



**BCIT & BCSSD
STANDARD OPERATING PROCEDURES
PROCUREMENT**

Any and all procedures included herein are to be approved by the DISTRICT Board of Education (BOE) prior to implementation.

Any and all procedures included herein are subject to modification by the Business Administrator (BA) and/or her Designee.

Any and all procedures included herein apply to any and all operations of the district.

Any and all references made herein to the BA apply to the BA and/or her designee.

At no point in time during the execution of any and all these procedures will blank purchase requisitions (PRs) and or blank purchase orders (POs) be left unsecured and or unattended. Any employees leaving banks, PRs, and or blank pos will be held accountable.

At all times relevant, there will be a proper segregation of duties between the Purchasing function, the Receiving function, and the Accounts Payable function.

The BA has final approval on the authorization of any and all vendors to conduct business with the district.

The BA is the only employee authorized to execute a contract.

Vendors are not to be paid outside of the Purchase Order process.

Any and all Purchase Orders must be for at least \$25.00.

1. The Business Office employee will complete a Vendor Data Sheet for any and all prospective vendors.
2. Employees should first try and find a vendor in Burlington County that can provide the goods or services. If there are no vendors capable of this in Burlington County, they should find a vendor in the state of New Jersey that can provide the goods or services. If there are no vendors in the state of New Jersey, the employee must obtain a sole-source letter from the vendor stating that they are the only vendor that can provide the goods or services. This website will help you find vendors located in Burlington County:

<http://www.chamberdata.net/businesssearch.aspx?dbid2=njburl>

These are the exceptions for using out-of-state vendors: Textbooks, State Contracts, Co-Ops, GSA, Specialty Equipment/Services, and Sole Source.

3. Once a potential vendor is selected, the employee should contact the vendor and see if they accept POs. They must obtain a W-9, which is a request for a tax identification number and certification for all vendors. They also must obtain a New Jersey Business Registration Certificate for all vendors. This is required for businesses to do business in New Jersey. The rules for NJBRC can be found here: <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.
4. Once Procedures 1 through 3 have been completed, the Business Office employee will add the vendor to the Master Vendor List (MVL).
5. No vendors are to be added to the MVL, rendered inactive on the MVL and/or edited on the MVL without the knowledge and/or consent of the BA. Only the BA and Accounts Payable employees will have the requisite access to EDUMET to update the MVL.
6. To every extent possible, the employee(s) involved in the Purchasing function will have no ability to do anything regarding the MVL other than to be able to view it via EDUMET.
7. Any and all purchases will be made in accordance with N.J.S.A. 18A:18A, also known as the Public School Contracts Law, and the District Standard Operating Procedures for Procurement, as approved by the District BoE. These approved SOPs are inclusive of the Purchase Order process.
8. Any and all employees who acquire goods and/or services by circumventing the approved Purchase Order process do so by engaging in the practice of making unauthorized purchases. Unauthorized purchases result in Confirming Orders. Any and all employees who make unauthorized purchases violate New Jersey State Law. Progressive Discipline for violating this SOP is as follows:
 - a. 1st Violation: Order is refused. Employee receives verbal warning.
 - b. 2nd Violation: Order is refused. Employee receives a letter of reprimand to their personnel file.
 - c. 3rd Violation: Order is accepted and paid for by the employee. Employee receives a letter of reprimand to their personnel file.
9. Any and all employees requesting the purchase of goods and/or services will initiate the PO process by first determining the method by which the goods/services will be purchased. The method will be determined after considering: 1.) the aggregate of the sums to be expended for the specific goods/services, the class of goods/services, and/or goods/services of a similar nature; 2.) the bid threshold for the District, and 3.) the quote threshold for the District.
10. "Aggregate" is defined in N.J.S.A. 18A:18A-2(l) as "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."
11. "Bid Threshold" is defined in N.J.S.A. 18A:18A-2(m) as "the dollar amount set in N.J.S. 18A:18A-3, above which a BOE shall advertise for and receive sealed bids in accordance with procedures set forth in N.J.S. 18A:18A-1 et seq."
12. The practice of submitting multiple requisitions to the same vendor, or to different vendors for the same category of goods/services, in which the intent is to circumvent the bid threshold and/or the quote threshold, is a prohibited practice.
13. The quote threshold for the DISTRICT is \$7,950.

