

Division of Financial Operations

STANDARD OPERATING PROCEDURES:

OTPS PURCHASES



Last Updated: September 15, 2016

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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.**

The section of the NYS Education Law regarding mayoral control of the schools was renewed and amended during the summer of 2009. The amended law included, among other things, a requirement that most of DOE's contracts be approved by the Panel for Educational Policy (PEP), as well as certain changes to our current policies and procedures. In order to comply with the new requirements, the DOE drafted a new [Procurement Policy and Procedures](#) manual. This manual has been approved by the Panel. It updates certain procurement-related sections of the Standard Operating Procedures (SOP) - **OTPS** to technically meet the new requirements of the law. Omitted from the [Procurement Policy and Procedures](#) are sections from the SOP-OTPS that did not pertain to procurement.

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)**. Guidelines for consultant approval forms, and proceed notices, which are used for Full Value Contracts are detailed in separate SOP chapters.

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 on [General School Funds and Cash Transactions](#) for additional regulations and procedures.

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 funds are both available and 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.

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.

NOTE:

In order to be charged to a federal grant, all travel and/or OTPS costs must meet federal allowability rules, including be reasonable, necessary, and allocable to the federal award.

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 contracted or non-contracted?
- What is the anticipated cost?

See [Purchasing Thresholds](#) for additional information.

Purchasing methods include contracted purchases, non-contracted purchases, P-Cards, and SIPPs.

- **Contracted purchases** consist of E-Catalog, Non-List, Professional Services and Listing Applications.
- **P-Cards** are useful for small emergency purchases, admissions to venues (e.g. museums, conferences, college applications, etc.), postage and other smaller purchases where a purchase order (PO) is impractical.
- **SIPP (Small Item Payment Process)** and formerly referred to as an IMPREST, is an electronic payment mechanism processed through the FAMIS Portal.

A SIPP is used to process payments for non-recurring purchases and should only be used when encumbering a purchase order is not feasible or practical. A SIPP is generally used for:

- Travel and Conference expenditures for NYC DOE employees attending a non-NYC DOE conference or meeting
- Postage
- Conference registration
- Emergency purchases
- Admission fees
- Metro cards for public transportation

Considerations

The maximum amount allowed for a SIPP purchase at the school level is \$250. Where appropriate, a transaction above \$250, not to exceed \$2500 may be processed (i.e., emergencies), but must be approved by the (FSC).

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

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.

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 \$250.01 and above single and/or cumulative purchases to a vendor within a fiscal year bids are required for each transaction, except when purchasing items under an established system wide contract or for:

- Postage,
- Conference Registration; (subject to pre-approval by direct supervisor)
- Emergency Purchases

PLEASE NOTE: SIPP Rules Were Modified in FY 2016

- Beginning in FY 2016, SIPPs greater than \$250 require final approval by the FSC
- Invoices, receipts, agendas, class rosters, etc. must be uploaded in order to initiate a SIPP and a TRAC
- New sub object codes for **451,452 and 489**
- See [SIPP FY 16 Updates](#) for complete information.

