



OCEAN COUNTY COLLEGE PURCHASING MANUAL

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Issued by the Office of the Vice President of Finance & Administration
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The purpose of this manual is to assist Ocean County College employees in the proper purchasing practices and to be in compliance with:

- New Jersey County College Contracts Law, Chapter 64A of Title 18A of the New Jersey Statutes.
- Pay-to-Play Law, N.J.S.A. 19:44A-20.4.
- College Policy.

This manual will assist the College in achieving three goals:

- Follow the law.
- Promote efficiency through proper purchasing.
- Achieve savings through proper purchasing practices.

Purchasing Staff

The Purchasing Department staff believes in the dignity of their office and strives to maintain high standards of ethics, conduct, and service. Purchasing staff are encouraged to obtain and maintain professional certifications and participate in continuing professional development for public purchasing professionals.

Public purchasing staff are required to maintain complete independence and impartiality in dealings with vendors, both in fact and appearance, in order to preserve the integrity of the competitive process and ensure there is public confidence that contracts are awarded equitably, economically, and in full compliance with Public Purchasing Law (Title 18-A). In order to avoid the possibility of the appearance of impropriety, the Purchasing staff is prohibited from accepting anything of value offered from vendors.

A listing of the Purchasing staff and their certifications is posted on the Purchasing web page at ocean.edu.

Purchasing Workshops

Purchasing Workshops will be conducted by qualified Purchasing staff on a quarterly basis. All OCC staff involved in the procurement process are encouraged to attend. The schedule of Purchasing Workshops is posted on the Purchasing web page at ocean.edu.

Contact the Purchasing Technician at extension 2054 for assistance or to schedule a Datatel training session.

General Purchasing Requirements

Under \$500	Purchase Requisition or Memo Invoice (see below for specifics).
\$500 - \$6,999	Quotes.
\$7,000 - \$17,499	Formal written quotes.
\$17,500 and Over	Pay to Play Paperwork or Public Bid/RFP/RFQ and Board approval.

Memo Invoice

A Memo Invoice may be used for selected items. These include:

- 1. Memberships (i.e. professional associations).**
- 2. Subscriptions (i.e. professional journals).**
- 3. Registrations (i.e. seminars, workshops).**
- 4. Reimbursements to employees not appropriate for Monthly Expense Vouchers or Travel Reimbursement Vouchers.**
- 5. Honoriums.**

The Memo Invoice is to be used for a non-repetitive purchase to a single supplier for a dollar amount not to exceed \$500. A Memo Invoice should not be used for such items as: furniture, equipment, blanket purchase agreements, leases, maintenance, computer items, or software. Memo Invoices are not a means to circumvent the use of a regular Purchase Requisition by dividing a standard purchase into a series of smaller transactions, which is prohibited by law.

- 6. Advertising & Printing is handled through College Relations only. In most cases, advertising and printing are not exempt from the bidding or RFP process and College Relations should work closely with the Buyers to ensure compliance with procedures.**
- 7. Library Standing Orders are handled through Library Services only.**
- 8. Routine office supplies should be ordered on-line through the college approved contract. Office supplies not available on the college approved site should be ordered on a requisition. Some supplies are available through Office Services; a listing can be found on the Office Services web page (link below).**

http://www.ocean.edu/campus/physical_plant/office_services.htm

Compliance

Ocean County College procurement is subject to New Jersey Statutes noted above. Commitments made without an **approved** purchase order are unauthorized and may be deemed the personal liability of the requestor. An employee who orders or receives any materials, supplies, or services without first going through the approved purchase order process has made an unauthorized purchase.

