

Regulation

PAYMENT OF GOODS AND SERVICES

Purchase Orders

All purchases shall be made by using a regular purchase order form. All purchase orders must be signed by the board secretary/business administrator.

No claim will be ordered paid by the board of education unless such claim is accompanied by a copy of the purchase order fully signed by the receiver of the goods or services, or by a written statement by the board secretary/business administrator justifying the payment of the claim without such copy of the purchase order. No purchase request shall be ratified by the board after such purchase has been made except as provided for in policy 3320 Purchasing Procedures.

Receiving Orders

Pursuant to New Jersey law it shall be the board secretary/business administrator's responsibility to determine that goods have been received or services rendered and that goods or services are satisfactory.

The individual placing the order, in most cases, must share this responsibility by:

- A. Receiving and checking deliveries against packing slips and original orders;
- B. Noting any discrepancies on packing lists, then immediately dating, signing and forwarding to the business office;
- C. Dating and signing receipt notices (yellow copy of purchase order) when order is complete and forwarding to the business office;
- D. Notifying the business office immediately of significant departures from specifications, descriptions, quantities or other details;
- E. Keeping the business office advised of any direct communications with copies of all correspondence with vendors.

Contracts

The contractual order system, to serve as a means of budgetary control, must be operative without exception. Responsibility for any purchase or commitment cannot otherwise be assumed by the board of education.

Contracts shall be entered into after formal board action. Contracts shall be one of these types as appropriate:

Cost plus fixed fee (time and materials);

Fixed price (with both parties sharing risk);

Predetermined price with ceiling (maximum price established and negotiations entered after 40 per cent of work complete);

Open end (price per unit agreed to).

PAYMENT FOR GOODS AND SERVICES (regulation continued)

Payment of Bills

- A. All bills are to be submitted for payment on standard invoice forms supplied by the board of education and shall be forwarded to the board secretary/business administrator;
- B. Invoices submitted to the board secretary/business administrator shall be submitted with signed receipts and shall be audited and certified in writing by the board secretary/business administrator for payment;
- C. The board's Finance Committee shall review all invoices. At least two members of the board of education shall sign them;
- D. Invoices will be authorized to be paid at the board's regular monthly meeting;
- E. Notwithstanding the above provisions, payment of the compensation of teachers and other employees may be made on the basis of payrolls certified by the board president and the secretary/business administrator, stating the names and amounts to be paid to each, which payment shall be made without prior submission to the board, at a regular monthly meeting;
- F. In addition, the secretary/business administrator may promptly pay those invoices which meet one of the following criteria:
 - 1. When the invoice is for a contract which was previously approved by the board, providing that there is certification by the appropriate district official that the work performed under the contract is satisfactory and payment is authorized or, in the case of interim payments, that all of the contractual requirements for making such interim payment have been met;
 - 2. When the invoice is for a utility which serves the school;
 - 3. When board policy and regulations pertaining to emergency expenditures have been met;
 - 4. When the invoice is for debt service.
- G. A listing of all invoices paid pursuant to paragraph 6 of this policy shall be reviewed by the Finance Committee and the board shall ratify such payments at its next regular monthly meeting.

Adopted: February 22, 1994
NJSBA Review/Update: January 2012
Readopted: August 18, 2014