1.2.4 Purchasing/Supporting Documents

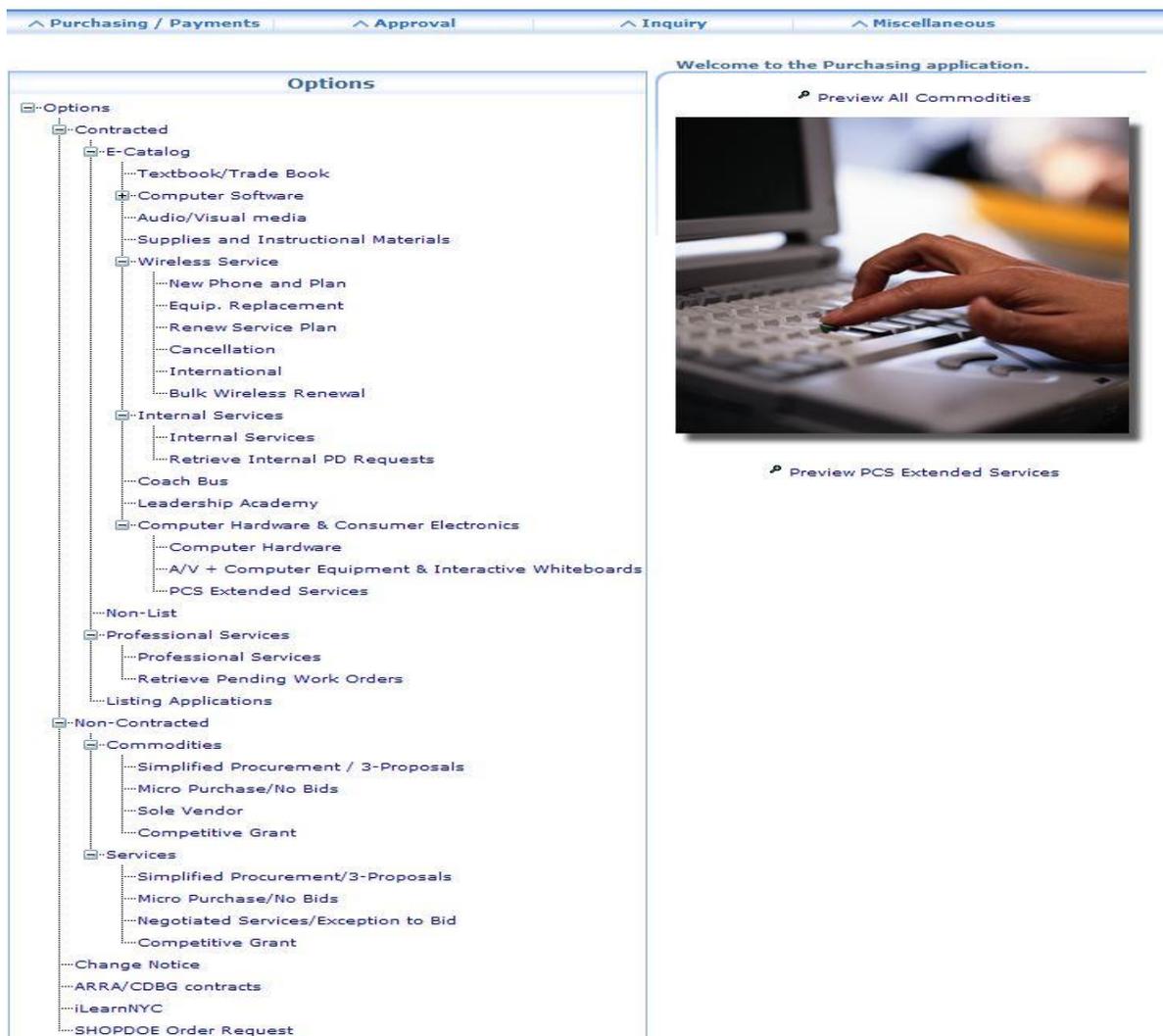
Exhibit Letter	Description
A	Facsimile - FAMIS Portal - Change Notice
B	Procurement Card Usage Log

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.

To enter the FAMIS Portal, the user must first have a FAMIS user ID and password (if you do not have a user ID, please contact your FSC or Head of Office. Based upon your approved user ID, you may have access to the following applications:



The screenshot displays the FAMIS Portal interface. At the top, there are four tabs: "Purchasing / Payments", "Approval", "Inquiry", and "Miscellaneous". Below the tabs, the main content area is divided into two sections. On the left, there is a tree view titled "Options" with a minus sign icon. The tree structure is as follows:

- Options
 - Contracted
 - E-Catalog
 - Textbook/Trade Book
 - Computer Software
 - Audio/Visual media
 - Supplies and Instructional Materials
 - Wireless Service
 - New Phone and Plan
 - Equip. Replacement
 - Renew Service Plan
 - Cancellation
 - International
 - Bulk Wireless Renewal
 - Internal Services
 - Internal Services
 - Retrieve Internal PD Requests
 - Coach Bus
 - Leadership Academy
 - Computer Hardware & Consumer Electronics
 - Computer Hardware
 - A/V + Computer Equipment & Interactive Whiteboards
 - PCS Extended Services
 - Non-List
 - Professional Services
 - Professional Services
 - Retrieve Pending Work Orders
 - Listing Applications
 - Non-Contracted
 - Commodities
 - Simplified Procurement / 3-Proposals
 - Micro Purchase/No Bids
 - Sole Vendor
 - Competitive Grant
 - Services
 - Simplified Procurement/3-Proposals
 - Micro Purchase/No Bids
 - Negotiated Services/Exception to Bid
 - Competitive Grant
 - Change Notice
 - ARRA/CDBG contracts
 - iLearnNYC
 - SHOPDOE Order Request

On the right side of the interface, there is a welcome message: "Welcome to the Purchasing application." Below this message, there are two links: "Preview All Commodities" and "Preview PCS Extended Services". A photograph of hands typing on a laptop keyboard is positioned between these two links.

A comprehensive guide titled: "[FAMIS Portal Quick Guide](#)" 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.

Users are also urged to visit the [FAMIS PORTAL](#).