Penalties

An employee who makes an unauthorized purchase is subject to the progressive discipline process detailed in the applicable collective bargaining agreement or employee handbook. The Vice President of Finance & Administration will notify the appropriate area Vice President of any unauthorized purchases. The area Vice President will direct the immediate supervisor to investigate the issue. In all cases, the Vice President of the initiator of the unauthorized purchase is required to document the results of the investigation and provide a written report to the Vice President of Finance. The following penalties may be assigned for unauthorized purchases:

First Offense	Verbal Warning & Mandatory Attendance at a Purchasing Workshop
Second Offense	Written Warning Placed in Personnel File
Third Offense	Suspension
Fourth Offense	Termination

Purchase Requisitions

The Datatel online requisition process must be used for all required goods and services. Authorized approvals are required in the system **before** the order is placed. Once a requisition has been assigned a requisition number by the system, the status may be reviewed by using RINQ. After a Purchase Order (PO) is issued, it may be viewed by using PINQ or BINQ for Blankets. All employees who have the ability to enter or approve requisitions in Datatel may access the look up (_INQ) screens in Datatel.

Generally, orders that total less than \$100 will not be processed. Requisitioners should combine small orders when practical to reduce administrative costs. Orders below \$100 will be processed for emergencies or unique situations.

The requisition must contain all accurate information including correct account number, suggested supplier (if available), complete description of items to be purchased, quantity of each, estimated cost, required delivery date, special delivery instructions, and, in printed comments, the end user for the item. The description entered in Datatel must be specific enough for other employees, auditors, vendors, and Board of Trustee members to understand what is being ordered. Vague descriptions, item numbers without descriptions, or requests for additional funds will not be accepted. All additional supporting documents must be scanned and emailed to purchasing@ocean.edu, referencing the requisition number in the subject line of the email. Do not send document directly to any buyer unless specifically requested. Do not send snail mail. No order will be placed without supporting documents; it is the requesting department's responsibility to obtain estimated pricing.

If computer related, the requisition must include a detailed description, its intended location (building/room number), and any intended use with existing items. Information should be provided in the printed comments section of the requisition.

To cancel/delete an online requisition, email the Purchasing Technician at purchasing@ocean.edu referencing the requisition number in the subject line.

On-line Requisition Approvals

Each approver in the following on-line requisition process is responsible for determining that budget funds are available and that the purchase is necessary and reasonable.

- A. Standard Requisitions: Initiator to Budget Manager, to Vice President, to Controller, to Purchasing Technician where the requisition will be assigned to a Purchasing Buyer.
- B. Computer-related Requisitions (Non-capital): Initiator to Budget Manager, to Vice President, to IT, to Purchasing Technician.
- C. Computer Requisitions: Initiator to Capital Accounting, to Budget Manager, to Vice President, to IT.
- D. Capital Requisitions: Initiator to Capital Accounting, to Budget Manager, to Vice President, to Purchasing Technician.
- E. Restricted / Grants (Non-computer) – Initiator to Grant Approver, to Budget Manager, to Vice President, to Grants Accounting.
- F. Computer Requisitions for Restricted / Grants – Initiator to Grant Approver, to Budget Manager, to Grants Accounting, to IT.

Vendor Requirements

All vendors who do business with Ocean County College are required to submit proof of New Jersey Business Registration, W9 information, proof of insurance, if applicable, and other applicable documents prior to issuance of a PO. The Purchasing Department is required to ensure all required paperwork has been submitted prior to the issuance of a PO. The paperwork process for a vendor who has not done business with the College in the past can be time consuming; all new vendors will be required to complete an information form as well as submit the other forms previously referenced. Requestors must allow sufficient lead time for this process to be completed when entering requisitions. Recommended vendor will be considered but may not be the vendor awarded. This remains the discretion of the Purchasing Office.

Sole Source Requests

Departments may request goods or services on a “sole source” basis. This may be justifiable when equipment or service is so unique that competitive sources are not available, there is a need to match existing equipment, or competitive specifications cannot be developed because the scope of work is too highly specialized.

The user department must provide documentation in writing to the Purchasing Department referencing the Purchase Requisition. The letter requires original signatures of the Budget Manager and the area Vice President, and must include the

necessary documentation showing the vendor is, in fact, a “sole source” provider of the goods and/or services that are being requested. This proof should be as defined by New Jersey Statute 18A:64A-25.5(3).

