

PURCHASING HANDBOOK AND PROCEDURES MANUAL

TRENTON PUBLIC SCHOOL DISTRICT

2011-2012 School Year

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TRENTON BOARD OF EDUCATION

All Together — Better!

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TO: All District Employees

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

- New Jersey Public School Contract Laws
- Board of Education Policy.

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

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

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

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 Purchasing Office, extension 5446.

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 Purchasing Agent to make purchases for the board of education.

The Purchasing Agent is the only individual in the school district that has the authority to make purchases for the board of education.

All purchases and contracts entered into by Public Schools are governed by New Jersey Statutes Annotated 18A: 18A-1 et seq. (PUBLIC SCHOOL CONTRACTS LAW), Public School Contract Rules, New Jersey Administrative Code, and parts of 40A: 11 (LOCAL PUBLIC CONTRACTS LAW)

Authorized Purchases

All requests for purchase of goods and/or services must be made through an approved purchase order signed by the Purchasing Agent.

A purchase order, pursuant to State Law, 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.

Unauthorized Purchases

Any Board of Education employee who orders and/or receives any materials, supplies or services without first going through the approved purchase 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:

Penalties for Unauthorized Purchases

First Offense	Letter in Personnel File	Pay for Purchase
Second Offense	Suspension	Pay for Purchase
Third Offense	Loss of Increment	Pay for Purchase
Fourth Offense	Loss of Employment Tenure Charges	Pay for Purchase

Corrective Action for Non-compliance

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

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.

Corrective Action for Non-compliance (continued)

At any time, during the Corrective Action Process, the Superintendent may invoke the 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 any sanction that may 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 requisition and 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 Students Activity Accounts for the aforementioned purpose will not be signed by the Purchasing Agent.

BIDS AND BIDDING

A. Bid Limits

The Trenton Board of Education is restricted by New Jersey State Law with regard to the maximum amount of money that may be spent by the District for the entire year on certain materials, supplies and services.

This restriction is called the **bid threshold** or **bid limit**. The bid limit for the 2011-2012 School Year is **\$36,000**. This means that any specific item, class of items and/or services of a similar nature, purchased by the school district totaling more than **\$36,000.00** for the entire year must be competitively bid. **NOTE:** This restriction is for the entire district and not by location or schools.

You may not circumvent the law by splitting purchases into two or more purchase orders which, individually come to under the **\$36,000.00** bid limit.

If you find that your purchases may exceed the **\$36,000.00** bid limit, you must contact the Business Administrator at once. The formal bidding process takes time.

B. Bidding

The formal bidding process usually takes about 8 to 10 weeks from start to finish. Bid specifications must be written and advertised in the newspaper. Once sealed bids are received, a formal bid opening must take place. The results of the bid opening must be reviewed and a recommendation of award presented to and voted upon by the Board of Education at a regularly scheduled meeting.

C. Quotations

Quotations must be obtained where a specific item, class of items and/or services of a similar nature **exceeds \$5,400.00**. In all instances where quotes are required, every effort should be made to obtain quotes from at least two (2)-qualified vendors. Quotes should be obtained in written form. In either situation, documentation must be kept detailing the following information:

1. Item or service being quoted (must be exact for each quote).
2. Names and addresses of vendors contacted.
3. Price obtained from each vendor.
4. Name of vendor that the purchase was awarded to (usually the lowest price received unless other circumstances were taken into account).
5. Reason for not accepting low quote (if applicable).

This documentation must be kept on file and available for audit purposes. All of the quotes must be attached to the requisition.

D. Exceptions to the Bid and Quote Thresholds

There are exceptions for which a Board of Education does not have to go to competitive bid or obtain quotes.

The following are the exceptions:

- State Contract purchases
- Professional Services (regulated i.e., CPA's, engineers, etc.)

Extraordinary unspecifiable services
Printing of legal notices, briefs, records and appendices
Textbooks
Publishing of legal notices
Public utility services
Insurance coverage
Printing of bonds and related documents of sale

E. State Contract Purchasing

The District regularly purchases school supplies, office supplies and equipment from vendors with approved state contracts.

The State of New Jersey Division of Purchase and Property awards state contracts covering a multitude of items and services. Notices of award are received by the district and are maintained in the Business Office. **Do not assume** that a state contract number is valid merely because it was used in a previous budget year.

