



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

1. INTRODUCTION

- 1.1 Rationale
- 1.2 Overview
- 1.3 Using the FAMIS Portal

2. REGULATIONS

- 2.1 Authorization
- 2.2 Regulations Governing the Purchasing Process
- 2.3 Regarding Purchases from a Contracted Vendor
- 2.4 Regulations Related to Cost
- 2.5 Present Bidding Thresholds for the Purchase of Commodities
- 2.6 Present Bidding Thresholds for Request for Proposals and Informal Solicitation Requests
- 2.7 OTPS Serving the "Need of Education"
- 2.8 Expenses Incurred by a non- NYC Department of Education Employee for Participation in a Program
- 2.9 Restricted Purchases
- 2.10 Chancellor's Right to Waive

3. PROCEDURES

- 3.1 Purchasing Procedures: Overview of Variations
- 3.2 Non-Solicitation Procurements
- 3.3 How to Inspect Deliveries of Commodities
- 3.4 How to Certify Forms for Payment
- 3.5 How to Purchase
- 3.6 How to File a "Change Notice"
- 3.7 Vendor Refunds
- 3.8 Protest Procedures
- 3.9 Expedited Competitive Solicitation
- 3.10 Contract Extensions
- 3.11 Prequalified Solicitation (PQS) and Multiple Task Award Contract (MTAC)
- 3.12 Dispute Resolution



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

4. INTRODUCTION TO PROCUREMENT CARDS

- 4.1 Background
- 4.2 Spending and Restricted Use Conditions
- 4.3 Enrolling in the Procurement Card Program
- 4.4 Changing the Purchasing Limits on Procurement Cards
- 4.5 Purchasing and Payments

5. PURCHASING SCHOOL FOOD CATERING SERVICES

- 5.1 Overview for the Procurement of Catering Services
- 5.2 Ordering Special Events Services
- 5.3 Payment for Special Events Services

6. EXPENDITURES MADE BY COMMUNITY/CITYWIDE EDUCATION COUNCILS

- 6.1 Schedule of Reimbursement for Expenses
- 6.2 Choosing an Approving Officer
- 6.3 Submitting Reimbursement Expenses
- 6.4 Acceptable Out-of-Pocket Expenses

7. INTERNAL CONTROLS AND/OR DELEGATION OF RESPONSIBILITIES

- 7.1 Review of Purchase Documents
- 7.2 Record Keeping and Files
- 7.3 Security Measures for Postage and Metro Cards
- 7.4 Liabilities for Non-Compliance with Regulations
- 7.5 Other Internal Controls Areas

8. APPENDIX

- 8.1 Definition of Terms
- 8.2 Table of Exhibits



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 1: INTRODUCTION

1.1 Rationale

The NYC Department of Education purchases instructional and non-instructional supplies and materials, textbooks, library books, equipment, school lunches, transportation, repairs, maintenance of equipment, professional services and hundreds of other goods and services necessary to running the school system. The budgetary term used to classify these services is called **OTPS** (Other Than Personal Service).

The major considerations in OTPS expenditures are **quality, cost, and need**. In order to get maximum value for each dollar spent, several rules and procedures that cover broad categories of items to be purchased, methods of ordering, and delivery and inspection procedures need to be followed. **These regulations and procedures pertain to the entire NYC Department of Education.**

1.2 Overview

This chapter details regulations governing, and procedures for implementing, purchase orders, requisitions, change notices, and small dollar purchases using the **Small Item Payment Process (SIPP)** (formerly called the Imprest Fund). Guidelines for consultant approval forms, and proceed notices, which are used for Full Value Contracts are detailed in separate SOP chapters. Please refer to the SOP chapter on "Utilization of Consultants" that can be accessed by clicking on the following link:

<http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1116>

Small cash payments, which are directly related to student activities and which are funded from student and community-generated funds, are issued through the General School Fund. General School Funds are derived from student dues paid to a General Organization (GO) or any other school activity, fines for lost books, sales in a student - operated store and donations or trust funds. These funds may be spent only on the specific student activity for which they were intended. Refer to the SOP chapter on "General School Funds and Cash Transactions" for additional regulations and procedures:

<http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1024>



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 1: INTRODUCTION

For all expenditures of OTPS funds, it is the responsibility of the authorizing official to approve only OTPS expenditures that **support educational priorities or expenditures related to the “Business of Education.”** The authorizing official is responsible for certifying that both funds are available and that the expenditure conforms to purchasing regulations and procedures.

There are three areas of concern in making any OTPS purchase:

- The source of the money.
- The nature of the goods or services being purchased.
- The choice of purchasing method.

1.2.1 The Source of the Money

OTPS funds are categorized as either **tax levy** or **reimbursable**. Tax levy monies are provided from the City's General Fund revenues, while reimbursable funds are those provided from special federal, state, city or private grants and allotments. OTPS purchases from reimbursable funds may be further governed by individual program guidelines (i.e., terms and conditions).

1.2.2 The Nature of the Goods or Service Being Purchased

The various classifications of OTPS expenditures are identified by the assignment of Object Codes. You may access these codes by clicking on the following link:

http://www.nycboe.net/AdminOrg/Finance/budget/dbor/dbor_intranet/INDEXES/pdf/otps.pdf



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 1: INTRODUCTION

Items that may be purchased with OTPS funds are classified in the FAMIS Portal as e-catalog, non-list, and non-contract items. E-catalog items are those for which the Division of Contracts and Purchasing (DCP) has established a contract and have item numbers in the FAMIS Portal under e-catalog. Non-list items are contracted items, but do not have e-catalog item numbers.

1.2.3 The Choice of Purchasing Method

To process any purchase efficiently, there are three major considerations

- What is being purchased - is it regulated and controlled?
- Is the commodity item contract or non-contract?
- What is the anticipated cost?

Considerations

Commodity items costing below \$50 may be purchased using SIPP – Small Item Payment Process, FAMIS Portal Purchase Orders, FAMIS Portal e-catalog or Procurement Cards (P-Card).

Commodity items costing \$50 and above may be purchased using SIPP – Small Item Payment Process, Purchase Orders or Procurement Cards.

The maximum amount allowed for a SIPP purchase at the school level is \$500 (approved and posted in the departments accounting system FAMIS via the Portal on the web – see Exhibit F). Where appropriate, a transaction above \$500, not to exceed \$2500 may be processed (i.e., emergencies), but must be approved by the ISC.

The maximum allowable amount for a single P-Card transaction is \$2,500



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 1: INTRODUCTION

The maximum amount that may be encumbered (spending limit) per P-card at any one time is \$15,000

To purchase non-contracted items costing more than \$250, the purchaser must follow bidding procedures as detailed on in section 2.6

It is impermissible to attempt to circumvent the purchasing thresholds by making multiple awards to the same vendor within the same fiscal year (also referred to as “split purchase orders”).

When to Use SIPP – Small Item Payment Process

A non-recurring purchase does not require bidding if under \$250. From \$250 to \$500 bids are required for each transaction, except when purchasing items under an established system wide contract or for:

- Local transportation costs for NYC Department of Education employees;
- Reimbursement to NYC Department of Education employees for “business related” expenses incurred;
- Postage, Conference Registration;
- Emergency Purchases; and
- Refreshments from School Food (formerly Office of School Food and Nutrition Service – OSFNS) necessary for business meetings and workshops or within the established thresholds for snacks and refreshments provided total cost does not exceed \$2,500 (see SOP chapter on “Travel and Conferences” at:
<http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1159> for additional details).



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 1: INTRODUCTION

1.2.4 Purchasing/Supporting Documents

Exhibit Letter	Description	
A	Telephone Bid Summary Form (Revised: June 2008)	
A-1	Written Bid Summary Form (June 2008)	
B	Tax Exempt Certificate – ST-119.1 (Revised: June 1981)	
C	Non-Employee Payment Request Form (Revised: October 2004)	
D	Facsimile - FAMIS Portal Requisition Page	
E	Facsimile - FAMIS Portal Purchase Order Page	
F	Facsimile - FAMIS Portal SIPP Page	
G	Facsimile - FAMIS Portal - Change Notice	
H	Cash Receipts Form (Revised: September 2004)	
I	Facsimile FAMIS Portal Procurement Card Application Page	
J	Procurement Card Usage Log (Revised: June 2008)	
K	Community & Citywide Education Council Personal Expense Summary Form and Request for Reimbursement (Revised: June 2008)	

1.3 Using the FAMIS Portal

The **FAMIS Portal** is the DOE’s accounting system available through the web. It enables the user to access all financial accounting transactions, related to budget/accounting procurement, and payables.

By using the **FAMIS Portal**, the user will gain access to budget and expenditure data, and entry of financial transactions.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 1: INTRODUCTION

To enter the FAMIS **Portal**, the user must first have a **FAMIS** user ID (if you do not have a user ID, please contact the appropriate ISC) and **PASSWORD**. Based upon your approved user ID, you may have access to the following applications:

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 1: INTRODUCTION

<p>^ Purchasing / Payments</p> <ul style="list-style-type: none">◦ Adjustments & Payments◦ Asian Library Ordering◦ Banking Survey◦ Cert. Of Delivery◦ Core Curriculum◦ Consultant Approval◦ Courier: Special Delivery◦ Financial Processing◦ M. S. Intervention Order◦ Non-list Requisition◦ PA/PTA Grant Program◦ Pre-encumbrance◦ Procurement Card◦ Purchasing◦ Report Card Ordering◦ SIPP◦ Wilson Ordering◦ Voucher◦ Fuel Invoice Master	<p>^ Miscellaneous</p> <ul style="list-style-type: none">◦ Admin Saved Work◦ Amnesty Program◦ Book Buyback◦ Broadcast Message◦ Cognos Web Reports◦ Document Status◦ E-catalog Approval◦ Hostbridge Emulator◦ Inventory◦ Principal Per Session◦ Security Maintenance◦ Hospital Billing◦ Pcard Expense - Admin◦ Stop Payment Form◦ Table Maintenance◦ Vendor Rating System◦ Bank Survey Admin◦ Vportal Admin◦ Workers Compensation◦ C2 Form◦ Trac◦ Trac Admin
<p>∨ Approval</p> <ul style="list-style-type: none">◦ Approval Box◦ Approval Tracking◦ Rejection Box	
<p>∨ Inquiry</p> <ul style="list-style-type: none">◦ Document Inquiry◦ Open Document Inquiry◦ Spending Plan Inquiry◦ Vendor Inquiry	



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 1: INTRODUCTION

A comprehensive guide titled: “*Using FAMIS for Purchasing and Payments*” has been published by the Division of Financial Operations (DFO), which is designed to “walk” the user through the above applications and all subsequent applications once required data has been inputted. You may access, download and print this guide by visiting the DFO website at: <http://schools.nyc.gov/dfo/pdf/pnletter/116famisguide.pdf>

Users are also urged to visit the FAMIS PORTAL page at: <https://dfoforms.nycenet.edu/FamisPortal/login.aspx?Sessiontoken=oyf0lmz1bi22nzzz2e0buta5>

From here, do the following:

- Click on “*FAMIS Portal*” – upper right section of the page.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS

In general, all equipment, supplies, and services purchased with NYC Department of Education funds **must serve the Department of Education's educational and or administrative programs while complying with legal bidding and administrative contractual requirements.**

2.1 Authorization

To ensure that funds are spent responsibly, all OTPS purchase documents must be authorized by at least one, possibly more Department of Education officials.

The **Authorizing Official** is responsible for certifying that goods and services being ordered for a school/site are needed to conduct the educational or administrative program, and is in accordance with **all** NYC Department of Education rules and regulations including bidding and contracts. In a **school**, the authorizing official is usually the **principal** or his/her designee. For a **program**, the **director** or his/her designee is usually the authorizing official.

Before authorizing a proposed expenditure, the authorizing official must check that the terms and conditions of the agreement, including the exact nature of the items or services to be provided, are specified on the appropriate purchasing document.

The **authorized official** should be thoroughly **familiar** with applicable rules, regulations and procedures. If clarification is needed regarding expenditure or procurement, please contact the Division of Financial Operations (DFO) for expense type (object code) or the Division of Contracts and Purchasing (DCP).

2.2 Regulations Governing the Purchasing Process

Consider the following questions before planning a purchase:

- Are funds available in the appropriate codes to make this purchase?
- Does the funding source allow for this purchase?

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

- Are all purchasing guidelines being followed?
- Will the goods or services being purchased further the educational and/or administrative goals of the school or site?
- Will the goods or services be delivered/completed within the fiscal year?

2.3 Regarding Purchases From a Contracted Vendor

In most instances, if an item is available from a contracted vendor, then the purchasing official should order from that vendor. When purchasing from a contracted vendor **bidding procedures need not be used**. There are instances when it is in the best interest of the Department to use a non-contracted vendor. For instance, if an item can be obtained from a non-contracted vendor for **less** than the price listed under the Division of Contracts and Purchasing (DCP). Contact DCP when use of a non-contracted vendor is believed warranted. DCP shall review the basis for the request and may exercise discretion in authorizing use of said non-contracted vendor.

Note: Before determining that a contracted vendor's price for an item is **more** than what it can be purchased for from a non-contracted vendor, make certain that **all of the "terms and conditions"** of your purchase are **equivalent** (e.g., delivery, installation, warranties, etc.).



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS

2.4 Regulations Related to Cost

2.4.1 Bidding Regulations New York State Education Law requires that bidding procedures be observed for any purchase of goods and professional services in **excess** of \$250. Current regulations specify that a **formal contract** be established for any purchase in excess of \$100,000.

Note: Please refer to the following charts in sections 2.5 and 2.6 for solicitation thresholds for Commodities and Professional Services.

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS

2.5 Present Bidding Thresholds for the Purchase of Commodities

	\$1 to \$250	\$250.01 to \$5,000	\$5,000.01 to \$15,000	\$15,000.01 to \$100,000	Over \$100,000
BIDS ARE NOT REQUIRED	<u>X</u>				
3 BIDS MUST BE SOLICITED VIA TELEPHONE OR IN WRITING. SUBMISSION BY FAX OR THE INTERNET IS PERMITTED.		<u>X</u>			
3 BIDS MUST BE SOLICITED IN WRITING. SUBMISSION BY FAX OR THE INTERNET IS PERMITTED.			<u>X</u>		
BIDS RECEIVED MUST BE DOCUMENTED ON A "BID SUMMARY FORM" (SEE EXHIBIT A AND A-1)		<u>X</u>			
MUST RECEIVE ACTUAL DETAILED RESPONSIVE BIDS FROM AT LEAST 2 VENDORS			<u>X</u>		
OPEN MARKET AGREEMENT (Insurance is required for over \$100,000)				<u>X</u>	
EXECUTIVE SUMMARY REQUIRED FOR ANY BID WITH A CONTRACT VALUE OF \$1,000,000 OR MORE					<u>X</u>
FORMAL CONTRACT					<u>X</u>
ADVERTISEMENT IN THE "CITY RECORD" FOR A MINIMUM OF 7 DAYS IS REQUIRED				<u>X</u>	<u>X</u>
BIDS RECEIVED FROM VENDORS MUST BE SEALED AND THEN READ AT A SCHEDULED PUBLIC OPENING				<u>X</u>	<u>X</u>
REQUEST FOR AUTHORIZATION REQUIRED (SINGLE BID, TEXTBOOKS AND LISTING APPLICATIONS ONLY)					<u>X</u>
REQUEST FOR AUTHORIZATION REQUIRED FOR ANY BID WITH A CONTRACT VALUE OF \$1,000,000, OR MORE, WHERE THE LOWEST APPARENT BIDDER WAS NOT SELECTED DUE TO A FINDING OF NON-RESPONSIVENESS OR NON-RESPONSIBILITY					<u>X</u>

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS

2.6 Present Thresholds for Purchase of Professional Services using Requests for Proposals and other Informal Solicitation Requests

	\$1 To \$250	\$250.01 to \$25,000	\$25,000.01 to \$100,000	Over \$100,000
PROPOSALS ARE NOT REQUIRED	<u>X</u>			
3 WRITTEN PROPOSALS MUST BE SOLICITED. PROPOSALS MAY BE SUBMITTED BY FAX OR THE INTERNET.		<u>X</u>		
3 WRITTEN PROPOSALS MUST BE SOLICITED. PROPOSALS MAY BE SUBMITTED BY FAX.			<u>X</u>	
MUST RECEIVE ACTUAL DETAILED RESPONSIVE PROPOSALS FROM AT LEAST 2 VENDORS			<u>X</u>	
FORMAL CONTRACT REQUIRED				<u>X</u>
ADVERTISEMENT IN THE "CITY RECORD" FOR A MINIMUM OF 7 DAYS IS REQUIRED				<u>X</u>
PROPOSALS RECEIVED FROM VENDORS MUST BE SEALED				<u>X</u>
PUBLIC NOTIFICATION OF AWARD IS REQUIRED				<u>X</u>
REQUEST FOR PROPOSAL (RFP) MUST BE ISSUED; EXECUTIVE SUMMARY REQUIRED				<u>X</u>
REQUEST FOR AUTHORIZATION REQUIRED				<u>X</u>

STANDARD OPERATING PROCEDURES**Chapter: OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS**2.7 OTPS Spending – Serving the Needs of Education**

The following partial listing of expenses is ordinarily **NOT** permissible. If an exception is made, details regarding this exception are outlined in the respective section.