All “sole source” requests may be forwarded to legal counsel for review and opinion, as required.

Quote Process

The requestor must enter estimated prices on the requisition in order to start the procurement process. The price entered by the requestor should be an estimate or best guess obtained from past experience, catalogs, or budgetary constraints. The Purchasing Department is responsible for obtaining official pricing. The requestor may suggest specific vendors to be solicited for pricing; complete contact information must be provided for any suggested vendors (name, address, phone, email, etc.) The Purchasing Department will make every effort to ensure that the solicitation process is as open and inclusive as possible.

Purchase Requisitions that Total from \$500 to \$6,999

The Buyer will solicit quotes and place orders depending on the competitive nature of the goods or services and the needs of the user department. Formal quotes are not required but the Purchasing Department will use prudent practices and judgment to ensure that quality is adequate and price is low.

Formal Quotation Procedures for Requisitions that Total from \$7,000 to \$17,499

All purchases between \$7,000 and \$17,499 require that written quotations be solicited. Written quotes are obtained by the Purchasing Department. The requestor may suggest specific vendors to be solicited for pricing, but requestors are not responsible for obtaining pricing.

State Contracts

The State has bid for various goods and services; therefore, the College is not required to bid when procuring the identical goods and services. The Purchasing Department will determine when the use of State Contracts is allowable. Please note State Contracts are very specific with regard to items or services that they cover.

Cooperative Purchasing

The College may enter into agreements with various agencies to procure goods and services in high volume in order to reduce cost to all participants. The use of Cooperative Purchasing within the parameters of the law is encouraged.

Emergency Contracts

An actual emergency must exist that cannot be remedied through the normal procurement process. An emergency is a situation affecting health and safety that

requires the immediate delivery of goods or services to alleviate the emergency. An emergency is not to be created as a result of inadequate planning, delay, failure to take into account variables, or administrative convenience.

In order to procure goods/services in an emergency, a declaration of emergency must be signed by the area Vice President, the Vice President of Finance & Administration, and the President. The emergency will be confirmed at the next Board of Trustees meeting.

Pay to Play

In accord with N.J.S.A. 19:44A (commonly known as the New Jersey Pay-To-Play Law), all vendors who contract with the College for \$17,500 or more, and who receive the contract in ways other than fair and open (i.e. no bid or RFP), are required to submit a number of documents before the College can place an order with that vendor. The College is barred by law from doing business with companies that do not comply. The Pay-to-Play threshold applies to aggregate payments to individual vendors over the course of a fiscal year. In other words, three orders for \$6,000 each in one fiscal year will trigger the Pay-to-Play requirements.

The New Jersey Pay-To-Play requirements are met when the College complies with the formal bid procedure, regardless of the dollar amount of the purchase.

Formal Bid Procedure

If a purchase request exceeds the bid threshold of \$17,500 in aggregation, the item(s) must be competitively bid by the Purchasing Department. Splitting the order to circumvent the bid process is illegal and is not permitted. Exceptions to the bidding process are enumerated in N.J.S.A. 18A:64A-25.3 and 18A:64A-25.5. The Purchasing Department, in consultation with the College Attorney, determines if purchases are exempt from bidding and, if so, how those services will be procured.

The bid process includes many steps and requestors must allow sufficient lead time for this process to be completed when entering requisitions.

The Bid Process

The bid process begins with a requisition and specifications that must be submitted to the Purchasing Department in a timely manner. Specifications must be provided by the user department and must, in detail, describe the goods and/or services requested. Specifications must be written as openly as possible to avoid the exclusion of potential bidders. The nature of certain goods and services may make it difficult to formulate specifications. In such cases, the user department may specify a brand name, model number, or item catalog number. The requestor should include "or equal" as part of item specifications. Any alternates offered by the low bidder as "equal" will be reviewed for acceptability by the Purchasing Department in consultation with the requestor. If alternates are not acceptable, the requisitioner must give written justification for each alternate rejected. This justification will be retained in the bid files and will be open to the public for review.