If you plan to purchase items from a state contract vendor, the following items should be noted on the requisition:

1. State Contract Number (**always begin with the letter A**)
2. Shipping and Handling Included (when necessary).
3. Minimum Order Amount - be prepared to meet the minimum order required to receive the state contract price discount. The minimum order for state contract vendors is **\$100.00**. Please try to combine orders to meet or exceed this **\$100.00** limit. Shipping fees apply for state contract vendors for items under \$100.00.

F. Professional Services or Professional Consultants

Quotations-- Although Professional services, as defined in Title 18A: 18A, do not require competitive bids or quotations, it is in the best interests 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 are to be reviewed with the Business Administrator.

Professional Contracts

The Trenton Board of Education must approve all Professional Service and Consultant Contracts if the contract exceeds \$5,400.00. If you plan to recommend the hiring of 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;
 - d. The cost of the services/terms of payment(s);
 - e. Proof of Affirmative Action Employee Information Report (Form AA302);
 - f. Professional services must be published in the newspaper after award.

All resolutions for Professional Educational Services are to be sent to the Assistant Superintendent of Curriculum Office with the written proposal attached. No service is to be performed without a properly executed contract. For more information see the Processing Control Sheet for Board Agenda Items.

G. Emergency Purchases

Emergency Purchases are strictly regulated by New Jersey statute N.J.S.A. 18A:18A-7. The Board of Education is not required to bid or quote goods or services when an emergency affecting the health or safety of occupants of school property requires the immediate delivery of the goods or the performance of the service provided certain guidelines are followed. The Business Administrator and/or Director of Buildings and Grounds must be notified of the need for any emergency purchase before the district is financially committed in any way. The situation will be evaluated and a determination to the course of action will be decided.

PURCHASE ORDER PROCESS

A. Requisition Process

1. Formal requisitions are prepared and delivered to the Purchasing Department. They must be legible. Print (neatly) or type.
2. The Purchasing Department will review requisitions for the following:
 - Availability of funds
 - Proper account charged (GAAP Code Number)
 - Compliance with bid and quote requirements
 - Vendor Attachments (i.e., travel approval, Board approval date, registrations, dates, etc.)

NOTE: The more information provided, the faster requisitions can be processed.
3. Requisitions will be approved if deemed correct and in compliance with the above requirements and a purchase order number will be assigned. If the requisition is rejected it will be sent back to the department/principal with comments attached for correction. **Do not detach the memorandum form.** Please return the form when you re-submit the requisition to expedite processing.
4. When a requisition is rejected, it is the responsibility of the originator to review the comments, make the required correction(s) and re-submit the requisition for approval.
5. Signed purchase orders will be mailed out to vendors (unless marked otherwise) with the appropriate copies returned to the originating department.

It should be noted that a purchase order is not valid until signed by the Business Administrator.

B. Confirming Orders

A confirming order occurs when an employee obligates the district for the purchase of goods or services, usually by phoning in an order, prior to having an approved purchase order in place.

In general, there are to be **NO** confirming orders. Extreme urgencies requiring confirming orders are to receive approval by the Business Administrator **prior** to the order being placed.

Any Board of Education employee who orders and receives goods or services without following the proper requisition order process will be held responsible as noted under penalties for unauthorized purchases.

C. Responsibilities of Persons Originating Requisition Orders

The person who completes the Requisition Order has certain responsibilities before the order is sent to the Business Office for approval. He/she must ensure the following:

1. Requisition orders reflect the appropriated budget account (GAAP.)
2. Properly identify the vendor. Please note that there may be several addresses for a particular vendor. This usually occurs because a vendor has more than one division where orders may be placed or different payment remit addresses.
3. Accurate and complete description of the item(s) being ordered including catalog number, per item cost, applicable discount (if any) and extended totals.
4. Shipping and handling costs are to be included when necessary. In all instances actual shipping costs must be included on the requisition when determinable. Estimated shipping and handling costs are to be added to all requisition orders when actual costs cannot be determined in the amount of ten percent (10%) of the order amount. Shipping and handling must be denoted on the line designated.
5. List the correct nineteen- (19) digit GAAP Budget Account number.
6. Separate totals are needed if more than one account is used. Use “730” object code for items classified as equipment or furniture where the individual unit is \$2,000 or more. (Under \$2,000 is a supply item.)
7. State contract orders must include the state contract number on the requisition, “Shipping and Handling Included” when applicable and must meet minimum order amount of \$100.00.
8. Quotations – when it has become necessary to obtain quotes, a copy of the written documentation must be attached to the requisition. This documentation will be kept on file for audit purposes.
9. Supporting documentation that is to be attached to the purchase order being sent to the vendor must also be attached to the requisition. **The requisition should clearly denote that there are attachments. Examples are applications, order forms and registration forms.**
10. Delivery of Equipment and Furniture. The Board of Education recognizes two (2) types of delivery for supplies and equipment, furniture.
 - ❑ WAREHOUSE DELIVERY
Items are delivered to a platform or loading dock area and are taken off the truck by transportation carrier personnel and placed on a platform or loading dock area. Board of Education personnel will bring items to the school or office. All equipment/furniture is tagged before going to the department or school location.
 - ❑ SCHOOL DELIVERY
Items to be delivered to a school location are taken off the truck by transportation carrier personnel and brought to a designated area inside the school or office. **NOTE:** Items should be reviewed as soon as possible for content and quality. Delivery problems must be handled immediately. If the shipment is correct, the receipt must be signed for the accepted goods and

sent to the Accounts Payable Department. This is very important. It is the authorization needed to pay the vendor.

D. Responsibility of Area Assistant Superintendent(s) of Schools

The Area Assistant Superintendent(s) may review each requisition and determine the educational value of the items being ordered under the Core Curriculum Content Standards and Whole School Reform.

E. Responsibilities of Business Office

The Business Office will review each requisition order for specific details such as:

1. Correct account number
2. Inclusion of shipping charges when applicable
3. State Contract numbers
4. Missing information

Once it is determined that a requisition order meets all requirements, a purchase order is created and a purchase order number assigned. Each purchase order consists of six parts or copies. They are:

1. Vendor Copy (white) – mailed to vendor.
2. Voucher Copy (yellow) – mailed to vendor or provider of service, signed and returned.
3. Purchasing Copy (white) – maintained in Purchasing Department.
4. Accounts Payable Copy (green) – to process vendor payments.
5. Receiving Copy (goldenrod) – sent to originating department for signature or warehouse for receipt of goods or services. (Should be signed and forwarded to the Accounts Payable Department.)
6. School/Department Copy (blue) – to be retained by originating school/department.

The Business Office handles the mailing of purchase orders to vendors, collects receiving copies and matches them with vendor invoices and signed vouchers. Once a complete set of documentation exists, (signed voucher, vendor invoice and receiving copy) the voucher is prepared for payment and added to the bill list for approval at the next meeting of the Board of Education. Once bills are approved by the Board of Education, checks are generated to be mailed to vendors.

F. Responsibilities of Administrators, Supervisors and Principals

When supplies or materials have been received and services have been completed, administrators, supervisors or principals are to sign the goldenrod Receiving Copy of the Purchase Order and return it to the Business Office with any related documentation, i.e., packing slips, invoices, etc.

If you would like a copy of an invoice that was shipped with the merchandise, please make a copy for your files and forward all originals.

G. Travel and Expense Reimbursement

Pursuant to N.J.S.A.18A:11-12(o), reimbursement for overnight travel out-of-state or in-state for conferences as permitted above, may exceed the federal per diem rates if the hotel is the site of the convention or conference and the going rate of the hotel is in excess of federal per diem rates. If the hotel at the site of the convention is no longer available, lodging may be paid for similar accommodations at a rate not to exceed the hotel rate for the current event. If there is no hotel at the site of the convention (e.g. the Atlantic City Convention Center), then lodging may not exceed the federal per diem rate.

The following is a summary of the general requirements of the NJOMB circulars that must be followed pursuant to N.J.S.A.18A:11-12:

- Reimbursement for lodging and meals cannot exceed applicable federal per diem rates by location. These rates may be found at www.gsa.gov
- Registration and conference fees are not subject to the federal per diem rate cap.
- Under ordinary circumstances such as staff meetings, no meal expenses are allowed at the school district or within a radius of ten miles from the school district.
- Board meetings are limited to light meals and refreshments for board members not to exceed \$10 per person. Light meals may be served to employees who are required to attend the board meeting and where the employee is required to remain at the district to prepare for the meeting.
- Lunch for training sessions and retreats may be authorized for an amount up to \$7 per person only when it is necessary that employees or board members remain at a site *other than* their school district. Refreshments for breaks may be provided. We confirmed with OMB that this is only allowed if the training is not in the school district and there are no viable options for lunch at the off-site location. Therefore, providing lunch for in-service days or for staff that come from other parts of the district is not permitted. Also, per the statute, board retreats are to be held onsite unless there is no district site available.
- Reimbursement for training to maintain a certification that is not required as a condition of employment is not authorized. The circular provides an example: a CPA will not be reimbursed for attending a training class specifically to obtain CPE credits if that employee is not required to be a CPA for continued district employment.
- Reimbursement may be approved for the cost of an official luncheon or dinner that an employee or board member is authorized to attend (up to \$7 for lunch and \$10 for dinner), where such a meal is scheduled as an integral part of an official proceeding or program related to district business and the employee's responsibilities. Retirement dinners and other employee recognition dinners would not be considered an official luncheon or dinner under this provision and are specifically prohibited in another section of the circular.
- Meals during one-day, out-of-state trips required for school business purposes may be authorized for breakfast, lunch and/or dinner at a cost not to exceed:

Breakfast	\$ 5
Lunch	\$ 7
Dinner	\$10

- All reasonable costs of commencement and convocation activities for students are permitted.
- All costs of student field trips that are part of the instructional program are permitted.

- All reasonable costs for activities, events or functions provided or held for the benefit of students are permitted.
- Costs for activities, events or functions for dignitaries and other “non-district” employees (e.g. parents), including light meals and refreshments, is permitted. The circular specifically states that it is expected that expenditures for this purpose will be minimal and infrequent.
- The cost of receptions or other social functions held for the sole purpose of honoring any employee or group of employees of the district (retirement, awards, appointments, etc.) are not permitted to be paid with public school funds.
- The cost of meals or refreshments served to participants or guests at any athletic event or other games or contests are not permitted to be paid with public school funds.
- Charges for alcoholic beverages, laundry, valet services, entertainment, reverse telephone charges, third party calls, or personal calls are not permitted to be paid with public school funds.
- All costs and reimbursements must be properly itemized and documented in detail.

Please note that purchase requisitions for reimbursements will automatically be adjusted to meet the new allowable rates, and all staff members should be advised that travel expenses will be limited.

Requisition orders for travel and other expense reimbursement must be submitted with appropriate documentation utilizing approved District Form I4 (Travel Authorization Form) Monthly mileage should be submitted within thirty (30) days following the end of the month.

All school travel should be charged to 15-000-223-320-0000-00-XX, Professional Development account.

All administrative travel is to be charged to the individual account assigned to the Administrator, Principal, Director or Supervisor. The individually assigned accounts are to be used for in and out of district travel. All related conference expenses are to be charged to this individually assigned account.

Purchase orders for the reimbursement of expenses incurred while attending a conference, convention or seminar must be accompanied by the following items to be considered for payment:

1. A completed Requisition Form.
2. Supporting documentation for all expenses by date showing reconciliation.
3. A copy of the agenda or brochure for the event attended showing date(s) and location of event.
4. Copy of the approved travel forms.

Maximum daily reimbursement rates for expenses are as follows:

Meals	Based on federal rate
Mileage	.31 per mile

Alcohol, movies, personal calls and items, including gifts, etc. are considered **non-reimbursable items**. Additionally, expenses of spouses or other family members accompanying District personnel are **not** to be submitted for reimbursement. Where questions exist regarding whether or not an expense is eligible for reimbursement, the Business Office should be consulted.

In addition all travel requires a report within ten (10) days of returning to be submitted to the Business Office.

For a more complete list of travel, conferences and workshop requirements please refer to Policy 3600 available on the district website. All payments and reimbursement will be in accordance to New Jersey Department of Education regulations.

H. Petty Cash

Petty cash may only be used for incidental, non-recurring type purchases. It is not to be used for items that are purchased on a regular basis or for travel reimbursement. If you are uncertain whether or not a purchase qualifies for petty cash, please contact the Business Office for clarification.

It is necessary for you to provide the Business Office with all transactions with the appropriate petty cash forms and receipts.

UPON RECEIPT OF ORDERED GOODS

It is **extremely important** that all items received be checked in **immediately**. Please check all orders carefully. The vendor cannot be paid without the signed Receiving Copy (goldenrod) from the originating school or department.