2.7.1 Cars

Long-term rentals of automobiles **are not permitted** unless approved by the Deputy Chancellor for Finance and Administration or his/her designee. However, **occasional rental of a car** to meet a specific trip or program objective may be permitted. Justification for such a rental must be attached to the expenditure. See SOP chapter “Travel and Conferences” at <http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1159> for details.

Fines for moving violations by employees when performing DOE business will not be reimbursed under **any circumstances**. In most circumstances, parking violations will not be reimbursed, as well. The operator of the vehicle to whom the parking summons was issued may protest this violation using a NYC Department of Traffic form for this purpose, or appeal to his/her supervisor for payment because of special circumstances related to the illegal parking.

Purchase of an automobile is permitted for certain instructional purposes such as auto mechanics classes and for official NYC Department of Education use. All such purchases require advance approval by the Chief Executive for School Facilities. Such a request must include justification and the specific school-related needs the vehicle will be used to meet. If approved, purchases must be made through the Division of School Facilities (DSF) using appropriate contract procedures.

The Division of School Facilities (DSF) must register the vehicle with the New York State Department of Motor Vehicles. The DMV will accept only registration by The Division of School Facilities. Documentation for registration must be submitted to:



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS

Transportation Coordinator
The Division of School Facilities
44-36 Vernon Blvd. 5th floor
Long Island City, New York 11101

2.7.2 Contributions

OTPS funds may **not** be used for contributions, such as donations to political parties and charities.

2.7.3 Mementos (For other than students)

May be purchased provided the **aggregate cost per school year for all such items does not exceed \$500 and the maximum spent on any individual does not exceed \$100.** Written approval from the Superintendent or ISC Director (or his/her designee) must be obtained if these amounts will be exceeded.

2.7.4 Personal Service Payments

OTPS funds **may not be used to pay salaries to anyone.** Please see SOP chapter on Consultants regarding payment options. You may access the chapter by clicking on the following link:

<http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1116>

2.7.5 Social Gatherings/Entertainment

No expenses for a social gathering or personal entertainment of staff may be paid for from public funds.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

2.7.6 Food/Meals

Payments for such items are permitted only for official guests (non-NYC Department of Education employees) and for food at certain types of business meetings. Also refer to the SOP chapter on “Travel and Conferences” at: <http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1159> for additional information on this expenditure category.

2.7.7 Incentive Awards for Students

Only moderately priced incentives given to students as part of an officially sanctioned incentive program such as dropout prevention, honor roll, attendance, etc. are permitted. Please see SOP chapter on General School Funds and Cash Transactions for further details. You may access the chapter by clicking on the following link:

<http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1024>

2.7.8 Gratuities

Are permitted only when the cost of a meal can include the gratuity and still not exceed the maximum permitted meal allowance when traveling or attending a conference for which expenses have been approved. (Refer to the SOP Chapter on “Travel and Conferences” for additional information.).
<http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1159>

2.7.9 Legal Fees

Before retaining an attorney, contact:

The Office of Legal Services
52 Chambers Street – Room 308
New York, N.Y. 10007
Phone 212-374-6888
Fax 212-374-5596



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS

2.7.10 Judgments and Claims

Only the Executive Director of the Division of Financial Operations (DFO), upon recommendation or in consultation with the NYC Corporation Counsel and/or the NYC Department of Education's Office of Legal Services (OLS), can authorize payment of a judgment or claim. Other NYC Department of Education officials or locations may not authorize any payment to settle a claim.

2.7.11 Organizational Memberships

The membership must be **justified in writing** and approved by the Head of Office, Superintendent and or their designee. **Membership must be made as follows:**

Name and Title of Individual
New York City Department of Education
Name of School, Office, Division, Superintendency, etc.

Note: An individual's name **only** will **not** be accepted.

2.7.12 Sales Tax

To avoid paying sales tax (New York City and/or New York State), submit a *Certificate of Tax Exemption* (See Exhibit B) to the vendor. This certificate certifies that the NYC Department of Education is exempt from paying New York State and local sales taxes. For **out-of-state travel**, sales taxes are allowable. **Federal taxes** for items such as airline tickets must be paid. If sales tax must be paid (i.e., a vendor will not honor the tax exemption), a reimbursement can be made.

2.7.13 Testimonials and Recognition Banquets

Tickets for such functions may **not** be paid from public funds except for Community/Citywide Education Council (CEC) members, who are provided with a monthly reimbursement allowance that may be used for this purpose.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

2.8 Expenses Incurred by a non- NYC Department of Education Employee for Participation in a Program

The reimbursement for a non-employee's expenses is permissible only:

- For reimbursable programs or private grants whose funding source guidelines specifically **authorize** this expenditure, and
- For actual out-of-pocket cost incurred, (e.g., travel, babysitting), except when a specific per person fixed reimbursement rate has been approved by the funding source, and
- When budgeted funds are available.

Note: The expenditure is generally **NOT** permissible from tax levy funds, **unless** it is an approved Central or Regional-based initiative (e.g., School Leadership Teams). The superintendent or office head must authorize the expenditure.

The financial guidelines and procedures that follow are for those programs to which payments/reimbursements (processed through SIPP) are made **directly** to parents, students or other non-DOE employees for **out-of-pocket expenses**, or anticipated out-of-pocket expenses, for **school/office based work**.

The following **rates** may be used in the event reimbursement rates are **not** specified in the funding source guidelines, or actual invoices are not available. Therefore, rates may be set that are **less** than those specified and/or require invoices to substantiate expenses. Similarly, the rates may be exceeded under certain circumstances with written approval from the Executive Director of DFO. A waiver request, along with a brief explanation and justification detailing costs, must be submitted to DFO and subsequently approved prior to the disbursement of funds.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS

Payment Unit	Rate
The first 2 hours or less	\$20.00
For the 3 rd hour and each hour beyond	\$6.00 per hour up to a maximum total of \$50.00 daily.

When processed through the FAMIS Portal for payment, reimbursement expenses are charged to object code 489 (Parents) or object code 496 (other than parents); therefore, funds should be available in these object code series.

Attendance sheets must be maintained to document the presence of non-employees at DOE functions and to substantiate the amount of reimbursement.

The ISC/FMC through SIPP, processes the reimbursement. The *“Non-Employee Payment Request Form”* (Exhibit C) must be used for both parents and students who seek reimbursement for attendance and DOE meetings, workshops, etc. Specific instructions for its completion are on the form.

Nonpublic school personnel may receive payment for their participation in specific grants (e.g. the State Education Department’s Learning Technology Grant) through the submission of payment request form and appropriate supporting documentation. The participating teachers are reimbursed at the same per session rate as NYC Department of Education teachers. When processed for payment, reimbursement is charged to object code 496.

Note:

Individual consultants may be reimbursed for expenses if engagement of services includes expenses performing DOE functions and it is agreed upon as a condition of engagement.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

2.9 Restricted Purchases

You must follow these guidelines before purchasing any of the listed items and services.

Motorola HT750 Radio's or any other similar radios:

- Explanation as to the need for this equipment submitted to the Regional Safety Administrator
- Approval of region's Regional Safety Administrator (contact Integrated Service Center for the contact person)
- After Regional Safety Administrator approval purchase order issued

Window Air Conditioners:

- Request for window air conditioners must be approved by the Chief Executive for School Facilities,

Division of School Facilities
44-36 Vernon Blvd, 5th Floor
Long Island City, NY 11101

DSF will conduct a pre-installation site survey due to electrical or structural requirements and to ensure that the installations comply with all New York City Building codes.

- Once approved/disapproved DSF will advise how to proceed with a purchase order.

STANDARD OPERATING PROCEDURES

Chapter: OTS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

Copiers: New, Replacement of Existing Lease or Maintenance Agreement:

- Schools and other Department of Education sites who lease a copy machine must lease through a Department of Education contracted vendor only, see website: <http://schools.nyc.gov/Offices/dcp/default.htm>

▪

- **Lease and Maintenance Agreements that have expired:**

If your lease or maintenance agreement has matured you may choose to either have the machine removed or replaced with a machine of equal or lesser value.

In this instance contact one of the DOE contracted vendors to assist you in determining which machine will best meet your requirements.

- Your sales representative will provide you with a worksheet describing all required information for replacement.
 - Attach a copy of the old purchase order or invoice to worksheet for Division of Contracts and Purchasing (DCP) review.
 - If DCP approves, DFO will encumber the purchase order and send to the vendor on behalf of the school. If there are any problems with the order, DCP will contact the vendor.
- **Lease Upgrades: (prior to expiration of lease term):**
 - School and Integrated Service Centers must provide DCP with clear justification outlining the request for upgrading equipment.
 - DCP will only consider upgrade of equipment if it's determined to be in the Department of Education's best interest.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

- **New Copy Machine:**
 - If a School or Integrated Service Center wishes to lease a new copy machine, which is in addition to their existing inventory, they will need to identify their own funding.

- **Equipment Supplies:**
 - The School or Integrated Service Center will be responsible for the cost associated with supplies not covered by the lease or maintenance agreements.

- **Computer Purchases (Object Code 332):**
 - Dell, Apple, and Lexmark are the NYC Dept of Education contracted vendors for computer hardware.

Note: Security Devices are recommended when purchasing Computer Hardware.
 - All purchases for computer hardware must be made through the FAMIS portal at <https://dfoforms.nycenet.edu/FamisPortal>.
 - Utilize the Portal's e-catalog to access all DOE approved hardware. Note that procedures for accessing FAMIS and the e-catalog are available from your Integrated Service Center (ISC).
 - In rare cases where the contracted hardware does not meet the user's required functionality, users may request the purchase of non-contracted hardware on an exception basis only. See the "FAMIS Exception Process for Computer Hardware" below.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 2 REGULATIONS

FAMIS Exception Process for Computer Hardware

Appropriate Use of this Exception Process:

Exceptions are made only in cases where the DOE contracted computer hardware does not provide the user's required functionality.

Exception Procedure:

1. Check for the equipment you want to order:
 - a. For Dell, Apple, Lexmark, or for networking equipment, see the FAMIS e-catalog.
 - Note that the user's business office will assist in accessing FAMIS.
2. If the equipment you need is not available through item 1 above:
 - a. For Dell or Lexmark equipment, call the Dell sales representative (see item "c" below) for a Quote.
 - Contractually, if Dell can provide computer hardware that is functionally equivalent to that of another vendor, they have the right of first offer.
 - b. For Apple equipment, call the Apple sales representative (see item "c" below) for a Quote.
 - The Apple sales representative will discuss your hardware needs;
 - The quote will be sent to Dell;
 - Dell will provide you with the cost and a quote number which must be placed on your PO's comments section.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

- c. Sales Representatives' Contact information is available at <http://managementservices.nycenet.edu> – Click: "Important Contact Information."
3. If Dell (or Dell/Apple for Apple equipment) cannot provide a quote to the customer, Dell will send the end-user an email stating that the item cannot be provided through Dell/Apple.
 - a. This will allow the user to secure three bids from alternate vendors.
4. User will enter an exception Purchase Order in FAMIS and must provide the following in the Additional Information Box:
 - a. Dell/Apple Quote Number
 - or, if Dell/Apple cannot provide the functionally equivalent hardware:
 - i. The name of the Sales Representative and the date of the email he/she sent you to that effect.
 - ii. The lowest of three quotes from an alternate vendor.
 - b. Detailed line-item listing and price of items.
 - All hardware purchases must include the required DOE components: 3-year next business day response and second day repair; setup to DOE network; and, removal of all delivery packing material.

Note that you are not to purchase office productivity software, mainframe communications software, or antivirus software since these are available from your Regional Technology Manager at no cost to the DOE end-user.
 - In addition, for third-party vendors, when the equipment is received, you must contact the DOE Help Desk at (718) 935-5100 to have the equipment asset-tagged and added to the NYC DOE inventory. This will involve an additional cost.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

- c. Explanation of the functionality which the requested hardware can provide but which the contracted hardware cannot.
5. The following reasons are NOT acceptable for exceptions:
 - a. User does not like the contracted brand.
 - b. User has ink cartridges or other items that can only be used on a different brand.
 - c. User wants all equipment in the school or lab to be the same brand.
 - d. User claims s/he can get the same item for less. (This is virtually never the case since DOE equipment includes additional DOE-mandated components and services).
6. Items to be aware of:
 - a. Computer purchases must be business-class, not consumer-class, machines. (For example, a Dell Dimension, as a consumer-class computer, is not appropriate for the DOE environment).
 - b. This exception process is only for computer hardware. It is not to be used for audio-visual equipment (tape recorders, TVs, etc), general supplies (ink jet cartridges, toner cartridges, computer paper, etc) or security equipment (lockdown devices).
7. For submitted POs that are not acceptable under these regulations:
 - a. User will find the PO in his/her FAMIS rejection mailbox.
 - b. There will be a notation on the FAMIS Notepad indicating the reason the PO was rejected.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

8. User should track the approval status of his/her PO in FAMIS.
 - a. POs that are not approved and encumbered in FAMIS will not be processed.
 - b. Only when the PO is approved and encumbered should the user fax a copy of the PO to Dell. (Fax number is available at the website listed in 2c above).

Office Supplies (Object code 130):

- All office supplies MUST be purchased through the contracted vendor
- All orders are to be placed through FAMIS Portal using e-catalog item number

Art Supplies (Object code 130):

- All art and drawing supplies MUST be purchased through the contracted vendor
- All orders are to be placed through FAMIS Portal using e-catalog item number

Physical Education Instructional Supplies and Equipment (Object code 130):

- All athletic equipment MUST be purchased through the contract vendor
- All orders are to be placed through FAMIS Portal using e-catalog item number



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 2 REGULATIONS

Transportation for School Trips:

- Must contact the contracted vendor to obtain availability
- Only bus companies that have certified drivers can be used

Travel:

- Must use the contracted vendor for all travel arrangements

Food Purchases for Conferences, School Functions:

- See SOP on "Travel and Conferences" at <http://dfoapps.nycenet.edu/SOP/Default.aspx?c=1159>

Hazardous Supplies: Chemicals, Hazardous Waste Supplies:

- All chemicals must be ordered through the FAMIS Portal

2.10 CHANCELLOR'S RIGHT TO WAIVE

The Chancellor shall have the right to waive any, or all of the provisions of this SOP OTPS, upon a determination that doing so is in the best interests of the NYCDOE.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.1 Purchasing Procedures: Overview of Variations

3.1.1 Forms

Forms may be purchased through the FAMIS Portal provided there is an item number assigned to it. Certain forms may be downloaded and copied as necessary from DFO's website located at:

<http://schools.nyc.gov/Offices/DFO/default.htm>

As newly designed, updated or revised **forms** are incorporated into new or updated **SOP** chapters/topics, they will **no longer be available through the FAMIS Portal**. Instead, these forms may be downloaded from **DFO's** website and printed and distributed as needed.

3.1.2 Solicitation Procedures for Non-Contract Items Over \$250

State Law requires that competitive solicitation procedures be followed for commodities purchases greater than \$250. For purchases in excess of \$100,000, the City requires that a formal contract be established. Please refer to the charts titled: "Present Bidding Thresholds for the Purchase of Commodities (section 2.5) or RFPs and Informal Solicitation Requests" (section 2.6) for additional information regarding requirements for bidding.

3.2 Non-Solicitation Procurements

Fair and open solicitation is always encouraged since it provides taxpayers with the greatest assurance that goods and services are procured in the most prudent and economical manner and they are of desired quality, are being acquired at the lowest possible price; and favoritism, improvidence, extravagance, fraud or corruption does not influence procurements.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

There will be times, however, when the requirement to conduct a competitive solicitation is either inapplicable, or may **not** be possible or practical. In an effort to maintain the integrity of the procurement process insuring the most efficient use of available funds, and in keeping with the intent of competitive solicitation, a procedure for the purchase of professional services and published/copyrighted materials, and performances has been put into effect, when in those instances a noncompetitive based procurement award is appropriate and permissible.

