

# REGULATION

## NUTLEY SCHOOL DISTRICT

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Purchases Budgeted

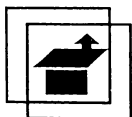
### R 6421 PURCHASES BUDGETED

All purchasing for the school district shall be conducted under the authority of the School Business Administrator/Board Secretary who has been designated as Purchasing Agent by the Board of Education in Policy No. 6421.

#### A. Contracts Exempt From Bidding

A purchase, contract, or agreement may be made or awarded by the Board of Education at a public meeting without public advertising for bids and recourse to the Board's bidding procedures under the following circumstances:

1. If the subject matter of the purchase, contract, or agreement consists of:
  - a. Professional services, N.J.S.A. 18A:18A-5a(1);
  - b. Extraordinary unspecifiable services, which are specialized and qualitative services requiring expertise, extensive training and proven reputation in the field of endeavor, under conditions established by the State Board of Education, N.J.A.C. 6:20-8.1, N.J.S.A. 18A:18A-5a(2);
  - c. The doing of any work by employees of the Board, N.J.S.A. 18A:18A-5a(3);
  - d. The printing of all legal notices and legal briefs, records, and appendices to be used in any legal proceeding in which the Board may be a party, N.J.S.A. 18A:18A-5a(4);
  - e. Textbooks, copyrighted materials, kindergarten supplies, and pupil produced publications and services incidental thereto, N.J.S.A. 18A:18A-5a(5);
  - f. Food supplies, including food supplies for home economic classes, when purchased pursuant to N.J.S.A. 18A:18A-5a(6);
  - g. The supplying of any product or the rendering of any service by a public utility subject to the jurisdiction of the Board of Public Utility Commissioners and supplied in accordance with the tariffs and schedule of charges of that Board, N.J.S.A. 18A:18A-5a(7);

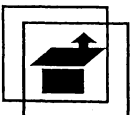


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- h. The printing of bonds and documents necessary to the issuance and sale thereof, N.J.S.A. 18A:18A-5a(8);
  - i. Equipment repair service if in the nature of an extraordinary unspecifiable service and necessary parts furnished in connection with such service, N.J.S.A. 18A:18A-5a(9);
  - j. Insurance, including the purchase of insurance coverage and consultant services, N.J.S.A. 18A:18A-5a(10);
  - k. Publishing of legal notice in newspapers as required by law, N.J.S.A. 18A:18A-5a(11);
  - l. The acquisition of artifacts or other items of unique intrinsic, artistic, or historic character, N.J.S.A. 18A:18A-5a(12);
  - m. Election expenses, including advertising expenses incidental thereto, N.J.S.A. 18A:18A-5a(13);
  - n. Electronic data processing service obtained from another board of education, N.J.S.A. 18A:18A-5a(14); and
  - o. Driver education courses provided by licensed driver education schools. N.J.S.A. 18A:18A-5a(15).
2. If the contract is to be made or entered into with the United States of America, the State of New Jersey, county or municipality or any board, body, officer, agency, or authority or any other state or subdivision thereof, N.J.S.A. 18A:18A-5b.
3. After two unsuccessful advertisements of a nonexempt contract in excess of the bid threshold and a determination that no government entity can perform the work or furnish the goods, on the two-thirds vote of the full Board, and under the conditions set forth at N.J.S.A. 18A:18A-5c.
4. After the Board has on two occasions rejected unreasonable bids on a nonexempt contract in excess of the bid threshold and has negotiated a price lower than any bid price in accordance with law, on the two-thirds vote of the full Board and under the conditions set forth at N.J.S.A. 18A:18A-5e.

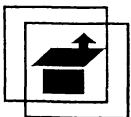


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5. When the Board has solicited and received at least three quotations on materials, supplies, or equipment for which a State contract has been issued and the lowest responsible quotation is at least ten percent less than the price the Board would be charged for the identical materials, supplies, or equipment, in the same quantities, under the State contract, and on the two-thirds vote of the full Board, N.J.S.A. 18A:18A-5e.
6. When law permits the annual renewal without bid of:
  - a. A contract for recurring materials, supplies, or services, which may be renewed yearly for a period not exceeding three additional years provided
    - (1) The Board finds that the services are satisfactory or the goods meet original specifications,
    - (2) The terms of the original contract are substantially unchanged, and
    - (3) Any increase in the contract cost over the three year period is no greater than a total of twenty percent over the original. N.J.S.A. 18A:18A-42h;
  - b. A contract for food management services, which may be renewed yearly for not more than two additional years provided
    - (1) The Board finds that the services are performed effective and efficiently,
    - (2) The terms of the original contract are substantially unchanged, and
    - (3) Any increase in the contract cost over the two year period is no greater than a total of twenty percent over the original. N.J.S.A. 18A:18A-42.1;
  - c. A transportation contract, which may be extended annually provided the extension is
    - (1) Approved by the County Superintendent, and



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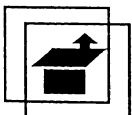
- (2) The increase over the original contract does not exceed thirty percent of the original cost, except those costs attributable to new riders. When additional riders result in an increase over thirty percent, the next annual contract must be rebid. N.J.S.A. 18A:39-3.