Please adhere to the following procedures when checking in merchandise:

1. Obtain Receiving Copy of Purchase Order (goldenrod) and packing slip for the order.
2. Open boxes and check off items received on the Receiving Copy and packing slip.
3. Back ordered items (those not currently in stock) should be noted on the Receiving Copy as such (mark BO on goldenrod next to item).
4. Back Ordered Item(s) for School Specialty – Please note that any back orders for School Specialty (General Supplies) are automatically cancelled. Staff will need to re-order items.
5. If an item is included on the packing slip but missing from the order the company should be notified immediately. Missing items should be clearly marked on the Receiving Copy and packing slip. Do not confuse this with a back order.
6. The person checking in the order should sign the packing slip. The packing slip should then be attached to the Receiving Copy (goldenrod), noting whether authorization is given for complete or partial payment.

Back Ordered Item(s) - A partial payment may be made for shipments with back ordered item(s). Please do not wait for the back ordered item(s) to be received before forwarding paperwork to the Business Office. A photocopy of the Receiving Copy should be retained and used to sign off on the complete order when the back ordered item(s) is/are received.

7. Return signed documents to the Accounts Payable Department.

RETURNING DAMAGED OR INCORRECT ITEMS

There may be occasions when items have to be returned to the vendor. The following procedures should be followed when items must be returned to the vendor:

1. Call the vendor and ask what their company policy is regarding returned items.
2. The Business Office must be notified of all returned goods. On the Receiving Copy of the purchase order and the packing slip, mark the items(s) returned and the reason(s) for being returned. Also, please note how and when the items were returned.

It is extremely important to notify the Business Office when it becomes necessary to return items on a purchase order where the Receiving Copy (goldenrod) has already been sent to the Business Office. The item(s) must be pulled from the bill list if the particular invoice has not been paid. In the event the invoice has been paid, the Business Office will expect a credit memo from the company.

YEAR-END PROCEDURES

1. Please have all requisitions submitted to the Business Office by January 30, for the efficient closing of school records by June 30th.
2. Items that will be ordered after January 30, i.e., bus/field trips; graduation expenses, year-end incentives, etc. please estimate those expenses and place on a requisition for processing. All changes in price will be modified during the payment procedures.
3. All district travel should be submitted for payment on a monthly basis. Estimates for the month of June should be made to ensure that adequate funds are available. **NO payments will be made for district travel done in the prior school year unless an appropriate requisition order has been established.**
4. Failure to provide timely requisitions could result in items being charged to the following years' funds.

Regulation Up Date

Business Registration Certificate

As of September 1, 2004, all business organizations that conduct business with a school district are required to be registered with the State of New Jersey and provide proof of that registration to the school district before the school district can enter into a contract (or issue a purchase order for goods and/or services) with the business.

“Proof of Registration” means a copy of the organization’s “Business Registration Certificate” issued by the Division of Revenue. No other form can be substituted; it must be this form. Vendors that refuse to obtain and submit a Business Registration Certificate cannot conduct business with our School District.

Registering a Business with the New Jersey Department of the Treasury

Business organizations or individuals doing business in New Jersey are required to register with the Department of the Treasury, Division of Revenue. Registration is free and is a one-time action – there are no fees to register. However, you should update your contact and tax eligibility information as needed. Registration is required to conduct most business with any state, county, municipal, local board of education, charter school, county college, authority, or state college or university. The contracting agency may be required to have a copy of the “proof of registration certificate” submitted as part of a public bid or prior to issuing a purchase order.

To register: Businesses must complete **Form NJ-REG** and submit it to the Division of Revenue. The form can be filed form online or by mailing a paper form to the Division. Online filing is strongly encouraged.

- Register online at www.nj.gov/treasury/revenue/taxreg.htm. Click the “online” link and then select “Register for Tax and Employer Purposes.”
- Download the paper form and instructions at www.nj.gov/treasury/revenue/revprnt.htm.
- Call the Division at 609-292-1730 to have a form mailed to you.
- Write to the Division at: Client Registration Bureau, PO Box 252, Trenton, NJ 08646-0252.

Note: If you operate a corporation, limited partnership, limited liability company or limited liability partnership, before registering, you must obtain legal authority to operate in the State of New Jersey. Generally, this is accomplished by filing an original business certificate with the Division of Revenue, such as a Certificate of Incorporation or Formation. For more information on this subject, visit www.nj.gov/treasury/revenue/filecerts.htm, or call 609-292-9292.