3.2.1 The following method of procurements do not require the DOE to conduct a competitive solicitation.:

1. Listing Application
2. Sole Source
3. Health and Safety Emergency Situations
4. Competitive Grant in which third party vendor is named in grant
5. Purchases from another New York City or New York State Governmental Body or Purchases through other Governmental Contracts.
6. Procurements approved by the Committee on Contracts or Executive Director of DCP or other authorized persons as set forth in paragraph 6 below.

1. Listing Application

A Listing Application is established to purchase published or copyrighted materials, artistic performances of specific artists, and the payment of admission fee(s) to the programs of cultural institutions (e.g., Planetarium), which because of sole source classification determination are not subject to competitive bidding requirements. If expenditures are anticipated to exceed \$100,000 on a system-wide basis, the Division of Contracts and Purchasing (DCP) will establish Requirements Contracts for these services.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

Establishing a Requirements Contract for Listing Applications

- When direct student services (published or copyrighted materials, artistic performances of specific artists, and the payment of admission fee(s) to the programs of cultural institutions) are needed on a citywide basis and the annual cost of service is expected to exceed \$100,000.
- A vendor is required to obtain one (1) letter of intent from the Regional Superintendent, Regional Arts Coordinator or a Local Instructional Superintendent or three from Principals of schools exempted from the uniform curriculum. These letters must include the anticipated expenditure for that fiscal year. The vendor must submit the letter to the Division of Contracts and Purchasing (DCP) in order to receive the contract documents. This letter must be accompanied by a
- Company check or money order in the amount of \$25.00 payable to the NYC Department of Education. The contract documents will then be forwarded to the vendor for completion.
- Review by the Office of the Deputy Chancellor for Teaching and Learning to certify that the services and/or programs are educationally appropriate and are obtainable only from the requested source.
- Executed for a term of three (3) years, and all schools may order the services listed.
- Require written evaluations and shall be required as a prerequisite to the renewal of such agreements.

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 3 PROCEDURES

- May also be established for presentations or workshops specifically geared to explain the methodology of a specific published or copyrighted item, the performance of an artist, or the admission to a program of a cultural institution, when it is believed that the workshop or presentation is a teaching tool that will enhance the use of the original material(s) performances(s) or programs(s) purchased.

2. Sole Source

When a vendor, **for very specific reasons**, is identified as the **only feasible source** for obtaining certain items. Exceptions to the bidding process are as follows:

- Evidence that no other service provides **substantially equivalent or similar benefits**, and that, considering the benefits received, the cost of the service is reasonable.
- Documentable evidence that there is **no alternative source available** for the procurement of the item.
- Use of copyrighted materials.
- Certain compatibility issues, which may exist.
- Organizational membership fees, postage, tickets/administrative fees, conference by non-NYC Department of Education organizations.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 3 PROCEDURES

Other considerations for Sole Source Procurements

Approval From	Monetary Threshold
Principal, ISC or Central Department Head	Up to \$15,000
Executive Director, Division of Contracts and Purchasing (DCP)	\$15,000.01 to \$100,000
Chancellor	\$100,000.01 and above

3. Health and Safety Emergency Situations

- o An emergency condition is an unforeseen danger to life, safety, or, property. The existence of such a condition creates an immediate and serious need for goods, service or construction that cannot be met through normal procurement methods.
- o The Executive Directors of DCP, Executive Director of School Support Services and the Chief Administrator, School Based Procurement, DCP have been delegated by the Chancellor to declare an emergency and approve such procurements in excess of \$15,000.

4. Named in a Competitive Grant

When a competitive grant is written and specifically mentions the name of the vendor that is a key component of receiving the grant award the assumption is that the grant writer determined that the named vendor is qualified and willing to fulfill the requirements of the grant and that further solicitation is not necessary.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 3 PROCEDURES

5. Purchases From Other Governmental Authorities/Contracts or a Public Utility

Generally, if there is no contract established by the Division of Contracts and Purchasing (DCP), New York City or State contracts may be used.

<p>New York State Office of General Services http://www.ogs.state.ny.us Click on "Procurement Contracts"</p>	<p>New York City Department of Citywide Administrative Services – Vendor Resources http://www.nyc.gov/html/dcas/home.html</p>
--	--

Federal contracts for technology can be used (e.g, technology purchases). The contracts established by the General Services Administration of the Federal Government do permit usage by municipalities (i.e., New York City Department of Education). For more information on using Federal Contracts, please contact the Division of Contracts and Purchasing.

If an item is purchased by DOE from another NYC agency or New York State municipality or Public Utility, solicitation is not required. Contact DCP to contract with other governmental entities or to access all non DOE governmental contracts.

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 3 PROCEDURES

6. Committee on Contracts and Other Exceptions to Competitive Solicitations

The Chancellor has established a Committee on Contracts to review and recommend exceptions to competitive solicitations where other methods of procurement are not practical or possible and it would be in the best interest of the Department to waive the standard requirement of a competitive solicitation. In an effort to maintain the integrity of the procurement process insuring the most efficient use of available funds, these procedures for the purchase of professional services or technology related services and administrative software are available. Prior approval is required before delivery of services. The following chart sets forth the approval process for contracts under \$100,000 and over \$100,000.

Approval Process

Approval From	Monetary Threshold
Principal or ISC or Head of Office	Up to \$25,000
Executive Director, DCP	\$25,000.01 - \$100,000
Committee on Contracts	\$100,000 and above

- (a) For exceptions for professional services and technology **up to \$25,000**, processed by Principals or equivalents, the same documentation described in (b) below should be created and maintained on site at office of the approval authority.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

(b) If the cost for professional services required will be **\$25,000.01 to \$100,000**, the purchaser must submit the **following documentation** to the Executive Director, DCP:

1. A detailed cost breakdown of the services.
2. A justification statement clearly explaining the basis for consideration as an exception to the competitive solicitation requirement. This statement must cite the specific Chancellor's Goals/Initiatives that will be addressed by the requested service.
3. A copy of the pre-encumbrance number.
4. Pertinent information concerning other vendors who have been contacted.

(c) If the cost for professional services required will be **greater than \$100,000**, the following conditions must be met prior to engaging the requested services:

1. The purchaser must forward the request to the Chancellor's Committee on Contracts for a determination. Please note that no services are to begin until approved as an exception.

This committee consists of representatives from the Office of Legal Services (OLS), the Division of Financial Operations (DFO), the Office of Auditor General (OAG), and the Deputy Chancellor for Teaching and Learning.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

2. A formal contract must be executed.
3. A Public Notification of Award is posted on the NYC Department of Education's web site (<http://www.nycenet.edu>) and in the City Record.

Exceptions to Competitive Solicitation that require approval of the Executive Director, Division of Contracts and Purchasing or the Committee on Contracts should be addressed as follows:

Executive Director
Division of Contracts and Purchasing
65 Court Street – Room 1201
Brooklyn, NY 11201

3.3 How to Inspect Deliveries of Commodities

It is the responsibility of the receiving site supervisor to assure that there is a process in place to inspect all deliveries and ensure that the following questions can be **answered in the affirmative** prior to approving the acceptance of the items:

- Is the quantity correct?
- Is the brand correct?
- Does the item number match?
- Does the product match the description?
- Is it in good condition?

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- Is the warranty specified?
- Is there compliance with the terms as stated on the purchase order?
- Have these items been added to inventory?

Note: All deliveries MUST be made no later than June 30th.

3.4 How to Certify Forms for Payment:

Please be aware of the following regarding payments to be processed for OTPS goods and services:

- 3.4.1.** The FAMIS Portal must be used to certify either partial or complete delivery. Select **Document Inquiry**, enter **PO Number** and **Certify Delivery**. An alternate method would be to select Certification of Delivery from the FAMIS home page and enter required information based upon location.
- 3.4.2** Certification of Delivery affects the release of payment on the following procurements:
 - Professional services (contract and non-contract)
 - Listing applications
 - Full value contract
 - Non-contract purchases

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.4.3 The FAMIS homepage has been modified to display ***Certification of Delivery***. Categories include:

- Paid but Uncertified - Paid invoices without certification (e-catalog and contracted commodities)
- Payments pending Certification - Invoices processed for payment and awaiting certification (payment suspended)
- Total Uncertified POs

3.4.4 There must be **Segregation of Duties** in procurement and certification. The initiator, approver, reviewer and certification enterer must all be different DOE employees.

3.4.5 All payments, including e-catalog and contracted commodities can be held adjusted or cancelled by the school via the FAMIS Certification Screen. The appropriate action (Certify/Adjustment) must be entered upon receipt of order.

3.4.6 The Division of Financial Operations-Accounts Payables Office will monitor payments which have been suspended and will not process payment until the appropriate action at the school has been taken.

Accounts Payables will contact schools concerning payments that have been suspended greater than 10 days.

3.4.7 All orders must be placed with actual line items with quantities. This will allow partial certification based upon the number of units received and certified.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.4.8 Keep all certification documents at the respective site for possible future audit.

- A copy of the Purchase Order or other certifying documents (e.g., Report for Contracting POs, Vendor's Packing Slip) must have a signature certifying delivery.
- Original dated sales invoice, bill, or cash register receipt. If the original invoice/ receipt are not available, a statement to that effect must be made. An example follows: **"I CERTIFY THAT THIS IS THE FIRST AND ONLY CLAIM FOR PAYMENT / REIMBURSEMENT."**
- Certification that goods or services have been delivered in **satisfactory** condition is indicated by the signature of receiver.

Note: To expedite processing of payments, the DFO has established internal procedures to pay contracted vendors **without** certification of delivery documentation. However, for audit and review purposes, the receiving sites must make sure that the delivery of goods has been certified, and that they are made available as needed.

3.5 How to Purchase

All expenditures must be **authorized** by the person designated as the Authorizing Official. In schools, the Authorizing Official is generally the Principal and there are **certain guidelines** which he/she should be aware. Below are some of the more significant ones:

- Only expenditures that are in conformity with established priorities for the educational program and consistent with rules and regulations of the NYC Department of Education are to be approved. **In plain English, "the purchase must be related to serving the needs of students."**

STANDARD OPERATING PROCEDURES**Chapter: OTPS PURCHASES**

Revised: September 2009

TOPIC 3 PROCEDURES

- If there is a question regarding any expenditure, the approval of a higher level of authority must be obtained prior to incurring a commitment.
- Authorization of any expenditure not in accordance with regulations may make the officer accountable to investigative agencies, NYC Department of Education, and/or the Office of Auditor General (OAG). He/she will be responsible for the restitution of any funds disbursed.
- Substantiation of all expenditures made must be shown, ensuring compliance with bidding procedures, educational need and receipt of all items/services purchased.
- Funds must be available in an approved budget (Quick Code and Object Code) and must be encumbered prior to the placing of an order.
- Plan for a reasonable expectation of delivery in time for usage during the current fiscal year.

3.5.1 The Purchase Order

If the item is not found in e-catalog in the FAMIS Portal, a Purchase Order should be processed through FAMIS Portal under non-contracted (see Exhibit E) may be used to order contracted or non-contracted items directly from the respective vendor.

Although payment for items ordered via a purchase order should be made **after** delivery of goods or services, circumstances may require **exceptions** to this rule. The purchase of postage, tickets/admissions, and travel are examples of these exceptions.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.5.2 The FAMIS Portal Requisition

Allows authorized users to create non-contracted, non-list requisitions. The transaction amount must be over \$15,000. See Exhibit D for a facsimile of this requisition.

3.5.3 The Small Item Payment Process (SIPP)

SIPP processed through the FAMIS Portal (Exhibit F) was established to facilitate the purchase and payment of OTPS items. Basically, it permits the purchasing location to make "over-the-counter" purchases (e.g., postage), thereby providing for a direct payment to the vendor or reimbursement to the purchaser.

Except for the following items that do **NOT** require bids, the \$250 bidding threshold applies to **all** SIPP – Small Item Payment Process expenditures over \$250:

- Emergency purchases;
- Admission fees;
- Postage;
- Metro Cards for public transportation;
- Consumables for specialized programs; and
- Travel and Conference expenditures for staff attending a non-NYCDOE conference or meeting.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

Other Important Considerations Concerning SIPP – Small Item Payment Process

- SIPP may not be used to avoid procurement regulations and other limitations on expenditures.
- If a **Purchase Order** is a more appropriate method of purchasing and payment; it must be used instead of SIPP.
- Although SIPP payments should be made **after** delivery of goods or services, circumstances may require **exceptions** to this rule. The purchase of postage, tickets/admissions, and travel are examples of these exceptions.
- SIPP must not be used as the method to pay **individuals** for professional or other services.
- **Shipping Charges and any other extra charges** should be anticipated and included in the calculation.

3.6 How to File a "Change Notice"

Priorities and availability of commodities can change after a purchasing document has been promulgated and sent to a vendor. If this should occur, a Change Notice (See Exhibit G) processed through the FAMIS Portal must be generated to adjust in whole or part a previously encumbered PO.

Remember, a Change Notice must be completed in order to adjust an order. **Plan carefully before issuing a purchasing document to ensure accuracy, completeness and the need for the particular item or service being requested.** This transaction should be avoided if possible.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

Notes:

1. To minimize potential system errors, multiple Change Notices to the **same encumbered document should not be processed in the accounting system on the same day.**
2. Do not use this Change Notice to increase/decrease the purchasing limit on Procurement Cards. Instead, use Exhibit I on pages 87 and 88 by simply clicking on the "Adjust P-Card" button.
3. Change Notice must be printed and sent to vendor.

3.7 Vendor Refunds

A refund from vendors for an overpayment is credited to the same accounts from which the expenditure was made if the refund is received within the fiscal year.

These receipts should be forwarded to the Division of Financial Operation's (DFO's) Office of Financial Management Reporting along with the "Cash Receipts" form (Exhibit H) for processing as follows:

Note: This form may be download and printed from DFO's website located at <http://schools.nyc.gov/default.aspx>

If General School Funds are used for a purchase and a refund is secured, the money must be re-deposited to the General School Fund.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 3 PROCEDURES

Note: Funds reported prior to May 15th (except for Jury Duty stipends), would be credited to the schools/regions/ISCs budgets for the fiscal year ending June 30th. All subsequent receipts will be deposited into the City's Miscellaneous Revenue Account, and schools/central offices will NOT get any credit/reimbursement for these funds for that fiscal year.

(Please refer to year-end closing deadlines issued by the Office of Accounting for additional information on due dates).

3.8 Protest Procedures

- 3.8.1** The Executive Director, Division of Contracts and Purchasing (DCP), will designate an individual within DCP not involved with the procurement to act as the Protest Officer to evaluate and make a recommendation for disposition of the protest.
- 3.8.2** Protests will only be accepted from bidders or proposers or prospective bidders or proposers whose direct economic interest would be affected by the award of a contract or by failure to award a contract.
- 3.8.3** Contract awards cannot be made until resolution of the protest, unless the Executive Director, DCP decides otherwise as described in 3.8.19.1.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- 3.8.4** Letters received from vendors disagreeing with the award of a contract or being found non-responsible or non-responsive should not immediately be forwarded to the Protest Officer, even if the vendor uses the word “protest”. The Procurement Representative should first try to resolve the matter with the vendor without relying on the formal Protest Procedures. The Procurement Representative, not the Protest Officer, should respond in writing to the vendor explaining the circumstances of the award or reinforcing why the vendor is non-responsible or non-responsive. If the vendor still feels the need to uphold that his letter is a protest, then the protest letter and all associated material shall be forwarded to the Protest Officer and handled in accordance with the Protest Procedures. Only in those instances when the vendor is represented by a law firm will it be handled immediately by the Protest Officer even if the vendor does not use the word “protest”.
- 3.8.5** Grievances and protests relating to procurements and/or decisions as to the status of commodities and services are to be forwarded to the Protest Officer. A determination on such grievance/protest will be made by the Protest Officer. The Protest Officer will issue a response to the protestor reflecting such determination.
- 3.8.6** The protestor will be instructed to forward its protest to the Procurement Representative or Protest Officer. All protests should be addressed as follows:

NYC Department of Education
Division of Contracts and Purchasing
65 Court Street – Room 1201
Brooklyn, NY 11201
Attention: Protest Officer

NOTE: Even though the protest might not be forwarded as suggested above, the protest will still be heard and the procedure followed.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- 3.8.7** The Procurement Representative will forward the protest to the Protest Officer and a copy to the Executive Director, DCP.

