_\_\_

\_\_\_\_\_



Signature

Date

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

This form shall be submitted to: Mr. Thomas J. Fanuka, R.S.B.A.  
School Business Administrator/Board Secretary

**Certification of Funds** – School Business Administrator/Designee

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

\_\_\_\_\_  
School Business Administrator/Designee Date

**Board Approval/Denial**

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

\_\_\_\_\_  
School Business Administrator Date

**Lumberton Township Board of Education  
Business Office**

33 Municipal Drive  
Lumberton, New Jersey 008048

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

**Part I – Vendor Information**

Vendor Name:			
Address:			
City:	State:	Zip:	

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

\_\_\_\_\_  
Signature Printed Name Title

**Part II – Contribution Disclosure**

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

Check here if disclosure is provided in electronic form.

<u>Contributor Name</u>	<u>Recipient Name</u>	<u>Date</u>	<u>Dollar Amount</u>
-------------------------	-----------------------	-------------	----------------------

			\$

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

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

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