Registering as an individual: There is a simplified registration process for individuals doing business with any New Jersey government agency. The form (NJ-REG-A) may be on the back of this form. If not, it can be downloaded from the web at www.nj.gov/treasury/revenue/pdfforms/reg_a.pdf. To obtain a copy by mail, call 609-292-1730, or write to the Division at the Client Registration Bureau, PO Box 252, Trenton, NJ 08646-0252.

Questions about the registration process? Call 609-292-1730 or submit by e-mail at www.nj.gov/treasury/revenue/revcontact.html.

How do I receive the proof of registration certificate?

- **New registrants.** When completing Form NJ-REG, make sure you answer “Yes” to the contractor/sub-contractor question (Online - Item 17; Paper Form - Item 18). The Division of Revenue will mail the certificate to the mailing address you supply on your registration form.

- Previously Registered Businesses. Call 609-292-1730 and select option 3. The Division of Revenue's service agents will take your order and mail you a certificate. Please allow 7 to 10 working days to receive your certificate. Alternately, you may visit the Division's Client Registration Bureau in person and request a certificate. The address is 847 Roebling Avenue, Trenton, NJ 08611. Service desk hours are 8:30am to 4pm, weekdays, excluding holidays.

What information does the proof of registration contain? The certificate displays the following information: Business Name, Trade Name (If Applicable), Tax Payer ID (Usually the Employer Identification Number), Business Address, Contractor Certification Number (State Issued), Certification Issuance Date, Effective Date (Business Start Date Entered on Form NJ-REG)

Pay to Play

On January 5, 2006, Governor Richard J. Codey signed into law P.L. 2005, c. 271. Chapter 271 has three sections: authority given to boards of education to adopt local pay-to-play policies; requires that business entities receiving “non-fair and open” contracts with a value exceeding \$17,500 submit a list of contributions made to elected officials; and, requires that businesses awarded contracts in excess of \$50,000 a year file an annual disclosure of contributions with the Election Law Enforcement Commission.

Pursuant to P.L. 2005, c. 271, the Trenton Board of Education will utilize the following procedures for making decisions regarding all public contracts:

- Fair and Open Process
 - Publicize bidding in newspaper (or on website) for ten (10) days
 - Publicly open bids and announce results
 - Distribute RFP with criteria for award
 - Review proposals and recommend award
 - Board of Education makes public award of bid
 - Use State contract vendors
- Non-Fair and Open Process
 - Choose contractor and obtain proposal of fees
 - Contractor submits Political Disclosure ten (10) days in advance of award date and Stockholder Disclosure Certification
 - Review documents to ensure no apparent conflicts
- Emergency Process
 - Emergencies affecting public health, safety and welfare; Board of Education adopts resolution
 - Single Source

Failure to submit required documents will automatically disqualify your business entity from being considered for a bid and/or contract and/or receiving a bid and/or a contract award.

Questions about the disclosure process should be forwarded to the New Jersey Election Law Enforcement Commission at 888-313-3532 or at www.elec.state.nj.us. An additional Web link is www.nj.gov/dca/lgs/p2p.

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Contractor Instructions

Business entities (contractors) receiving contracts from a public agency that are NOT awarded pursuant to a “fair and open” process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that 10 days prior to the award of such a contract, the contractor shall disclose contributions to:

- any State, county, or municipal committee of a political party
- any legislative leadership committee*
- any continuing political committee (a.k.a., political action committee)
- any candidate committee of a candidate for, or holder of, an elective office:
 - of the public entity awarding the contract
 - of that county in which that public entity is located
 - of another public entity within that county
 - or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county

The disclosure must list reportable contributions to any of the committees that exceed \$300 per election cycle that were made during the 12 months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- individuals with an “interest” ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit
- all principals, partners, officers, or directors of the business entity or their spouses
- any subsidiaries directly or indirectly controlled by the business entity
- IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs).

When the business entity is a natural person, “a contribution by that person’s spouse or child, residing therewith, shall be deemed to be a contribution by the business entity.” [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure.

Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report.

The enclosed list of agencies is provided to assist the contractor in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the contractor’s responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement.

The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the contractor’s submission and is disclosable to the public under the Open Public Records Act.

The contractor must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law. **NOTE: This section does not apply to Board of Education contracts.**

* N.J.S.A. 19:44A-3(s): “The term “legislative leadership committee” means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures.”