NOTE: If a protestor decides to withdraw its protest for any reason, the Procurement Representative will document the procurement file accordingly and memorialize this in writing to the potential protestor.

- 3.8.8** The Protest Officer may seek input as he or she deems appropriate, including a recommended disposition from individuals previously involved in the procurement, including but not limited to the Procurement Representative.

- 3.8.9** A protest found by the Protest Officer to be patently without merit or not brought in a timely manner may be rejected without further consideration. Protest submissions should be factual, complete, concise, logically arranged and clearly state all grounds for the protest. In order to facilitate the timely resolution of protests, the Protest Officer will generally not consider unsolicited supplemental protest submissions.

All protests must include the following information:

- Name, address, telephone and facsimile numbers of protestor.
 - Solicitation or contract number.
 - Detailed statement of the legal and factual grounds of protest, including copies of relevant documents.
 - Statement as to what relief is requested.
- 3.8.10** False statements or accusations of impropriety for which the protestor fails to offer reasonable factual basis may be grounds for a finding of non-responsibility on future procurements.
- 3.8.11** The Protest Officer, at his or her sole discretion, may hold a hearing, conduct interviews, request either additional written or oral submissions, request the submission of material samples, or take any other actions he or she deems necessary in making a recommendation/disposition concerning the protest.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- 3.8.12** The Protest Officer should respond at least generally to each substantive issue raised in the protest. The Protest Officer will provide a copy of the protest determination to the Executive Director, DCP for review.
- 3.8.13** The Protest Officer shall promptly transmit his determination to the protestor and any other party he deems likely to be affected by the determination, as well as to the person who designated him and, as appropriate, the Procurement Representative responsible for the procurement. No consideration will be given to additional protests by the vendor on the determination of the original protest.
- 3.8.14** The Protest Officer's determination may be overruled by the Executive Director, DCP.
- 3.8.15** **Time for Filing Protests with Department of Education (NYCDOE):**
- 3.8.15.1** Protests with respect to any aspect or decision of NYCDOE shall be filed generally within five (5) business days from the date the protestor knew or should have known the facts forming the basis of such protest.
- 3.8.16** **Protests Received Prior to Bid Opening and/or Prior to the Closing Date For Proposals:**
- 3.8.16.1** Protests based upon restrictive specifications or alleged improprieties in any type of solicitation, which are apparent prior to bid opening or the closing date for receipt of initial proposals, must be filed in accordance with subsection 3.9.15 above and in no event later than five (5) business days prior to bid opening or five (5) days prior to the closing date for receipt of initial proposals.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.8.16.2 If warranted, the Procurement Representative will endeavor to issue an addendum to all bidders/proposers informing them that a protest was received.

3.8.17 Protests Received Before Award But After Bid Opening and/or After the Closing Date for Initial Proposals:

3.8.17.1 The Procurement Representative of the unit handling the procurement being protested will provide written notice of a protest to all bidders or proposers whose direct economic interest would be affected. Where appropriate and practicable, such interested parties will be given an opportunity to comment.

3.8.17.2 Since award of the contract will be held pending the disposition of the protest, in order to avoid the need for readvertising, the Procurement Representative will request bidders/vendors in writing to hold their price beyond the timeframe stated in the solicitation.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.8.18 Protests Received After Award:

- 3.8.18.1** Letters received from vendors disagreeing with the award of a contract should not immediately be forwarded to the Protest Officer even if the vendor uses the word “protest”. The Procurement Representative should first try to resolve the matter with the vendor without relying on the formal Protest Procedures. The Procurement Representative, not the Protest Officer, should respond in writing to the vendor explaining the circumstances of the award. If the vendor still feels the need to uphold that his letter is a protest, then the protest letter and all associated material shall be forwarded to the Protest Officer and handled in accordance with the Protest Procedures. Only in those instances where the vendor is represented by a law firm will it be handled immediately by the Protest Officer.
- 3.8.18.2** Generally only protests received within two (2) calendar weeks after award of a contract shall be considered. Protests received more than two (2) calendar weeks after award of a contract shall be considered an informal inquiry and referred to the appropriate parties who are administering the contract.
- 3.8.18.3** The Procurement Representative will provide written notice of a protest to the Contractor that received the contract award.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.8.18.4 Concurrent with the assignment of the Protest Officer, the protest should be reviewed by the Procurement Representative, in consultation with the Executive Director, DCP, to consider the implications of the protest to the contract award. When there is a significant possibility that an award may be invalidated and a delay in receiving the supplies or services is not prejudicial to NYCDOE's interest, the Procurement Representative should consider a mutual agreement with the Contractor to suspend performance on a no-cost basis pending resolution of the protest.

3.8.19 Award of Contract Prior to Protest Determination:

3.8.19.1 The Executive Director, DCP may determine that an award must be made prior to resolution of the protest when the Executive Director, DCP determines that:

- The items to be procured are urgently required; or
- Delivery or performance will be unduly delayed by failure to make the award promptly; or
- Failure to make prompt award will otherwise cause undue harm to NYCDOE.

3.8.19.2 The Procurement Representative will give written notice to the protestor when a decision has been made by the Executive Director, DCP to proceed with the award prior to the protest determination.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.9 Expedited Competitive Solicitation

3.9.1 Policy

Expedited competitive solicitations (ECS) may be used for procurement of services under the circumstances and subject to the conditions set forth in this section. Authority for approvals or determinations required by this section shall not be delegated, unless otherwise stated herein.

3.9.2 Procedures

- (a) Expedited competitive solicitations may be considered when time constraints require procuring the services of a vendor quickly and use of the formal Request for Proposal (RFP) process would not be practicable and/or advantageous. Under such circumstances, if there is a reasonable belief that competition exists in the marketplace, an expedited competitive solicitation may be employed. Preliminary discussions with a vendor(s) to explore the feasibility of a proposed expedited competitive solicitation may occur, but are not to be considered negotiations for the selection of a vendor.
- (b) The Executive Director, Division of Contacts and Purchasing, shall justify the use of the expedited competitive solicitation by making a determination that it is not practicable and/or advantageous to award a contract by ordinary competitive processes.
 - For prospective purchases over \$100,000, the Deputy Chancellor, Finance and Administration, shall approve the use of the expedited competitive solicitation method for a particular procurement, or for a particular type of procurement, prior to its implementation and the solicitation of vendors.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- (c) Notice of intent to conduct an expedited solicitation shall be published in the City Record for seven consecutive editions and shall be posted on the NYCDOE's website in a location that is accessible by the public contemporaneously with its publication. Publication of this intent shall satisfy any Committee on Contracts notice requirement.
- (d) The publication requirement shall not apply to expedited competitive solicitations when the the General Counsel or designee has made a determination that such notice may disclose litigation strategy or otherwise impair the conduct of litigation by the DOE.
- (e) The publication requirement for expedited competitive solicitations shall be limited to posting on the NYCDOE website under the following circumstances:
 - when the Executive Director determines that time constraints, beyond the agency's control make such advance notice impractical, or
 - when the Executive Director deems it necessary due to circumstances particular to the specific solicitation.
- (f) The DOE shall negotiate with qualified vendors that have expressed interest unless the Executive Director determines for a particular procurement or for a particular type of procurement that it is in the NYCDOE's best interest to negotiate with fewer vendors, and the Deputy Chancellor approves such determination.
- (g) All awards shall be made based on best value including quality, experience, and price.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- (h) Notice of Award shall be posted on the NYCDOE's website and in the City Record.
- (i) The Executive Director, or designee, shall maintain a written record of negotiations and the basis for the contract award. For awards over \$100,000, a RA approved by the Chancellor shall be required.
- (j) If there is a sole response to the expedited competitive solicitation the Committee on Contracts (COC) shall make a determination that award of the contract is in the best interest of the NYCDOE and the basis thereof.

3.10 Contract Extensions

Any extension term authorized under this provision shall occur upon the exhaustion of all renewals and extensions specifically provided for under said contract. This provision shall apply to full value and requirements contracts.

The Deputy Chancellor for Finance and Administration, upon the recommendation of the Executive Director, may approve the extension of any contract for an additional one year period for an annual amount not to exceed \$100,000.

For contract extensions that exceed an annual amount of \$100,000, the Chancellor shall be required to approve all one year extensions. A Request for Authorization shall be prepared for contracts extensions exceeding \$100,000.

All requests for extension under this section shall be documented setting forth the reasons why it is in the best interest of the Department to extend the contract. Once properly approved in accordance with this section, the extension shall become part of the original contract.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.11 Pre-Qualification Solicitation (PQS) and Multiple Task Award Contract (MTAC)

3.11.1 Policy

Pre-qualification allows for an ongoing process through which a qualified pool of vendors is awarded contracts. Vendors receive a Multiple Task Award contract (MTAC) from which clients draw services. For services under \$25,000, clients would use the same procedures as they would to draw services from contracts derived through an RFP. For services over \$25,000, there would be an expedited vendor selection process.

3.11.2 Pre-Qualification Solicitation (PQS) Procedures

- a. The client department defines program and eligibility requirements for each pre-qualified list/category of service. It is anticipated that these contracts will largely reflect the pedagogic professional services contracts and components of other contracts that currently exist.
- b. The program and eligibility requirements will include:
 - i. An overview and general explanation of services covered/desired.
 - ii. Provider/vendor qualification requirements.
 - iii. Base program requirements.
 - iv. Other criteria that will be used to determine eligibility.
- c. The vendor submits a request for prequalification to DCP with the following:
 - i. Promotional literature or catalog describing the products
 - ii. A list and brief description of available programs falling under each of DOE category of service
 - iii. Letters of recommendation
 - iv. Price quotation form

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- v. Cost/Price form, as required
 - vi. Vendex forms
 - vii. Vendor Abstract forms (for posting on the DOE DCP website)
 - viii. Processing fee, as required
 - ix. A valid certificate of insurance (listing coverage as required) and Worker's Compensation.
- d. DCP will verify the documentation submitted by the vendor and then forwards the following to the program office:
- i. The promotional literature
 - ii. The price quote form
 - iii. Letters of Recommendation and the Request for a Listing Application form to the Office of Arts Education.
- e. The program office reviews, approves/disapproves and transmits disposition back to DCP.
- f. In consultation with the program office, DCP reviews and negotiates pricing and terms:
- i. OEO workforce review will be completed concurrently
- g. For contracts anticipated to exceed \$100,000, DCP prepares a Recommendation for Authorization (RA) and circulates it for approval and signature by the program office, Deputy Chancellor for Finance and the Chancellor, General Counsel and Chancellor.
- h. DCP prepares contract documents, circulates for approval by Legal and Corporation Counsel, and files with the Comptroller.
- i. Upon filing with the Comptroller, DCP posts vendor abstract forms on the website

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

3.11.3 Multiple Task Award Contract (MTAC) Procedures

- a. If anticipated spending is below \$25,000, there is no need for competition and the client may identify a single vendor.
- b. Statement of Work (SOW) Release

The client develops a brief description of the work that is required and who will be served. This SOW needs to be sufficiently detailed to offer eligible providers reasonable guidance on how to craft a proposal.

 - i. The client may identify one or two vendors from the pre-qualified list who are of particular interest.
 - ii. Unless otherwise prescribed in advance by the client, the selection criteria to evaluate the quality of the proposal will be as follows:
 1. Program plan – 25%
 2. Experience – 25%
 3. Proposed personnel – 25%
 4. Price – 25%
- c. DCP reviews the SOW and transmits same to the vendors identified by the client and additional vendors as necessary to fulfill the required number of solicitations where providers are at least theoretically available. The number of vendors solicited is based on anticipated spending as follows:
 - i. Up to \$25,000 – No competition required
 - ii. \$25,000 to \$100,000 – Three providers
 - iii. \$100,000 to \$250,000 – Five providers
 - iv. Over \$250,000 – All appropriately listed vendors

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- d. Upon receipt of a solicitation, vendors have between three (3) and thirty (30) business days to respond with a proposal that includes the following:
 - i. A description of services proposed.
 - ii. A detailed price proposal that is targeted to specifically address the SOW. Said price proposal must include unit prices that are equal to or lower than provided for in their base contract.
 - iii. A list of candidates and resumes for those who would likely perform the work.

- f. Evaluation and Selection of Vendors
 - i. Evaluators appointed by the Principal, Assistant Principal (AP) or equivalent, reviews and evaluates the proposals based on the award criteria. The makeup and size of the committee is based upon anticipated spending as follows:
 - ii. Up to \$25,000 – Not applicable, as no competition is required.
 - iii. \$25,000 to \$100,000 – A single individual authorized by the Principal.
 - iv. Over \$100,000 - A committee of at least three individuals, none of whom may report to anyone else on the committee.

- g. In some instances, and at the client's discretion, vendors may be invited to meet with the committee and discuss their proposals and pricing more fully.

- h. After the evaluation of the quality of the proposals is complete. The appointed individual/committee selects the best overall proposal taking price into account and , completes the award recommendation (a very brief and generalized description of the rationale for the selection. If the least expensive proposal is not recommended, an explanation as to why the more expensive vendor was chosen is required to ensure that best value has been documented.) and evaluation forms and transmits same to the principal or responsible AP.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- i. The Principal or AP reviews the award recommendation and, upon approval, transmits same to DCP along with the following:
 - i. A purchase order.
 - ii. The name and contact information for an individual who will serve as the client's project/contract manager.

3.12 DISPUTE RESOLUTION

- 3.12.1** In the event the Contractor and the DOE are unable to resolve their differences concerning a determination by the DOE, the Contractor may initiate a dispute in accordance with the procedure set forth in this Dispute Resolution Section. Exhaustion of these dispute resolution procedures shall be a precondition to any lawsuit permitted hereunder.
- 3.12.2** The parties to this Agreement authorize the Disputes Resolution Officer ("DRO") selected by the Executive Director of the Division of Contracts and Purchasing to decide all questions of any nature whatsoever arising out of, under or in connection with, or in any way related to or on account of, this Agreement (including claims in the nature of breach of contract or fraud or misrepresentation before or subsequent to contract award) and the DRO's decision shall be conclusive, final and binding on the parties. The DRO's decision may be based on such assistance as he or she may find desirable, including the advice of experts. The effect of the DRO's decision shall not be impaired or waived by any negotiations or settlement offers in connection therewith, or by any prior decision of others, which prior decisions shall be deemed subject to review, or by any termination or cancellation of this Agreement.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

All such disputes shall be submitted in writing by either party to the DRO, together with all evidence and other pertinent information with regard to such questions, in order that a fair and impartial decision may be made. The DRO shall render his or her decision in writing and deliver a copy of same to the parties within forty-five (45) days of the conclusion of submission of all materials and information, or such longer time as may be agreed to by the parties. In an unusually complex case, the DRO may render his or her decision in a longer period of time, not to exceed ninety (90) days or such longer time as may be agreed to by the parties, and shall so advise the parties at the commencement of this period. Failure to make such determination within the time required by this section shall be deemed a non-determination without prejudice. The DRO'S decision shall be deemed a final agency action.

- 3.12.3** The DRO may formally decline to hear the Contractor's dispute; in such instance, the DOE's Contract Manager's decision shall be deemed final agency action.
- 3.12.4** During such time as any dispute is being presented, heard, and considered pursuant to this Section, the terms of this Agreement shall remain in full force and effect and the Contractor shall continue to provide Services in accordance with this Agreement. Failure of the Contractor to continue to provide Services shall constitute a material breach of contract.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 3 PROCEDURES

- 3.12.5** If the Contractor protests the determination of the DRO, or of the Contract Manager if such determination is deemed the final agency action, the Contractor may commence a lawsuit in Supreme Court, New York County under Article 78 of the New York Civil Practice Law and Rules. Such review by the Court shall be limited to the question of whether or not the DRO's decision or the decision of the Contract Manager, as applicable, was made in violation of lawful procedure, was affected by an error of law, or was arbitrary and capricious or an abuse of discretion. No evidence or information shall be introduced or relied upon in such an action or proceeding that has not been presented to the DRO or the Contract Manager, as applicable, prior to the making of his or her decision.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 4 INTRODUCTION TO PROCUREMENT CARDS

In an effort to expedite processing times, lower transaction costs for small purchases and eliminate out-of pocket expenses for staff, the NYC Department of Education has adopted the use of **PROCUREMENT CARDS** (also known as Purchasing Cards or P-Cards) for select categories of purchases.

Note: At the beginning of each school year, and as the need arises, the Division of Financial Operations will issue memoranda detailing any new policies and procedures regarding the Procurement Card Program including, but not limited to, the name of the banking institution that issues the card, the names of those individuals who must receive the **encumbered** purchase orders or change notices, and a listing of approved categories and object codes.