14. The bid threshold for the DISTRICT is \$53,000.

15. The purchase of goods/services by the DISTRICT (not by location or school), the total cost of which equals or exceeds \$53,000 for the entire year, must be competitively bid. This will be accomplished via the practice of competitive contracting, as deemed appropriate by the BA, in accordance with N.J.S.A. 18A:18A-4 through 18A:18A-5; BOE Policy 6340, 6480, 6163, 7300; BOE Regulation 6421.

16. For all contracts that in the aggregate are less than \$53,000, but are equal to or exceed \$7,950.00, and for those contracts that are for subject matter enumerated in subsection “a.” of N.J.S.A. 18A:18A-5, except for paragraph (1) of that subsection concerning professional services and paragraph (3) of that subsection concerning work by employees of the BOE, the BA shall award the contract after soliciting at least two competitive quotations, if practicable. The DISTRICT Procurement Procedures mandate that three competitive quotations be obtained, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered. The BA shall retain the record of the quotation solicitation and shall include a copy of the record with the voucher used to pay the vendor. All in accordance with N.J.S.A. 18A:18A-37(a); BOE Policy 6421.

17. If authorized by the BOE by resolution, all contracts less than \$7,950 in the aggregate may be awarded by the BA without soliciting competitive quotations. All in accordance with N.J.S.A. 18A:18A-37(c); BOE Policy 6421.

18. Goods/services purchased from vendors who have State Contracts or who are involved in Cooperative Pricing Systems and/or who offer their goods via Ordering Catalogs are exempt from the quotation and bidding requirements.

19. Once the purchasing method has been determined, the employee requesting the purchase will ensure that the requisite funds are available in the budget to make the purchase.

20. The requesting employee will obtain the three quotes, where required.

21. The requesting employee will contact their Principal, wherein their Principal will have their designee create a PR utilizing EDUMET. On the PR, the employee making the request is identified by name in the “Requested by” field and the employee preparing the PR is identified by name in the “Batch” field. The requesting employee will ensure that the three quotes are attached to the PR. The requesting employee will also ensure that if the vendor has a state contract, the contract number is indicated on the PR. It is customary for the Requestor to estimate 10% of the cost of the purchase for shipping costs. Estimated shipping costs are to be added to the PR.

22. The District, as a tax-exempt entity, does not pay sales tax. Do not add the cost of any sales tax to the total cost of any purchase.

23. Once the PR is finalized, the Principal’s designee will forward the PR to the Principal/Department Head for approval. On a case-by-case basis, the Principal’s designee may forward an unapproved PR to the Business Office in anticipation of the PR being approved, so the Business Office can begin preparing for the new order to be processed.

24. Once the PR is approved at the Principal/Department Head level, the EDUMET system moves the PR to the next employee for approval. In as much as all departments do not function in an identical fashion, the approval process could include up to, but not more than, 9 employees. This is determined by the BA’s designee in the Business Office. Regardless, the final 2 employees to approve the PR are the BA’s designee in the Business Office and, finally, the BA.

25. The BA is responsible for making the final approval on all PRs.
26. After this final approval, the EDUMET system automatically converts the PR into a PO.
27. The Business Office employee prints the PO.
28. The PO is a one-page document with three attached copies. The top page is the Voucher, which is white. The first copy is the Vendor copy, which is also white. The second copy is the Accounting Department copy, which is the pink copy and the third copy is the Receiving copy, which is the gold copy.
29. All of the pages of the PO are printed bearing the electronic signature of the BA, except for the Voucher copy. This copy is separated from the other three copies and is sent to the BA for a live signature. This copy then acts as the official approval to purchase the goods/services.
30. The signed Voucher copy of the PO is returned to the Business Office, and the order for the purchase is placed. The order is placed via facsimile machine, e-mail, or the U.S. mail. The vendor is to receive a copy of the District Tax Exempt certificate, along with the requisite copies of the PO. The Business Office employee is the only person authorized to place the order for the purchase.
31. If the purchase is for an amount greater than or equal to \$7,950, the Business Office employee will send the Voucher copy and the Vendor copy of the PO to the vendor with the order. If the purchase is for an amount less than \$7,950, the Business Office employee will only send the Vendor copy of the PO to the vendor, and they'll keep the Voucher copy of the PO with the Accounting copy of the PO. Regardless of the amount of the purchase, the Accounting copy of the PO stays in the Business Office and the Receiving copy of the PO is sent to the Receiving Departments at the respective campuses, awaiting the delivery/performance of the goods/service.
32. If the purchase is for an amount greater than or equal to \$7,950, the vendor will sign the Voucher copy of the PO and return it to the Business Office. The vendor typically returns the Voucher copy of the PO with the Invoice.