List of Agencies with Elected Officials Required for Political Contribution Disclosure
N.J.S.A. 19:44A-20.26

County Name:

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders

{ County Executive }

County Clerk

Surrogate

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

**USERS SHOULD CREATE THEIR OWN FORM, OR
DOWNLOAD FROM WWW.NJ.GOV/DCA/LGS/P2P A
COUNTY-BASED, CUSTOMIZABLE FORM.**

STOCKHOLDER DISCLOSURE CERTIFICATION

Name of Business:

I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

Partnership

Corporation

Sole Proprietorship

Limited Partnership

Limited Liability Corporation

Limited Liability Partnership

Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:
Subscribed and sworn before me this ___ day of _____, 2__.	_____
(Notary Public)	(Affiant)
My Commission expires:	(Print name & title of affiant)
	(Corporate Seal)

CONTRACT SERVICE PROVIDERS/CONSULTANTS
Criminal History Background Check
(Fingerprinting)

State law and district policy requires all contract service provider employees to be fingerprinted and to obtain a criminal history background check **approval before services to the district can commence and a contract service provider can be paid.**

The contract vendor or its employee must schedule an appointment with the State's vendor Sagem Morpho to have the person(s) fingerprints Live Scanned. Appointments can be scheduled on line by visiting the Sagem Morpho web site at www.bioapplicant.com/nj/. This is the most convenient and quickest way to schedule an appointment. Also, English-speaking and Spanish-speaking applicants may call 1-877-503-5981. Hearing impaired applicants should call 1-800-673-0353. The call for hearing impaired must be placed from a telephone that is connected to a modem.) If an appointment is scheduled on line a money order for \$73.25 payable to Sagem Morpho must be submitted to Sagem Morpho. If an appointment is scheduled by calling Sagem Morpho will permit the person to bring a money order for \$73.25 payable to Sagem Morpho with them to their appointment.

At the time when the fingerprints are Live Scanned the person being fingerprinted must have a completed copy of the Sagem Morpho Universal Form Version 1.8 (Form is available on New Jersey Department of Education Web site under Criminal History Review - Overview of Programs) and some form of official identification (driver's license, etc.). When a person's fingerprints are Live-Scanned Sagem Morpho will provide the person with a receipt.

The person fingerprinted is required to immediately bring the receipt and a certified check or money order for \$7.00 payable to the State of New Jersey to the district's Human Resource Office in the Central Services Building located at 108 N. Clinton Avenue and to also complete an Applicant Authorization and Certification form. This completed form, the certified check and a Transmittal form completed by the district is then submitted to the New Jersey Department of Education.

After the person's fingerprints are Live-Scanned, they are stored and forwarded to the State Police and FBI. These agencies conduct the search and respond directly to the New Jersey Department of Education. The New Jersey Department of Education's database is then electronically updated with the person's information and if there are no disqualifying crimes or issues, an approval letter is sent to the individual's home address. A computer printout is generated for Trenton listing all approved applicants submitted by the district for the specific week. That printout is mailed to the Mercer County Superintendent of Schools' office which distributes them to us on a weekly basis. **We can authorize the commencement of services to the district and payment to the contract service provider once we receive this printout from the Mercer County Superintendent of Schools' Office; or the individual consultant is able to provide, directly to the Human Resources Department, his/her final approval letter from the State of New Jersey Department of Education Office of Criminal History Review. As soon as this information is provided, it is the responsibility of the Human Resources Department to notify the Purchasing Department for processing.**

We anticipate that from the time a person's fingerprints are Live-Scanned it might ordinarily take 3-5 weeks for the district to receive the computer printout listing from the Mercer County Superintendent of Schools' office.

Affirmative Action Requirements

Each contractor/vendor shall submit to the public agency (TBOE), after notification of award but prior to execution of a goods and services contract, one of the following three documents:

- Appropriate evidence that the contractor/vendor is operating under an existing federally approved or sanctioned affirmative action program; or
- A certificate of employee information report approval issued in accordance with N.J.A.C. 17:27-4; or
- An employee information report (Form AA302) provided by the Division and distributed to the public agency to be completed by the contractor/vendor, in accordance with N.J.A.C. 17:27-4. Please go to the State of New Jersey website and download the pdf of the form. The website is as follows:
www.state.nj.us/treasury/contract_compliance/pdf/aa302