Controls have been implemented to insure that:

- Payments are made only as appropriate;
- Card transactions are accurately reflected in the NYC Department of Education's (NYCDOE's) accounting records; and
- All purchases are in compliance with the NYCDOE's procurement policies detailed in the Standard Operating Procedures (SOPs).

The purpose of this SOP topic is to facilitate the use of Procurement Cards by describing their appropriate use and establishing basic internal control policy.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 4 INTRODUCTION TO PROCUREMENT CARDS

4.1 Background

In 2003, in an effort to expedite processing times and eliminate out-of-pocket expenses for staff while at the same time lowering transaction costs for small purchases, the Department of Education (DOE) adopted the use of procurement cards (P-Cards) for select categories of purchases. The primary benefits to the end user are convenience and the elimination of intermediate steps required by the Department of Education's traditional procurement processes. Vendors' will also benefit by speedier payment.

Note: *At the beginning of each school year, and as the need arises, the Division of Financial Operations (DFO) will issue memoranda detailing any new policies and procedures regarding the P-Card program including, but not limited to, the name of the banking institution that issues the card, the names of those individuals who must receive the encumbered purchase orders or changes notices, and a listing of approved categories and object codes.*

4.2 Spending and Restricted Use Conditions

Procurement Cards are a purchasing vehicle and payment mechanism. Only DOE employees may apply for a P-Card. In addition, only authorized staff may use P-Cards for business related purchases and under the conditions set forth below. As defined by the NYC DOE, these spending and restricted use conditions include:

- All purchases made with the P-Card must be in compliance with the NYC Department of Education's (NYC DOE) procurement policies as detailed in this Standard Operating Procedures chapter.
- The safeguard and charges appearing on each card are the responsibility of the cardholder.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 4 INTRODUCTION TO PROCUREMENT CARDS

- **Purchases that are personal in nature are strictly prohibited**
- Under no circumstances are P-Cards to be used for the purchase of individual services (e.g. consultants).
- **P-Cards cannot be used to split orders or otherwise circumvent bidding thresholds.**
- Limitations on the amount that can be purchased in any individual transaction; **amount shall be no greater than \$2,500 per transaction. However, for non-contracted purchases, if a single transaction will exceed \$250, please adhere to the appropriate bidding regulation.**
- No cash advances
- May not be used to pay open Purchase Orders
- Cards for **Community Education Councils** (CECs) must be applied for and used by the approving authority

4.3 Enrolling in the Procurement Card Program

Schools and other NYC Department of Education Central offices must process via the FAMIS Portal (Exhibit I) an application for the estimated value for the fiscal year by the end of July to receive a Procurement Card(s) for the new fiscal year.

School P-Card applications are approved by the ISC. Central applications are received at central (District 54) and can be approved by multiple users.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 4 INTRODUCTION TO PROCUREMENT CARDS

4.4 Changing the Purchasing Limit on Procurement Cards

To increase/decrease the purchasing limit on card(s) you may use the **same** screen on the FAMIS Portal, which is used to apply for a new P-Card. (See Exhibit I). Simply click on the "Adjust P-Card" button and follow the on-screen prompts.

Once received, BAP will forward the change to the banking institution that issued the card.

4.5 Purchasing and Payments

- Generally, sites should use Procurement Cards for SIPP – Small Item Payment Process type and other small purchases of \$250 or less without bidding restriction within object codes encumbered for the particular procurement card. However, when the aggregate amount, within the same fiscal year with the same vendor exceeds \$2,500 bids are required. These purchases must be made in accordance with written guidelines established in advance by the NYC Department of Education. These guidelines can be found in this SOP, and the yearly memo issued by DFO at the beginning of each fiscal year (please see note box appearing below Section 4 of this chapter regarding this memo).
- After activation, the P-Card may be used to order a product from a vendor.
- Instead of issuing a purchase order or using cash or checks from SIPP, cardholders may use the P-Card for purchases.
- If the payment is for a valid purchase, that is, one that is made within the limits and conditions previously set by the NYC Department of Education; the banking institution issuing the card will approve the purchase.
- Typically, the banking institution pays the vendor, less a fee, within a few days, and then sends a monthly electronic file, along with card activity reports, to the appropriate central office for payment. The NYC Department of Education is required to pay the monthly invoice within the contractually stipulated timeframe.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 4 INTRODUCTION TO PROCUREMENT CARDS

- On a monthly basis, the banking institution will send to Bureau of Accounts Payable (BAP) an electronic invoice that will contain the current month's charges for ISCs/schools/offices. Subsequently, the respective purchase order and spending plan account will be adjusted to accurately report expenditures in the NYC Department of Education's accounting program.
- The cardholder, on a monthly basis, must certify (e.g., funding source and expense type) all purchases via FAMIS. You may access FAMIS by clicking on the following link: <https://dfofoms.nycenet.edu/FamisPortal/login.aspx?Sessiontoken=fxzls1uliyxmgejvegtki2no>
- When the P-card expense reporting screen is populated with monthly transactions, it must be compared promptly to the Procurement Card Usage Log (see Exhibit J) and receiving reports to verify that there are no billing discrepancies.
- Discrepancies between the record and card issuer's statement must be investigated and resolved. All discrepancies must be reported to both the:
 - o Banking Institution that Issued the Card
(See memo alluded to in note box appearing below Section 4, INTRODUCTION TO PROCUREMENT CARDS, for the name of the banking institution)
 - o Bureau of Accounts Payable (BAP)
- And the
- Since the NYC Department of Education is required to pay bills promptly in full even though there may be an unresolved discrepancy or billing dispute, it is critical that record keeping is adequate to maintain close control over such billing errors, disputes and similar matters to insure that appropriate adjustments are made in successive billing periods.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 4 INTRODUCTION TO PROCUREMENT CARDS

4.6 Certification, Audits and Jurisdiction

- During the normal course of audit engagements, staff independent of the cardholders will periodically conduct reviews of each cardholder's activity to ensure that the card is being used in accordance with the rules established.
- Monthly online certifications should be completed within 2 weeks of receipt of the monthly invoice. This monthly online **certification requirement will be strictly enforced**;
- The DFO will review transactions for appropriateness and to ensure goods and services purchased were in accordance with all NYC DOE rules and regulations;
- Upon request from the Chief Financial Officer (CFO) or DFO, cardholders will provide written justification for certain expenditures together with supporting documentation within 10 business days from the date of the request.

4.7 ISC, School and Office Responsibilities

- Cards are issued **only to employees who are knowledgeable regarding purchasing procedures** detailed in this SOP, brochures, guides and memoranda issued by the Division of Financial Operations (DFO) as well as in the security risks that accompany card assignments;
- Employees are advised that procurement cards are NYC DOE property that has been assigned for official business purposes only;
- Physical cards are adequately safeguarded when not in use;

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 4 INTRODUCTION TO PROCUREMENT CARDS

- Cards are deactivated and then destroyed immediately when employees change assignments, retire or are terminated.
 - Deactivate as Follows:
 - ✓ Call the banking institution that issued the card
 - ✓ Notify the Division of Financial Operations, Bureau of Accounts Payable (BAP) Cardholder cuts card in half
 - ✓ Cardholder forwards cut card to BAP

4.8 Cardholders Responsibilities

- It is the cardholder's responsibility to maintain a record or log of card usage as it occurs. See Exhibit J for an illustrative Procurement Card Usage Log that cardholders may adapt as needed.
- The log should include enough information to enable the cardholder to match individual card transactions reflected in the banking institution's month-end statement.

Such information may include:

- Dates of purchase;
- Vendor name;
- Brief description of the purchase;
- Dollar amount;
- Receipt of goods/service;
- The name of the individual purchaser/buyer.

Note: *For audit purposes, receipts and signed charge slips must be attached to the site-based record or log.*

 **Department
of Education**
Division of Financial Operations
STANDARD OPERATING PROCEDURES
Chapter: **OTPS PURCHASES**
Revised: September 2009

4.9 Internal Controls and Compliance Measures

- Controls have been implemented to insure that:
 - Payments are made only as appropriate;
 - Card transactions are accurately reflected in the NYC Department of Education's (NYCDOE's) accounting records; and
 - All purchases are in compliance with the NYCDOE's procurement policies detailed in this Standard Operating Procedures chapter.
- Failure to comply with the any procedures detailed in this section on P-cards will result in progressive consequences as outlined below:
 - **First Offense** – Immediate suspension of card privileges until certification or audit requirements are met.
 - **Second Offense Within Three Months of First Offense** – Will result in immediate suspension of card privileges for 90 days from the date of compliance.
 - **Third Offense Within Twelve Months of Second Offense** – Will result in permanent loss of P-Card privileges.
- Penalties for unauthorized or improper use of the P-Card may include, but not be limited to, suspension of card privileges, restitution and/or further appropriate disciplinary action up to and including termination.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 5 – PURCHASING SCHOOL FOOD CATERING SERVICES

5.1 Overview for the Procurement of Catering Services

The information detailed in this topic pertains to the process of utilizing the food catering services of School Food for a special event. Since School Food is a NYC Department of Education organization, its services meet the rate requirements, and can be procured without obtaining bids.

5.1.1 Special Events

- a) Refer to food served when conducting special events such as staff, parent and ISC meetings as well as conferences;
- b) Are priced as either on location (where food is prepared), off location, or weekend; and
- c) Are designated as either **Standard** or **Special**.
 - Standard includes those items for which there is a master listing or brochure established by School Food. These are the items that are most frequently requested.
 - Special includes those items that School Food packages for specific events.

Detailed menus can be obtained from the Department of Education – OSFNS website <http://www.opt-osfns.org/osfns>.

5.1.2 Methods of Payment

- a) Purchase Orders are used by the Central Office/ISC/School to encumber funds for Special Function payments made directly to School Food (Vendor # OFF014000). This method is especially useful for multiple functions.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 5 – PURCHASING SCHOOL FOOD CATERING SERVICES

- b) SIPP – Small Item Payment Process is used to make payments when the Purchase Order method is not practical, and the purchases are less than \$500.
- c) Checks from School Bank Accounts are used to make payments when more appropriate.

5.2 Ordering Special Events Services

All Special Functions orders must be placed **online** through the special function page of School Food's website located at:

<http://www.opt-osfns.org/osfns>

Click on Login
(Upper Left Corner of Page)

Scroll down and click on "Special Events"
(Middle of Page)

Logon by placing your password and ID
(Follow instructions if you do not have a password or ID)

If you prefer, you may go directly to the Special Events Logon page by clicking on the following:

<http://www.opt-osfns.org/osfns/resources/specialfunctions/public/default.aspx>

This form must indicate the Purchase Order number processed through FAMIS.

The request should be made at least one week (5 business days) prior to the event.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 5 – PURCHASING SCHOOL FOOD CATERING SERVICES

Special Events which are paid by SIPP – Small Item Payment Process or Journal Entry Debits, must indicate the name and fax number of the Integrated Service Center Executive Director or Head of the Financial Management Center in the billing person details section.

The completed Request for Special Event will issue an ID number once the request has been submitted.

An Invoice will be generated by the School Food Accounts Receivable Unit and faxed to the billable person.

Questions regarding an invoice should be made to School Food Accounts Receivable at (718) 729-4371

Payment (using one of the methods mentioned in Item 5.1.2) is to be sent to:

School Food
Attention: Accounts Receivable Unit
44-36 Vernon Blvd-Room 403
Long Island City, N.Y. 11101

5.3 Payment for Special Events Services

The information detailed in this chapter pertains to the primary methods of payment of the Special Functions order (using one of the methods mentioned in Item 5.1.2).

5.3.1 Purchase Orders

a) The School Food vendor number (OFF014000) must be placed in the appropriate section of the FAMIS Purchase Order (Exhibit E). Remember to confirm section 2 on FAMIS Portal Purchase Order.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

- b) Sole Vendor is entered in the Contract Number box of the purchase order.
- c) When a Purchase Order is used as a method of payment, the Purchase Order number must be placed in the designated section on the bottom of the School Food Request for Special Event form.
- d) When using a Purchase Order as a method of payment for more than one Special Event, the same Purchase Order number must be placed in the designated section of the School Food invoice for each function until the dollar amount encumbered is exhausted.
- e) The invoice number must be entered into FAMIS as part of the on-line voucher entry in the "Desc/Inv#" field with an asterisk both before and after the invoice number so that the payment may be credited.

5.3.2 SIPP – Small Item Payment Process

- a) The OSFNS vendor number (OFF014000) must be placed in the appropriate area of the SIPP form (Exhibit F).
- b) The School Food invoice number should be entered in the Invoice Number field on the SIPP form.
- c) Payment should be made to the address indicated in Item 5.2.

The invoice number must be entered into FAMIS as part of the on-line voucher entry in the "Desc/Inv#" field with an asterisk both before and after.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 6 – EXPENDITURES MADE BY COMMUNITY/CITYWIDE EDUCATION COUNCILS

6.1 Schedule of Reimbursement for Expenses

The NYC Department of Education has authorized reimbursement of out-of-pocket expenses up to and including **\$125** per calendar month for Community/Citywide Education Council (CEC) members and **\$200** per month for chairpersons/presidents. The expenditures to members are subject to all regulations as applicable in the SOP, guides and brochures, Chancellor's Regulations and other memoranda. The following list reiterates those restrictions that relate specifically to CEC activities.

6.2 Choosing an Approving Officer

In order to process reimbursement expenses, each CEC should designate a member to function as the approving officer for all members' monthly expenses. It is recommended that CECs choose an approving officer at the same time as the annual election of officers and include the person's name in the resolution, which follows the election.

6.3 Submitting Reimbursement Expenses

- The CEC member or chairperson/president seeking reimbursement: lists on the *Community & Citywide Education Council Personal Expense Summary Form and Request for Reimbursement* (Exhibit K), the total expenditures by type for each month: e.g., local travel, meals, postage, parking, telephone, etc.
- Personally signs the certification on the Personal Expense Summary Form attesting to the accuracy of the information and that monies were disbursed as indicated;

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 6 – EXPENDITURES MADE BY COMMUNITY/CITYWIDE EDUCATION COUNCILS

- Has the president/chairperson signed the *form*; and
- Keeps all original receipts since these are needed for supporting documentation.

The ISC then processes the *Personal Expense Summary Form and Request for Reimbursement* for payment according to standard procedures for SIPP – Small Item Payment Process, charging such expenses to object code 496.

6.4 Acceptable Out-of-Pocket Expenses

Reimbursement will be made to the limit of the allowance listed in item 6.1 above. These reimbursements include, but are not limited to the following items:

- Telecommunication Related Expenses
- Usage of Personal Vehicle including Parking
- Childcare Related Expenses
- Car Service/Taxi Cabs – When traveling, the most economical means of transportation must be used.
- Public Transportation
- Refreshments and meals on scheduled CEC meeting days
- Postage
- Subscriptions and Publications
- Membership Dues/Organizational Fees/Registration Fees
- Testimonial Dinners and Special Functions



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 7 – INTERNAL CONTROLS AND/OR DELEGATION OF RESPONSIBILITIES

The processes requiring documentation, review and approval by two parties for expenditures, the use of approved lists, and all other regulations are designed to safeguard the use of public funds and to provide accountability. Central Offices/ISCs/Schools are responsible for establishing effective oversight procedures and may find the following recommendations helpful.

7.1 Review of Purchase Documents

Purchase documents must be reviewed for completeness and accuracy of calculations and a staff member must be appointed and trained in the applicable regulations and procedures to review all purchasing documents for conformance with:

- Bidding regulations and procedures;
- Contract; (items, stated prices, delivery instructions etc. agree with contract);
- Criteria for items that must be ordered by requisition and;
- Inspection regulations.

7.2 Recordkeeping and Files

7.2.1 File copies of purchase documents

Since the introduction of FAMIS, Central Offices/ISCs/Schools have varied the filing system, which formerly required the maintenance of a numerical file by purchase document number, an alphabetical file by vendor, and a school/office/program file. It is still a good practice to maintain hard copies of all purchasing for a period of **six** years. In addition, if an item was purchased for an off-site location, **both** parties should maintain copies of all documents.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 7 – INTERNAL CONTROLS AND/OR DELEGATION OF RESPONSIBILITIES

7.2.2 Retention of Records and Documents

Following is a chart, which reflects various school and office documents and records and the retention period for each. Please contact the Office of Auditor General (OAG) if you require additional information regarding anything on this chart.