The Purchasing Department Buyer is responsible for advertising the bid and posting to the purchasing page on the College web site. An invitation to bid will also be sent directly to a list of potential suppliers prepared by the Purchasing staff. User departments should submit a recommended vendor list. Pre-bid conferences or site inspections may be conducted when the complexity of the specification warrants additional clarification to the suppliers.

The bid opening is held on the pre-determined date and the results are read in public. The bid results are reviewed by Purchasing and written recommendations for award to the lowest qualified responsible bidder are made in consultation with the requestor. The Buyer prepares the paperwork and the item is placed on the next agenda for Board of Trustees approval. The award may be subject to delay in the event that a legal opinion or formal hearing is required.

Blanket Purchase Orders

Blanket Orders may be established when there is a recurring need for materials or services over the fiscal year period. A requisition for a blanket order should be submitted to the Purchasing Department with a suggested supplier, amount, description of products needed, and individuals authorized to release orders against the blanket. The Purchasing Department will determine if bid, quote, or RFP is necessary before processing the blanket order.

Blanket Orders are subject to the quote, bid, and Pay-to-Play thresholds established in this document. The maximum dollar amount to be expended under the Blanket Order is established by the requisition. The amount requested should be determined after analysis of prior year expenditures as well as anticipated need. A new requisition must be entered mid-year if the amount to be expended is expected to exceed the amount of the Blanket Order. It is a violation of County College procurement law to continue to accept goods and services from a vendor under a Blanket Order that has been fully expended. If this occurs, the violation will be reported to the appropriate Vice President.

Change Orders and Amendments

A Purchase Order is a contract between Ocean County College and a supplier. When changes are made that may affect the contract, a change order and/or an amendment requisition is required. The change order process is documented in the Change Order Procedure dated 09/22/2010 and posted on the Purchasing website (link below).

<http://purchasing.ocean.edu/forms/vendforms/SOP%20CONSTRUCTION%20CHANGE%20ORDERS%20.pdf>

The department that processed the original requisition initiates an amendment requisition. The original Purchase Order number (of the order being changed) must be included.

An Amendment Requisition Should be used:

1. To add an item to a Purchase Order.
2. To increase quantity to a Purchase Order.
3. To increase the dollar amount of the Purchase Order.

The request to amend an existing Purchase Order may trigger the need for a new bid process in order to remain compliant with the law.

Requests for Proposals or Request for Qualifications

The RFP and RFQ process is documented in Request for Proposal, Request for Qualification Procedures dated 02/03/2012 and posted on the Purchasing web site. The Purchasing Department will assist requisitioners in determining if the RFP or RFQ process is an appropriate procurement method on a case-by-case basis.

Issuance of a Purchase Order

The Purchasing Department will issue a Purchase Order upon completion of the procurement process. The PO is considered completed after it is signed by the Vice President of Finance & Administration. Purchasing will forward the original white copy of the order to the supplier with College terms and conditions; a yellow copy to the Purchasing file; a pink copy to Accounting; a green (receiving) copy to the department. Upon receipt of materials, the department signs the green copy and forwards it, with the original invoice, to Accounts Payable for payment. It is not necessary to maintain a hard copy of the Purchase Order in the department. Once a PO exists in Datatel and it is available for view and reporting purposes at all times. Once issued, the PO cannot be changed in Datatel.

Cancellation or Poor Vendor Performance

When there is a need to cancel an order because the goods or services are no longer needed, e-mail the Buyer in the Purchasing Department as soon as possible. A Purchase Order is a binding contract and employees are not authorized to cancel Purchase Orders.

In the event the user department has found a vendor's performance to be unsatisfactory, the department must document the negative experience and contact the Buyer. The Buyer will attempt to resolve the issue with the vendor and, if necessary, legal action will be pursued. A Purchase Order is a binding contract and only the Purchasing Department may take action when a vendor has not met College standards. Employees are not authorized to cancel Purchase Orders or use alternate vendors for the same work.