### B. Quotations

1. Quotations will be sought whenever the estimated value of a purchase or contract for goods or services, other than professional services, is 20% or more of the bid threshold established by law and is not made under state contract.
2. Whenever practicable, quotations shall be sought from at least three independent vendors. A "Request for Quotation" form shall be prepared and distributed to each of the vendors from which quotation is sought. Specifications and delivery requirements shall be uniform to insure the comparability of the quotations received.
3. All quotations must be received in written form. Copies of all quotations received shall be retained and attached to the purchase order issued for those goods or services for which quotations were sought.

### C. Requisitions

1. A requisition for goods and/or services may be originated by any school district employee who perceives a need for such goods and/or services.
2. The requisitioner will prepare and sign a three-part requisition form, filling in the following information:
  - a. Description and quantity of item or service desired;
  - b. Unit price and total amount (actual or estimated) of proposed purchase;
  - c. Desired brand or vendor;
  - d. The building, program, subject, or class in which the goods or service will be used;

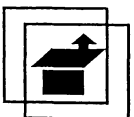


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- e. The name and title of the requisitioner; and
- f. The date on which the requisition is filed.
3. Requisitions for lost or stolen equipment must be accompanied by an explanatory report.
4. The requisitioner will retain the triplicate copy of the requisition form. Two copies of the requisition form will be filed with the principal or the appropriate supervisor for consideration.
5. The Principal or supervisor will determine
  - a. Why the requested goods were not routinely included in a supply bid;
  - b. The need for the requisitioned goods or services;
  - c. Whether the desired goods or services are presently available elsewhere in the district or are available without cost from another source;
  - d. The appropriateness of the proposed expenditure;
  - e. Whether the requisition can be combined with others for greater efficiency and economy;
  - f. Whether the originator's needs can be better met by an alternate purchase; and
  - g. Whether uncommitted funds remain in the budget allocations to the school or program, sufficient to cover the proposed expenditure.
6. A requisition not approved by the Principal or supervisor will be returned to the requisitioner with the reason for its rejection.
7. When approval is given, the Principal or supervisor will sign and date the requisition, indicate the account to be charged, retain the duplicate copy, and file the original with the \_\_\_\_\_, for approval.
8. A requisition that originates with a Principal, supervisor, or central office administrator must be approved by the \_\_\_\_\_.



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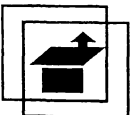
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9. If the \_\_\_\_\_ denies approval of a requisition approved or originated by a principal, supervisor, or central office administrator, he or she will so notify the approver or originator with the reason for the denial.

### D. Purchase Orders

1. Before a purchase order is prepared for an approved requisition, the \_\_\_\_\_ shall determine whether:
  - a. The proposed purchase is exempt from bid in accordance with ¶A;
  - b. If appropriate, vendors' quotations have been solicited in accordance with ¶B; or
  - c. The requisition can be processed without resort to advertisement for bid or solicitation of quotations.
2. A requisition that is not exempt from bid shall be submitted to the \_\_\_\_\_ for advertisement.
3. Approved requisitions must be authorized as follows:
  - a. If within the budget and not subject to bid, authorized by the \_\_\_\_\_;
  - b. If within the budget and subject to bid, authorized by a Board resolution awarding a contract after bid;
  - c. If not in the budget or in excess of the line item allocation, authorized by the Board or, as permitted by Policy No. 6422 between Board meetings, by the \_\_\_\_\_.
4. To prepare a purchase order, the \_\_\_\_\_ shall
  - a. Verify and enter the account to which the purchase will be assigned;
  - b. Assign a purchase order number to the expenditure;

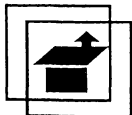


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- c. Verify and enter the name and address of the vendor;
  - d. Verify and enter the description of the goods and/or services, including, as appropriate, the quality standards of the goods sought;
  - e. Verify as necessary, by telephone call to the vendor or by reference to a catalog, and enter the unit cost of the goods and/or services;
  - f. Extend and total costs and enter, attaching machine tape;
  - g. Check that the requisition has been properly approved and authorized; and
  - h. Determine and enter the desired delivery date and any necessary delivery instructions.
5. Each purchase order will be completed in full and forwarded to the \_\_\_\_\_ for approval and signature.
  6. The \_\_\_\_\_ shall encumber the appropriate account in the amount of the purchase order.
  7. Copies of the purchase order will be distributed as follows:
    - a. White copy, to the vendor;
    - b. White copy, to the vendor to be signed as a voucher and returned with invoice;
    - c. Blue copy, to which the requisition and any quotations received or a copy of the Board resolution awarding bid, as appropriate, are attached, retained by business office and filed alphabetically by vendor;
    - d. Yellow copy, to the Principal, supervisor, or central office administrator who approved or originated the requisition, to be returned to the business office when the goods and/or services have been received, checked, and approved as satisfactory;



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- e. Pink copy, retained in the business office and filed numerically by purchase order number.
  8. A purchase order may be issued to confirm an oral order given to a vendor under bona fide emergency circumstances, pursuant to Policy No. 6422. A confirmation order will be so designated.
  9. Open purchase orders may be written for vendors who regularly provide the school district with certain goods and/or services. Any open purchase order may be exempt from the requirement for bidding, must specify a "not to exceed" amount, and must be closely monitored to determine that the aggregate amount of goods and/or services does not exceed the bid threshold in any twelve-month period.
- E. Payment
- Purchases will be paid in accordance with Policy No. 6470.

Issued: 3 May 2004