65 Court Street
Room 1100
Brooklyn, N.Y. 11201
Phone (718) 935-2600
Fax (718) 935-5458
[e-mail audit@nycboe.net](mailto:audit@nycboe.net)



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

Document	Retention Period
Notice of encumbrance indicating funds encumbered and amount remaining unencumbered:	6 years
Past due account fiscal records and summaries:	6 years after account satisfied or otherwise closed
Intermediary fiscal record of receipts and disbursements , including but not limited to detail record, analysis, proof sheet or trial balance worksheet, and adding machine tapes:	6 years
Abstract of receipts, disbursements, or claims:	6 years
Tax exemption records , showing that local government is exempt from paying sales, use or other taxes:	1 year after superseded or obsolete
Payment recoupment records , documenting the process of recovering monies paid erroneously by local government to employee, vendor or other payee:	6 years after date of most recent entry in record
Receipt (received) or copy of receipt (issued) other than for payment of taxes:	6 years

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

Master summary record of grants, awards or gifts:	PERMANENT
Detailed records of grants, awards and gifts, excluding master summary record:	6 years
Credit card records documenting payments received by credit cards, including credit card payment receipts, and statements showing amounts of payments received and fees deducted:	6 years
Purchase order, purchase requisition , or similar record, used to obtain materials, supplies, or services:	6 years
Purchasing file , including but not limited to bid (successful, unsuccessful), contract and specifications, and related records, for purchase of materials, supplies and services not connected with capital construction:	6 years after expiration or termination or 6 years after final payment under contract, whichever is later
Vendor file , including but not limited to list of vendors doing business with the local government, vendor evaluation forms, price lists or other information received from vendors:	0 after obsolete
Performance guarantee or written warranty for products or similar record:	6 years after expiration
Invoice , packing slip, shipping ticket, copy of bill of lading or similar record used to verify delivery and/or receipt of materials or supplies:	6 years
Invoice register , or similar record used to list invoices:	6 years after last entry
List or abstract of purchase orders, claims or contracts:	6 years
Standing order file , used for purchase of materials and supplies which are received on a regular basis:	6 years

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

Chargeback records , showing specific fund to be charged for in-house expenditure:	6 years
Canceled bids file , including purchase requisitions, vendor solicitations, requests for proposals (RFPs), price quotations and related records concerning bids for goods or services which were canceled without a purchase being completed:	1 year after subsequent procurement of the same goods or services completed under a re-initiated procurement, or 1 year after decision to not purchase such goods or services
Daily, weekly, monthly, quarterly, or other periodic fiscal reports , including but not limited to daily funds report, daily cash report, statement of monthly balances, recapitulation of disbursements, and departmental reports:	6 years

7.3 Security Measures for Postage and MetroCards

Apply the same safeguards for handling postage and MetroCards as for cash. Divide responsibilities for obtaining and disbursing so that no one employee has complete control over the entire process for either tokens/MetroCards or postage. Ensure that records are kept for all transactions. Review the security controls and the records periodically.

Users of large quantities of postage and/or MetroCards should consider:

- Buying a postage meter;
- Storing large quantities of stamps, and MetroCards in a vault or other safe area;
- Securing a pre-sort mailing permit.
- Maintaining a MetroCard distribution log and performing a periodic reconciliation.



NYC Department
of Education
Division of Financial Operations
STANDARD OPERATING PROCEDURES
Chapter: **OTPS PURCHASES**
Revised: September 2009

7.4 Liabilities for Non-Compliance With Regulations

Authorized officials and approving officers are charged with ensuring that public funds are spent properly. The authorized official or the approving officer must report any non-compliance with SOP rules and regulations to the Office of Auditor General (OAG) and take any necessary disciplinary action. It may also be necessary to repay any funds that have been used inappropriately.

7.5 Other Internal Controls Areas

- Central Offices/ISCs/Schools should maintain a tracking system (manual or computerized) to monitor expenditures.
- Adequate supporting documentation should be on file prior to paying for goods/services.
- Central Office/ISC/School administrators should review expenditures that occur frequently so that bidding procedures are followed. (e.g., Expenditures made in close proximity to each other for similar amounts to same vendors).
- Excessive purchasing with SIPP – Small Item Payment Process to non-contracted vendors without following appropriate bidding regulations must be avoided.
- Delivery Dates/Receipt of Services should be documented (signed and dated) prior to payments to avoid expenditures being charged to an incorrect fiscal year.
- All processed invoices must have an indication to the effect that they have been paid. (E.g., Voucher Number).
- If the item does not appear in the FAMIS Portal under e-catalog, contracted purchases should be procured using a Purchase Order with the correct prefix (i.e., “WR” in FAMIS Portal).



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

- Services must be rendered **prior to** payments to vendors unless unique circumstances require prepayments. Central Offices/ISCs should continue to issue memoranda to schools advising them of such.
- On a periodic basis Central Offices/ISCs/Schools should analyze their spending patterns to ascertain whether a contract can be used for items that are purchased through SIPP/Purchase Orders. This procedure may lead to lower prices and improved services. Continuous monitoring by schools and regions using an expenditure log/tracking system that shows items may help in this analysis.
- Vendors should be informed to issue a fully detailed invoice that breaks down price, quantity, amounts, dates of service, description of service/goods, etc. These invoices should be compared to Purchase Orders and other related documents to ensure that goods/services are in conformity with initial arrangements by vendor and purchaser.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

8.1 Definition of Terms

Account Code:

A composite of the following data fields: last two digits of the fiscal year, district number, quick code, object code, location code and activity code.

Activity Code:

A 4-digit numeric code (created by Galaxy), which classifies a programmatic expenditure.

Allocation:

Funds that have been allocated to a particular school/site from an approved budgeted program so that a school/site may begin spending OTPS items.

Authorizing Official:

The authorizing official is a NYC Department of Education employee who certifies that goods and services being ordered for a school/site are needed, and is in accordance with **all** NYC Department of Education rules and regulations including bidding and contracts. In a **school**, the authorizing official is usually the **principal** or his/her designee. For a **program**, the **director** or his/her designee is usually the authorizing official.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Bidder's List:

An electronic Vendor Listing maintained by Division of Contracts and Purchasing (DCP). This listing is divided into two parts: professional service vendors, and commodity vendors. Upon receipt of required information from a company, which includes the goods and/or services it offers to the NYC Department of Education, that company (vendor) may be assigned on one or both of these categories. Vendors offering commodities **only** to our schools and sites will be assigned a vendor number/code and will begin to receive information about contract bidding opportunities. It should be noted that the assignment of a vendor number /code does not constitute a contract between this company and the NYC

Department of Education, nor is there a pre-qualification assessment.

For maintenance and repair contracts the Division of School Facilities (DSF) maintains its own "Approved Contractor List."

Bids:

An offer by a vendor to provide an item or service at a specified price. Depending upon the price, this offer can be by telephone, written or faxed. When a system-side Requirements Contract exists, no additional bidding is required.

Budget Code:

A four-digit number that codes the money to a specific category (e.g., elementary schools, high schools, bilingual education, NYSTL, etc.).



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Certification of Delivery:

Written or electronic confirmation by a Department of Education employee indicating that goods and services ordered have been received, examined and found to be correct as to quantity and quality. Certification of Delivery must be done directly into the FAMIS Portal. By doing this, the receiver of goods and services acknowledges that the order is partially or fully received and reduces the interval to pay vendors.

Change Notice:

A document used to serve as official notification to a vendor to increase, decrease or cancel an order via FAMIS. This notice is not to increase or decrease the limits on a Procurement Card.

“City Record”:

New York City government’s “daily newspaper.” To comply with public advertisement requirements, all announcements of contract opportunities involving the expenditure of public dollars for all city government agencies, including the NYC Department of Education, are advertised here. Contact Division of Contracts and Purchasing (DCP) at 718-935-3000 for additional information on how to advertise in the “City Record.”

Collapsed Object Codes:

The combining of minor Object Codes into major groupings for budgetary purposes only. No item may be encumbered or expensed against the major series object Codes: 100, 300, 400 and 600.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Committee on Contracts (formerly called the The Exceptions Committee):

A Committee consisting of representatives from the Office of Legal Services (OLS); The Division of Financial Operations (DFO); The Division of Contracts and Purchasing (Chaired by DCP); The Office of Auditor General (OAG); The Division of School Programs and Support Services (DSPSS); and, The Office of the Deputy Chancellor for Teaching and Learning. This Committee reviews and considers for approval any anticipated expenditure for professional services that has not been competitively bid in excess of \$100,000.

Commodities:

Supplies, materials, books and equipment required to supplement and complement the instructional programs, in our schools.

Competitive Bidding:

Soliciting bids or proposals from a variety of different vendors thereby providing to taxpayers the greatest assurance that goods and services are procured in the most prudent and economical manner; and that procurements are reasonable and not influenced by favoritism, fraud or corruption.

Contract::

An agreement between a buyer and seller to purchase required goods and services to enhance instruction and improve the classroom experience. For the purchase of goods or services for the life of the contract with an expenditure of over \$100,000, a formally executed contract is required. For additional information, please refer to the definitions for “Requirements” and “Full Value” Contracts located in this section and in the SOPM chapter on “Formal Contracts” (formerly “Bidding and Contracts”).



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 8 – APPENDIX

Contracted Items/Services:

Commodities or services available for purchase that have been established through an award of contract, executed between the DOE and the respective vendor.

Contract Number:

A 7-digit number assigned to a contract and entered into FAMIS upon submission of the formal contract with the City Comptroller for registration.

Contracts Administration Officer:

Every ISC/central office has a Contracts Administration Officer. This individual is responsible for all procurement practices as they relate to OTPS spending and acts as a liaison between the Division of Contracts and Purchasing (DCP) and the Procurement Team Members within the Integrated Service Center. The Procurement Team Member will ensure efficient ordering for schools and other sites within the Instructional Region.

Delivery Receipt:

Basically, this is a form prepared by the carrier delivering the ordered items. It provides information that may confirm a purchasing document. It also provides delivery information including: Number of cartons/packages, place or origin, destination, special instruction, etc.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 8 – APPENDIX

Emergency Procurements:

An emergency condition is an unforeseen danger to life, health, safety, or, property. The existence of such a condition creates an immediate and serious need for goods, service or construction that cannot be met through normal procurement methods. The Executive Directors of DCP, the Chief Executive Director of School Support Services and the Chief Administrator of School Based Procurement, DCP have been delegated by the Chancellor to declare an emergency and approve such procurements in excess of \$15,000.

Empowerment Support Organization (ESO):

The ESO provides support to networks of self-affiliated schools. Each network receives support from a team of instructional and business staff members selected by the schools. Empowerment Schools enjoy great flexibility and autonomy surrounding their own budget, instruction, professional development, and assessment. Network teams support 496 schools this school year.

Encumbrance:

Setting aside or reserving funds within FAMIS against a location's budgeted monies for a purchase.

FAMIS:

The NYC Department of Education's Accounting System – Financial Accounting Management Information System.

FAMIS Portal:

The DOE's accounting system contains a procurement module which is part of the accounting system. Prior to making any purchase for goods or services, funds availability is established.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Financial Management Center (FMC):

The FMC is the business unit responsible for budgeting and administering the funds allocated to a Central department.

Full Value Contract:

A contract for a fixed-time purchase for a specific good or service at a specific dollar amount.

Galaxy:

A school-based budgeting system.

General School Funds:

Monies generated by a school from sources other than tax levy, governmental or private grants. These funds are generally raised by various internal school activities.

Integrated Service Center (ISC):

ISCs replaced Regional Operations Centers (ROCs) on July 1, 2007. There are five ISCs, one for each borough, and they are professional, customer-oriented organizations, dedicated to delivering targeted services to schools within the NYC Department of Education. Services include consultation and transactional assistance in addressing human resources, budget and procurement, transportation, food services, facilities and extended use, grant management, technology, health and safety, student suspensions, youth development and special education administration. Principals and other school-based staff will be able to connect directly with an ISC representative to secure one-stop assistance and support in all of these areas and more.“

Invoice:

A bill for goods or services sent by the vendor after delivery. The invoice is a commercial bill used by the vendor to request payment.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Item Number:

A number assigned to **commodity** items under system-wide Requirements Contracts with the Division of Contracts and Purchasing (DCP). These items are listed in the e-catalog on the FAMIS Portal

Learning Support Organization (LSO):

A Learning Support Organization offers theme-based comprehensive service packages to the schools. Service packages are differentiated to meet the unique needs of a broad variety of schools and are available to schools across the city without regard to geographic boundaries. Each of the four LSOs includes distinctive support offerings, focusing on areas including instruction, programming, scheduling, youth development, and professional development.

List Items:

Commodity items required by the schools or offices that are contracted for system-wide usage by the Division of Contracts and Purchasing (DCP). They are ordered via the FAMIS Portal against Requirements Contracts.

Listing Application:

Published or copyrighted materials, artistic performances of specific artists, and programs of cultural institutions (e.g., Planetarium), which are not subject to competitive bidding requirements. If expenditures are anticipated to exceed \$100,000, the Division of Contracts and Purchasing (DCP) will establish Requirements Contracts for these items in order to achieve better value and to standardize pricing and contract conditions.

Location Code:

A 4-character code identifying a school/site for accounting purposes. Used to properly record in FAMIS that site's allocated funds with the costs (expenses).



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Modification (Budget or Spending):

An adjustment to a budget or spending plan.

Non-Contract Items:

Commodity items where there is no existing Department of Education contract.

Non-List Items:

Contracted items that because of their characteristics (e.g., services, library books) do not lend themselves to being listed under the e-catalog in the FAMIS portal. These items are ordered via an electronic Purchase Order, referencing the contract number on the FAMIS Portal, and sent directly to the vendor after encumbrance.

On-Line Fastrack Catalogs:

A comprehensive listing of General Supplies, Textbooks, Computer and Audio Visual Software, Toys and Games, Athletic Supplies, and Early Childhood Furniture currently available for purchase from a system-side Requirements Contract. These are updated on a weekly basis, and include all of the information necessary to order any of the materials included through the Fastrack Ordering System. Access these catalogs by logging on to the Division of Contracts and Purchasing (DCP) website located at <http://www.nycenet.edu/opm>.

Object Code:

A four-digit number that identifies the category of the OTPS expenditure. Each classification is assigned an object code (e.g., printing supplies are charged to object code 0101).



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Other Than Personal Service (OTPS):

Refers to expenditures of money (tax levy and/or reimbursable) for supplies, materials, and services other than salaries of Department of Education personnel. These include instructional supplies, materials, textbooks, library books, equipment, etc.

Packing Slip:

A document accompanying a shipment that details the contents of a particular package within the respective delivery.

Partnership Support Organization (PSO):

Partnership Support Organizations (PSOs) are operated by groups outside of the DOE including intermediaries, colleges, universities, and other organizations with demonstrated records of supporting communities and schools in a variety of capacities. Each of these organizations will join with school leadership to leverage what's working elsewhere in our City and country.

Proceed Notice:

Document that authorizes the purchase of goods and/or services under an executed and registered Full Value Contract (over \$100,000). (Refer to chapter on "Formal Contracts (formerly "Bidding and Contracts") for detailed definition on Full Value Contracts).

Procurement Card:

Also known as Purchasing Card or P-Card. Adopted by the Department of Education for select categories of purchases. Will speed up processing times, lower transaction costs for small purchases and reduce out-of-pocket expenses for staff.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Procurement Representative:

This individual is responsible for accepting protests from bidders or proposers or prospective bidders or prospective proposers whose direct economic interest would be affected by the award of a contract or by failure to award a contract. The Procurement Representative should first try to resolve a protest with the vendor without relying on the formal Protest Procedures.

Professional Services:

Services provided by an individual or organization engaged in “a calling requiring specialized knowledge and often long and intensive academic preparation.” Typical services may include staff development training, program evaluations, curriculum development, artistic performances from cultural institutions and other student outcome-related services.

Protest Officer:

This individual is responsible for the resolution of a protest initiated by a bidder or proposer or prospective bidder or prospective proposer relying on formal Protest Procedures.

Public Notification of Award:

A summary of all awarded contracts posted on the website of the NYC Department of Education’s Division of Contracts and Purchasing (DCP) <http://schools.nyc.gov/Offices/dcp/default.htm> .

Protest Procedures:

A bidder or proposer or prospective bidder or prospective proposer whose direct economic interest would be affected by the award of a contract or by failure to award a contract may file a protest. (See Chapter 3, Subsection 8).

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 8 – APPENDIX

Public Bid Opening:

A public bid opening (for *commodity* contracts over \$15,000) that must be attended by at least two employees (not performing any function related to the particular bid in question) of the NYC Department of Education. One of the employees will open and read the sealed bids (at the day, date, time and place indicated on the solicitation) while the other will act as a witness to the opening. (See *Sealed Bids* for additional information).

Purchase Order:

An electronic document processed through the FAMIS Portal used to purchase goods or services directly from vendors.

Quick Code:

An eight digit number that identifies the service/program, project or grant category.

Request for Authorization (RA)

A formal request to enter into a formal contract. These are required for contracts over \$100,000 for professional services and for commodities if there was only one bidder. Additionally, any commodity contract with a value of a \$1,000,000 or more require an RA.

Request for Proposals (RFP's):

A publicly advertised written solicitation request to prospective vendors to submit written proposals to provide specified professional services.

Requirements

The formal contracts established Centrally with approximately 1,000 vendors that yield the 200,000 “list and non-list items” and professional services. All current regulations regarding bidding procedures are enforced prior to the award of a contract.



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

The written contract document contains all the terms and conditions to be performed by the vendor and the NYC Department of Education, as well as the unit cost for goods and services and terms of payment. When a system-wide Requirements Contract exists no additional bidding is required.

Restricted Items:

Items that have special purchasing guidelines and/or approvals which must be followed prior to purchase. See Topic 2, Section 2.9 for complete details.

School Spending Plan:

The allocation of budgeted funds to the location level.

School Support Organization (SSO):

Virtually every school can benefit from support and assistance from people outside the building: to help identify best practices in education; to provide targeted strategies for specific students in need of extra help; and to help prioritize among competing demands on resources and time.

To ensure that the support from outside the school is consistent with and advances the priorities and focus inside the buildings, school leaders need the ability to choose the kind of support that best meets their needs. For the 2007–08 school year, all school leaders have chosen a package of support from a School Support Organization.

School leaders chose from among three types of School Support Organizations: the Empowerment Support Organization (ESO), the Learning Support Organization (LSO) and the Partnership Support Organization (PSO).

 **Department
of Education**
Division of Financial Operations
STANDARD OPERATING PROCEDURES
Chapter: OTPS PURCHASES
Revised: September 2009
TOPIC 8 – APPENDIX

Regardless of the type of School Support Organization a school chooses, schools will remain public schools subject to the authority of the Department, the Chancellor, and the community and high school superintendents, as well as all Chancellor's regulations. Every principal signed a Statement of Performance Terms and operates under the same policies regarding student placement, suspension, collective bargaining agreements, financial reporting, and other areas as outlined by the Department and State law.

Sealed Bid:

A written response by a vendor to a bid solicitation which is held in a sealed envelope until a specified date, day, place and time for its public opening. (See *Public Opening* for additional information).

Small Item Payment Process (SIPP):

An electronic document processed through the FAMIS Portal (Exhibit F) that provides for the disbursement of funds to pay a **vendor** for small incidental purchases, or for the procurement of goods and services when either the purchase order or requisition method of purchase is not practical. It is also a mechanism, which provides reimbursement to a NYCDOE employee for the purchase of small over-the-counter items (emergency purchases), as well as any other business-related expense. (E.g., Travel).

Sole Source/Exception to Competitive Bidding:

A vendor, who **for very specific reasons**, is identified as the **only feasible source** for obtaining certain commodities or services and therefore, may be exempt from the competitive bidding process. This determination is made by either the school, ISC, central office or DCP, depending upon the contract cost (See Section 3.2.2).



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

Split Purchase:

Is an impermissible practice, wherein multiple awards are made to the same vendor within the same fiscal year to by-pass the purchasing thresholds (i.e., split orders and invoices thereby staying under the \$250 maximum).

Standard Operating Procedures (SOP):

An official publication maintained by the Division of Financial Operations (DFO), periodically updated, containing the proper business and fiscal practices and policies to be followed by schools/sites. As chapters are updated, they are also placed on the website of DFO located at:

<http://schools.nyc.gov/Offices/DFO/default.htm> .

Vendex Questionnaire:

Used to collect financial and background information from vendors who have been awarded contracts which have a cumulative value of \$100,000 or more. (i.e., Vendex is required on a two (2) year contract for \$51,000 per year). There are certain contracts wherein a Vendex is also required as a precaution. For example, for all Universal Pre-Kindergarten contracts a Vendex is required although the contracts cumulative value does not exceed \$100,000.

Vendor Number/Code:

A 9-character code assigned to each vendor that has done business with, or wishes to do business with the NYC Department of Education. This number/code does not mean that a contract has been awarded to this vendor. It serves to record vendor information in the DOE's and City's accounting system.

STANDARD OPERATING PROCEDURES

Chapter: OTPS PURCHASES

Revised: September 2009

TOPIC 8 – APPENDIX

Vendor Performance Evaluation Form:

A form developed by the Division of Contracts & Purchasing, Office of Policy & Vendor Performance (P&VP), to track and evaluate vendors for performance on contracts and to establish a centralized system for storage and retrieval of information. This form can be accessed, completed and submitted via the Department of Education's intranet at <http://www.nycboe.net/dfop/tracker/eval>.

The Office of Policy & Vendor Performance will disseminate and collect evaluations department-wide on an annual basis. However, users may submit a review at any time. Contract Managers should always complete an evaluation for any contract in excess of

Voucher/Tickler Number:

A group of alpha/numeric characters, sequentially assigned by the accounting system as OTPS payments are processed.

W-9 Form:

A form that can be downloaded from the Division of Contracts and Purchasing (DCP). Click the link below to access the form.

http://www.comptroller.nyc.gov/bureaus/acc/w9/Substitute_W9_Instruction_s.pdf .

This document is used to activate a vendor in the City's Financial Management System (FMS) and DOE's FAMIS. Once completed by the vendor, this form, containing important taxpayer information, is forwarded to the Central Office/ISC who in turn returns it to Division of Contracts and Purchasing (DCP) along with the *Vendor Add/Change Form* –

http://schools.nyc.gov/NR/ronlyres/C24B3854-2E3F-499D-9F18-7DA5A851262E/0/SUBSTITUTEFORMW9_SEPT2007Rev.pdf



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

TOPIC 8 – APPENDIX

8.2 Table of Exhibits

Notes:

1. Exhibits A-A-1-B-C-H-J-K- may be reproduced locally (on office/school stationery if appropriate), or downloaded from the website of the Division of Financial Operations (DFO) located at:

<http://schools.nyc.gov/Offices/DFO/default.htm>

All others (D-E-F-G-I) may be accessed through the FAMIS Portal.

2. You must include an Activity Code in the accounting code section of the respective form.

**PLEASE PRINT OR TYPE ALL INFORMATION ON
EACH OF THESE EXHIBITS**



Division of Financial Operations

STANDARD OPERATING PROCEDURES

Chapter: **OTPS PURCHASES**

Revised: September 2009

Exhibit Letter	Description
A	Telephone Bid Summary Form (Revised: September 2002)
A-1	Written Bid Summary Form (March 2006)
B	Tax Exempt Certificate – ST-119.1 (Revised: June 1981)
C	Non-Employee Payment Request Form (Revised: October 2004)
D	Facsimile - FAMIS Portal Requisition Page
E	Facsimile - FAMIS Portal Purchase Order Page
F	Facsimile - FAMIS Portal SIPP Page
G	Facsimile - FAMIS Portal - Change Notice
H	Cash Receipts Form (Revised: September 2004)
I	Facsimile FAMIS Portal Procurement Card Application Page
J	Procurement Card Usage Log (Revised: September 2002)
K	Community & Citywide Education Council Personal Expense Summary Form and Request for Reimbursement (Revised: September 2004)

OTPS PURCHASES
EXHIBIT A – Telephone Bid Summary Form



**Department of
Education**

TELEPHONE BID SUMMARY FORM

Name/Number of School/Site: _____

Items:

List the item(s) you are obtaining a bid for

(1) _____ (4) _____

(2) _____ (5) _____

(3) _____ (6) _____

Vendor Information:

In each Vendor Box please print all pertinent information regarding the vendor and the price that respective vendor quoted on each item:

Name: _____
Address: _____

Telephone: _____
Fax: _____
Contact Person: _____

Bid Prices:

Item 1 \$ _____ Item 4 \$ _____
 Item 2 \$ _____ Item 5 \$ _____
 Item 3 \$ _____ Item 6 \$ _____

Name: _____
Address: _____

Telephone: _____
Fax: _____
Contact Person: _____

Bid Prices:

Item 1 \$ _____ Item 4 \$ _____
 Item 2 \$ _____ Item 5 \$ _____
 Item 3 \$ _____ Item 6 \$ _____

Name: _____
Address: _____

Telephone: _____
Fax: _____
Contact Person: _____

Bid Prices:

Item 1 \$ _____ Item 4 \$ _____
 Item 2 \$ _____ Item 5 \$ _____
 Item 3 \$ _____ Item 6 \$ _____

Name: _____
Address: _____

Telephone: _____
Fax: _____
Contact Person: _____

Bid Prices:

Item 1 \$ _____ Item 4 \$ _____
 Item 2 \$ _____ Item 5 \$ _____
 Item 3 \$ _____ Item 6 \$ _____

Signature: _____
Title: _____ **Date:** _____

Revised:
September 2002

OTPS PURCHASES
EXHIBIT A-1 – Written Bid Summary Form



THE NEW YORK CITY DEPARTMENT OF EDUCATION

WRITTEN BIDS SUMMARY SHEET

Required for Procurement for Non-Contract Items Over \$5,000

SUBMITTED BY:	Name: _____ Title: _____ Location: _____ Telephone No. _____ Fax No. _____ Email: _____						
ITEMS OR SERVICES SUBMITTED FOR BIDS BY SCHOOL	DETAILED DESCRIPTION _____ _____ _____ _____						
RESPONSIVE BID #1	Vendor Name: _____ Contact Person: _____ Vendor Address: _____ Vendor No.: _____ (W-9 must be attached if no DOE Vendor #) Telephone No. _____ Fax No. _____ <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 70%;">BID DETAILS</th> <th style="width: 15%;">PRICE PER UNIT</th> <th style="width: 15%;">AMOUNT</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	BID DETAILS	PRICE PER UNIT	AMOUNT			
BID DETAILS	PRICE PER UNIT	AMOUNT					
RESPONSIVE BID #2	Vendor Name: _____ Contact Person: _____ Vendor Address: _____ Vendor No.: _____ (W-9 must be attached if no DOE Vendor #) Telephone No. _____ Fax No. _____ <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 70%;">BID DETAILS</th> <th style="width: 15%;">PRICE PER UNIT</th> <th style="width: 15%;">AMOUNT</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	BID DETAILS	PRICE PER UNIT	AMOUNT			
BID DETAILS	PRICE PER UNIT	AMOUNT					
RESPONSIVE BID #3	Vendor Name: _____ Contact Person: _____ Vendor Address: _____ Vendor No.: _____ (W-9 must be attached if no DOE Vendor #) Telephone No. _____ Fax No. _____ <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 70%;">BID DETAILS</th> <th style="width: 15%;">PRICE PER UNIT</th> <th style="width: 15%;">AMOUNT</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	BID DETAILS	PRICE PER UNIT	AMOUNT			
BID DETAILS	PRICE PER UNIT	AMOUNT					

FINANCIAL ACCOUNTING DATA

District	Quick Code	Location	Activity Code	Object Code	Amount

I request that the procurement be awarded to: _____
 The selection was made on the following basis: _____

I HEREBY CERTIFY THAT THE ITEMS ARE NEEDED AND THAT THE BIDDING PROCESS WAS CONDUCTED IN ACCORDANCE WITH THE DEPARTMENT OF EDUCATION'S BIDDING, CONTRACT AND PROCUREMENT RULES

THE FOLLOWING DOCUMENTS ARE ATTACHED TO THIS BID SUMMARY SHEET:

Requestor' Signature (Required):		Date:	
ROC Review/Received By:		Date:	
Approved By:		Date Encumbered:	
FAMIS Document Reference No.			
Disapproved By:		Reason:	

March 2006

OTPS PURCHASES
EXHIBIT B – Tax Exempt Form

ST-119.1 (6/81)

State of New York – Department of Taxation and Finance
Taxpayer Services Division

New York State and Local Sales and Use Tax

EXEMPT ORGANIZATION CERTIFICATION

VENDOR

NAME
AND
ADDRESS

EXEMPT ORGANIZATION

New York City
Department of Education

<i>(Name and address of school)</i>

**THIS CERTIFICATION IS
ACCEPTABLE IF THE PURCHASER
HAS ENTERED ALL INFORMATION
REQUIRED**

CERTIFICATE NUMBER

EX –690210637

**THE UNDERSIGNED HEREBY CERTIFIES THAT THE ORGANIZATION NAMED
ABOVE HAS RECEIVED AN EXEMPT ORGANIZATION CERTIFICATE AND IS
EXEMPT FROM STATE AND LOCAL TAXES ON ALL ITS PURCHASES.**

SIGNATURE OF OFFICER

TITLE

DATE PREPARED

INSTRUCTIONS FOR USE OF CERTIFICATION

Exempt Organization Certification (ST-119.1) may be used only when an exempt organization is the direct purchaser and payer of record. Any bill, invoice, or receipt given by the vendor must show the above organization as the purchaser. Payment must be from the funds of the exempt organization.

The exemption from state and local sales and use tax does not extend to officers, members, or employees of the organization. Personal purchases made by such individuals are subject to sales tax. Any organization's exemption does not extend to its subordinate or affiliated units. When making purchases, subordinate units may not use the exemption number assigned to the parent organization. Such misuse may result in the revocation of the exemption granted.

An exemption Certification must be given to each vendor at the time of the first purchase from that vendor. A separate certification is not necessary for each subsequent purchase provided the exempt organization's name, address and certificate number appear on the sales slip or billing invoice. The certification is considered part of each order given to the vendor and remains in force unless revoked.

Vendors must retain the Exemption Organization Certification for at least three years after the date of the tax exempt sale substantiated by the certification.

Additional copies of this form (ST-119.1) can be obtained from any State District Tax Office or from the main office of the Taxpayer Assistance Bureau, State Campus, Albany, New York 12227. This form may be reproduced without prior permission from the Department of Taxation and Finance.

OTPS PURCHASES

EXHIBIT C – Non-Employee Payment Request Form



**NEW YORK CITY
DEPARTMENT OF EDUCATION
AUTHORIZATION FOR
SIPP EXPENDITURE**

NON-EMPLOYEE PAYMENT REQUEST FORM

For use in conjunction with the on-line SIPP Program

Type or use black ballpoint pen. **PRINT** legibly to insure prompt payment.

INSTRUCTIONS FOR COMPLETING FORM

This form is to be used by non-Department of Education employees to record their attendance at Department of Education planning meetings or program activities that provide for payments to such individuals. Fixed rates for reimbursement have been established as a guide only, and may be found in appropriate SOPM and/or memoranda on this topic. Actual invoices, or individual receipts may be submitted in lieu of fixed rate reimbursement if actual expenses are higher than those suggested, provided prior written approval is obtained from the Executive Director of the Division of Financial Operations. Regions may establish rates less than those suggested if no documentation is provided.

The non-employee is responsible for completing information in Sections 1 through 3. In the box for "Name of Program" enter the specific name of the program, such as: School Based Management, Parent Involvement Program, School Wide Projects, etc. The principal, or other approving officer completes Section 4. The District/Central Business Office completes Section 5.

This form is to be submitted to the committee's designated chairperson or to the Department of Education official responsible for the activity (principal, teacher-in-charge, program coordinator, etc.) at each meeting to verify attendance. The completed form is to be sent to the Central or Region Office for review and payment processing through the On-Line SIPP System. In general, allow five (5) to ten (10) days for the check to be issued and received through the mail.

NOTE: Consult program guidelines to determine if documentation supporting expenses is required.

SECTION 1

REGION	SCHOOL	NAME OF PROGRAM
NAME OF NON-EMPLOYEE (Type or print legibly)		SOCIAL SECURITY NUMBER <input type="text"/>
MAILING ADDRESS (Number and Street)		Apartment Number
CITY	STATE	ZIP CODE

SECTION 2

	DATE OF MEETING MM DD YY	MEETING PERIOD (Hours) (Example: 8:00 pm to 9:00 pm) FROM TO	TOTAL HOURS	PAYMENT RATE OR ACTUAL EXPENSE	DEPARTMENT OF EDUCATION OFFICIAL'S SIGNATURE
1	<input type="text"/>	<input type="text"/>			
2	<input type="text"/>	<input type="text"/>			
3	<input type="text"/>	<input type="text"/>			
4	<input type="text"/>	<input type="text"/>			
5	<input type="text"/>	<input type="text"/>			

SECTION 3

I certify that I have met the obligations as a member of the _____ (Enter name of program, committee, or activity) and request the appropriate reimbursement of \$ _____, which will cover my actual expenses.

SIGNATURE OF NON-EMPLOYEE

DATE

SECTION 4

I approve this expenditure, certifying that it is necessary for the conduct of the educational or administrative program and is in accordance with the rules and regulations of the Department of Education and applicable funding source guidelines.

SIGNATURE OF PRINCIPAL OR APPROVING OFFICER

DATE

SECTION 5 FOR REGION/CENTRAL OFFICE USE ONLY

FUNDS ARE AVAILABLE – CHARGE TO:

REGION	ACTIVITY CODE	LOCATION CODE	QUICK CODE	OBJECT CODE	AMOUNT
<input type="text"/>					

Revised: October 2004

DATE: _____

ENTERED BY: _____

Entered On-Line

AUTHORIZED BY: _____

**COPY 1 – FMC/Region Office
COPY 2 – School/Program Coordinator
COPY 3 – Non-Employee**

OTPS PURCHASES
EXHIBIT D – FAMIS Portal Requisition

Please print this page to be used as your requisition order:



NEW YORK CITY
DEPARTMENT OF EDUCATION

SAMPLE

WP0600013
BOS REQUISITION NO.

REQUISITION

Deliver To: AVIATION HIGH SCHOOL
Attention: *John Smith* **Phone:** (718)361-2032
Address: 45-30 36 STREET, ROOM 113
City/State/Zip: LONG ISLAND CITY, NY 11101
Suggested Vendor: AVOTEK QUOTE 81579

Send Invoice To: ROC 4
Attn: *Mary Jones* **Phone:** 718-123-4560
Address: 28-11 QUEENS PLAZA NORTH, ROOM 400
City/State/Zip: LONG ISLAND CITY, NY 11101

Special Delivery Instructions (If Any): INSIDE DELIVERY
 DELIVERY MUST BE COMPLETED WITHIN 30 DAYS OF RECEIPT OF ORDER OR BY: 06/30/2006

Additional Information:
 AVOTEK, PO BOX 219, WEYERS CAVE, VA. 24486 VATEA FURDS

 I HEREBY CERTIFY THAT THE ITEMS ORDERED BELOW ARE NEEDED TO CONDUCT THE EDUCATIONAL OR ADMINISTRATIVE PROGRAM AND ARE ON EITHER AN APPROVED LIST OR HAVE BEEN INVESTIGATED AND FOUND TO BE SUITABLE FOR THIS PURPOSE.

 Signature of Prindpal or Authorized Official. _____
 Date

Accounting Information
 Fiscal Year: 2006

1)	Dist	Quick	Obj	Lcso	Actv		Amount
	24	061700	0315	Q610	0770		\$ 49,300.00
Total Amount							\$ 49,300.00

Item Detail Information

Item #	Brand/Model	Description	U/M	QTY	Price per unit	Amount
1)	PARTS-AVO	PIPER INSTRUCTIONAL AC W/LANDING GEAR INSTRC. AC	EACH	1	\$ 49,300.00	\$ 49,300.00
Total Amount						\$ 49,300.00

OTPS PURCHASES

EXHIBIT E – FAMIS Portal Purchase Order

Click to print this Purchase Order:

Close

SAMPLE

PURCHASE ORDER

NEW YORK CITY
DEPARTMENT OF EDUCATION

WR0601821
PURCHASE ORDER NUMBER

Vendor: STAPLES, INCORPORATED

Attn: SERGIO PUENTES **Phone:** (800)950-1257

Street and No.: 45 CEDAR LANE

City: ENGLEWOOD **State:** NJ **Zip Code:** 076314802

Vendor #: STA267000 01 **Contract #:** PC60078

Fax #: (888)222-8615 **Toll Free #:** (888)212-7217

Deliver To: PROJECT OMNIBUS-REGION 9 NYC DOE

Attention: *Mary Jones* **Phone:** 718-123-4567

Address: 333 SEVENTH AVENUE, ROOM 12 FL

City/State/Zip: NEW YORK, NY 10001

Send Invoice To: NYC DEPARTMENT OF EDUCATION

Attn: *John Smith* **Phone:** (718)935-2850

Address: 65 COURT STREET, ROOM 1001

City/State/Zip: BROOKLYN, NY 11201

Special Delivery Instructions (If Any): NONE

DELIVERY MUST BE COMPLETED WITHIN 30 DAYS OF RECEIPT OF ORDER.

I HEREBY CERTIFY THAT THE ITEMS ORDERED BELOW ARE NEEDED TO CONDUCT THE EDUCATIONAL OR ADMINISTRATIVE PROGRAM AND THAT THE PURCHASE IS IN ACCORDANCE WITH THE DEPARTMENT OF EDUCATION BIDDING, CONTRACT AND PURCHASING REGULATIONS. I CERTIFY THAT SUFFICIENT FUNDS HAVE BEEN RESERVED IN THE BUDGET ACCOUNT CODES LISTED BELOW.

Date: _____

Signature of Principal or authorized Department of Education official.

Accounting Information

Fiscal Year: 2006

	<u>Dist</u>	<u>Quick</u>	<u>Obj</u>	<u>Pre-Encumbrance #</u>	<u>Locn</u>	<u>Actv</u>	<u>Start Date</u>	<u>End Date</u>	<u>Amount</u>
1)	02	655100	0198	N/A	MS02	0575	07/29/2005	08/31/2005	\$ 498.59
Total Amount									\$ 498.59

Item Detail Information

	<u>Item #</u>	<u>Description</u>	<u>U/M</u>	<u>QTY</u>	<u>Price per unit</u>	<u>Amount</u>
1)	083532455	BINDING SYSTEM PUNCHING UP TO 15 PGS, BINDS UP TO 425 SHTS	EACH	1	\$ 342.69	\$ 342.69
2)	085144576	SPINE ZIPBIND 1/2IN BLK 100/BX	BX	5	\$ 31.18	\$ 155.90
Total Amount						\$ 498.59

- A) Transportation Charges**
All transportation and any other charges must be prepaid to point of delivery unless otherwise indicated. Price on this order includes such charges.
- B) Delivery**
Delivery of all items is required as stated in the contract or as specified by "Notes to Deliver." Sidewalk deliveries will not be accepted. Vendor's agent shall place goods inside building in location designated by the principal or other authorized person, except when contract indicates special delivery instructions and such instructions are stated on the order.
- C) Delivery Hours**
Goods must be delivered between 9:00AM and 2:30PM, Monday through Friday, at other times, only by special arrangement.
- D) Delivery Time**
Orders must be completed within 30 days of order or within the time stated on the attached order.
- E) Non-Delivery, Rejections or Delays**
If items are not delivered within the time specified, the Director of OPO or his/her designee reserves the right to obtain such items or any part thereof from other sources via a buy-against procedure. Should the new price be greater than the contract price, the difference in cost, plus the cost of readjustment and possible liquidated damages will be charged against the contractor. Should the new price be less, the contractor shall have no claim to the difference, but the readjustment cost and possible liquidated damages will be charged against the contractor. Unacceptable deliveries not in conformance with contract specifications will be rejected and must be replaced by the contractor within five (5) days. Failure to replace rejected items within time stated may result in the Director of OPO or his/her designee instituting a buy-against procedure as stated above. Rejected goods left longer than thirty (30) days will be regarded as abandoned and the school shall have the right to dispose of them as its own property.
- F) Packing**
All items shipped must be assembled and packed in heavy duty cartons or suitably packaged as per contract requirements. Where practical, cartons shall weigh no more than 50 lbs. each.
- G) Markings**
Each container of multiple units, or items otherwise packaged, shall bear a label, imprint, stencil or other legible markings stating name of manufacturer or supplier, Department of Education, Purchase Order Number and/or Bid Number, and any other markings required by bid terms and conditions.
- H) Delivery Packing Slip**
All deliveries must be accompanied by a "VENDOR PACKING SLIP" properly prepared. The carton containing the "PACKING SLIP" must be marked "PACKING SLIP CONTAINED HEREIN".
- I) Billing Procedure**
Vendor may be required to submit proof of delivery signed by an authorized Department employee at delivery site. The vendor's customary invoice shall then be submitted to the Community School District Office or other Office indicated on the attached order. Invoices must be submitted within a reasonable time after delivery. Complaints about payments must be made in writing, within six months of delivery or within 30 days of the date an incorrect payment is warranted by the Comptroller.
- J) Assignment**
No assignment may be made without written consent of the Administrator of Purchasing, OPO or his/her designee and the Board of Review.
- K) Sales or Excise Taxes**
The City of New York is exempt from the payment of City and State Sales or Federal Excise Taxes.
- L) This order is subject to all bid terms and conditions.**
The contract number referenced must cover the items listed in this document.
The Department of Education maintains purchase order files in invoice number order. For this reason it is advisable that all vendors maintain a file in purchase document sequence, in order to expedite any payment inquiries the vendor might have.

- INSTRUCTIONS PART II**
TO CONTRACTORS WHO HAVE SUBMITTED PROPOSALS TO THE OFFICE OF BUILDING SERVICES OF THE DIVISION OF SCHOOL FACILITIES:
- Your proposal for work or material, or both as called for in the attached specifications is accepted. You are hereby ordered to perform that work and/or supply the necessary materials at the premises indicated (on the attached) at once. The Inspection Unit of the Office of Building Services must be notified in writing immediately upon commencement of work.
 - Certificate of Compensation Insurance showing compliance with the Workers' Compensation Law, and Certificate of Public Liability Insurance must be on file with the Contractor's Qualification Section of the Office of Administration, Division of School Facilities prior to commencement of work. Failure to maintain this insurance may render a contractor in default.
 - This notice constitutes a contract between you and the Department of Education of the City of New York, in accordance with the Form of Contract No. 1 dated Sept. 1, 1953, on file in the Office of Administration, and any subsequent amendments thereto.
 - Bills on Official Business Bill Form must be rendered within five days, after furnishing the material or completing the work.
 - Where applicable, these instructions to contractors supersede those in PART I.

OTPS PURCHASES
EXHIBIT F – FAMIS Portal SIPP

Please print this page to be used as your Small Item Payment Process (SIPP):

Close

SMALL ITEM
PAYMENT PROCESS
(SIPP)

NEW YORK CITY
DEPARTMENT OF EDUCATION

SAMPLE

WI060089981
CONFIRMATION NUMBER

Vendor Name (Payee): JONATHAN NADLER
Address: 6581 HYLAN BLVD.
City/ State/Zip: STATEN ISLAND, NY 10309

<p>Invoice Number(s)/Remark(s): SUPPLIES</p> <p>Invoice Date: 02/16/2006</p>	<p>Description of Items/Services Purchased: SUPPLIES</p> <p>Reason/Justification for Purchase: SUPPLIES</p>
--	---

I APPROVE THE EXPENDITURE CERTIFYING THAT IT IS NECESSARY FOR THE CONDUCT OF THE EDUCATIONAL OR ADMINISTRATIVE PROGRAM AND IS IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE DEPARTMENT OF EDUCATION. FUNDS HAVE BEEN MADE AVAILABLE TO PROCESS THIS INVOICE/CLAIM.

Signature of Approving Officer.

Date

Accounting Information
Fiscal Year: 2006

	<u>Dst</u>	<u>Quick</u>	<u>Obj</u>	<u>Locn</u>	<u>Actv</u>	<u>Amount</u>
1)	97	005101	0198	R025	0728	\$ 35.91
Total Amount						\$ 35.91

OTPS PURCHASES

EXHIBIT I – FAMIS Portal Procurement Card Application
Page 1

Procurement Card Form **SAMPLE** **FAMIS**
powered by TEAM

^ Purchasing / Payments ^ Approval ^ Inquiry ^ Miscellaneous Home | Help | Logoff

ADJUST P-CARD RENEW P-CARD RESTART

Applicant Information

First Name : Last Name : Birth Date:
SSN: Email: @nycboe.net
Site Name: Telephone:
Site/Billing Address: City:
State: Zip:

The P-card will be shipped to the central office and then delivered to the requested location.

NEXT >>>

Procurement Card Form **SAMPLE** **FAMIS**
powered by TEAM

^ Purchasing / Payments ^ Approval ^ Inquiry ^ Miscellaneous Home | Help | Logoff

ADJUST P-CARD RENEW P-CARD RESTART

Accounting Information

Fiscal Year:

Sfx	Dst	Qk Code	Obj	Loen	Actv	LSC Div No	Amount	Balance
01	<input type="text" value="01"/>	<input type="text"/>						

Recalculate

Total Accounting Amount

<<< BACK *** ADD LINE NEXT >>>

OTPS PURCHASES

EXHIBIT I – FAMIS Portal Procurement Card Application
Page 2

Procurement Card Form **SAMPLE** **FAMIS**
powered by TEAM

^ Purchasing / Payments ^ Approval ^ Inquiry ^ Miscellaneous Home | Help | Logoff

ADJUST P-CARD RESTART

Confirm All Information

Applicant Information [Edit Applicant Information](#)

Applicant Name: test test Birth Date: 01/01/1980
SSN: 123456789 Email: test @nycboe.net
School Name: test Phone: (718)935-2133
Address: test City: test
State: NY Zip: 12345

Home Address Information

Street: 65 Court Street, Room 1502 City: Brooklyn
State: NY Zip: 11201

Accounting Information [Edit Accounting Information](#)

Fiscal Year: 2006

<u>District</u>	<u>Quick Code</u>	<u>Object Code</u>	<u>Location Code</u>	<u>Activity Code</u>	<u>LSC Div No</u>	<u>Amount</u>
1. 01	004601	0199	M509	0715		\$ 1.00
<u>Total Accounting Amount</u>						\$ 1.00

Confirm Procurement Card Order

BACK

OTPS PURCHASES
EXHIBIT J –Procurement Card Usage Log



PROCUREMENT CARD USAGE LOG

Month of _____

Buyer/Purchaser Name: _____

Department: _____

	<i>VENDOR NAME</i>	<i>DATE OF USE</i>	<i>DESCRIPTION OF ITEM</i>	<i>QTY</i>	<i>UNIT COST</i>	<i>TOTAL AMOUNT</i>
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						

Grand Total: \$ _____

Revised: September 2002

OTPS PURCHASES

**EXHIBIT K–Community & Citywide Education Council
Personal Expense Summary Form**



**NEW YORK CITY DEPARTMENT OF EDUCATION
COMMUNITY & CITYWIDE EDUCATION COUNCIL
PERSONAL EXPENSE SUMMARY FORM AND REQUEST FOR REIMBURSEMENT**

Council Member's Name: (Print) _____
 Address: _____ Telephone No. _____
 Apartment Number: _____ City: _____
 State: _____ Zip: _____
 District: _____ Region: _____ (Check One) President Member

MONTH _____ 20__

Directions for Completion

In accordance with Department of Education regulations, each CEC member is eligible to receive monthly reimbursement for reasonable operating expenses to conduct Council operations.

This form is to be used to request reimbursement. Please do the following:

- Indicate next to the appropriate item the amount spent.
- **Leave Blank** if you did not spend on that item.
- If item is NOT listed, indicate expenditure in the section marked "Other."
- Have the expenditures approved by the Council President.
- Return form to the Regional Operations Center (ROC) responsible for your district/region.

ITEMS PURCHASED	AMOUNT	ITEMS PURCHASED	AMOUNT
Telecommunication Related Expenses	\$ _____	Supplies and Materials	\$ _____
Usage of Personal Vehicle Including Parking	\$ _____	Subscriptions and Publications	\$ _____
Childcare Related Expenses	\$ _____	Other: _____	\$ _____
Car Service/Taxi Cabs	\$ _____	Other: _____	\$ _____
Public Transportation	\$ _____	Other: _____	\$ _____
Refreshments	\$ _____	Other: _____	\$ _____
Postage	\$ _____	Other: _____	\$ _____

TOTAL EXPENDITURES \$ _____

I hereby state that I have spent the amount indicated above for authorized purchases related to my position on the Community/Citywide Education Council.

Signed: _____ Date: _____

Approved by: _____, Council President

FOR CENTRAL DEPARTMENT OF EDUCATION USE ONLY

Approved by: _____ Title: _____ Date: _____

				496	\$
FY	DISTRICT	QUICK CODE	LOCATION	OBJECT CODE	AMOUNT

Revised: September 2004

DOCUMENT NUMBER: _____