1.4 Top Audit Items- The Following chart provides an overview of frequently audited OTPS items:

Expense Item	Take Action!
Documentation	<ul style="list-style-type: none"> • Keep monthly P-Card bank statements filed in chronological order. • Attach receipts for purchases made that month. • Check to ensure the statement matches your purchase log and receipts. • Provide redacted bank statements for credit and debit card transactions and front and back images for cancelled checks. • Documentation types: <ul style="list-style-type: none"> • Sign-in Sheets • Agendas • Copy of Service Agreements • Packing Slips • Proof of Delivery
Rental cars	Occasional car rentals to meet DOE trip or business needs are permitted only when justified for business use; and pre-approved by direct supervisor.
Insurance	Trip insurance is NOT reimbursable; neither rental car nor personal car insurance is reimbursable – do not purchase optional collision/damage waiver and personal effects insurance when renting a car.
Towed vehicle fee	Towing fees are not reimbursable unless the expense is for an approved use of a DOE-owned vehicle.
Food at Work	<p>1. At a meeting lasting more than four hours held at the organizer’s worksite and attended by multiple schools/offices away from their worksites;</p> <p>2. At a meeting starting 2 hours before work or 2 hours after the normal workday so long as attendees are not paid overtime or receive a meal allowance.</p> <p>See Travel & Conferences SOP</p>
Use a log	Maintain an updated usage log for all P-Card activity. DFO reserves the right to require reimbursement within 30 days for inadequate or stale P-Card usage log information, not reconciled against appropriate bank statement, and/or lacking receipts. These three documents should be maintained on an ongoing basis, but not less frequently than once a month.

Sales & Use tax exemption	Review receipt BEFORE completing purchase of goods and services – give merchant tax exemption certificate since we are sales and use TAX EXEMPT in New York State we are not required to pay these taxes -- they are not reimbursable. Lodging taxes paid to hotels in New York State is also not reimbursable. Taxes on meals purchased during overnight travel is included in the GSA reimbursable rate.
Shipping & handling	When making a purchase, find out what the shipping and handling fees are before finalizing the sale. Their combined cost should not exceed the purchase price for the item(s) you are buying.
Split billing	Complete the purchase with one vendor in one transaction. Do not make multiple payments for one purchase.

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?

NOTE:

In order to be charged to a federal grant, all commodity or services costs must meet federal allowability rules, including be reasonable, necessary, and allocable to the federal award.

Services or goods provided must fall within the period of both grant funds and the contract start and end dates.

- 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 be delivered or services 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.

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 **excess** of \$250 and for professional services in excess of \$5000. Current regulations specify that a **formal contract** be established for any purchase in excess of \$100,000.

2.5 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.

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.).

A vendor number does NOT guarantee that a vendor has a contract.

2.5.1 Cars

Long-term rentals of automobiles **are not permitted** unless approved by the **Chief Operating Officer** 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 "[Travel and Conferences](#)" 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 also 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:

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

2.5.2 Contributions

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

2.5.3 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 FSC Director (or his/her designee) must be obtained if these amounts will be exceeded.

2.5.3.1 SWAG Materials (Souvenirs, Wearables and Gifts)

All schools and central divisions must **MINIMIZE** the use of SWAG and follow the following guidelines:

- The primary guiding question that must be considered: “Are these materials necessary to enhance the work? ----- if not, materials should **NOT** be purchased.

{Please note that materials intended to support and attract families are generally acceptable}.

- DOE is one organization with one brand – materials should not be individually branded for specific initiatives or offices unless they have specific promotional purpose.
- Divisions must make all efforts to reduce SWAG related costs, including:
 - Utilizing contracted vendors

2.5.4 Personal Service Payments

OTPS funds **may not be used to pay salaries to anyone**. Please see [SOP on Consultants](#) regarding payment options.

2.5.5 Social Gatherings/Entertainment

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

2.5.6 Food/Meals

See [Top Audit Items](#). Also refer to the SOP on “[Travel and Conferences](#)” for additional information on this expenditure category.

2.5.7 Incentive Awards for Students

Items with a value of \$25 or less may be purchased as incentives for students as long as the purchase is for an officially sanctioned incentive program. The per student maximum per school year is \$100.00. Written documentation detailing the officially sanctioned incentive program must be retained for six years.

Please see SOP chapter on [General School Funds and Cash Transactions](#) for further details.

2.5.8 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 on “[Travel and Conferences](#)”).

2.5.9 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

2.5.10 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.

2.5.11 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.

2.5.12 Sales Tax

New York State Tax Law

Sections 1116(a)(1) and (2) of New York State Tax Law provide that “New York governmental entities” are exempt from paying sales tax on their purchases and uses, and are granted sales tax exemption without being required to establish their exempt status with the Tax Department. New York governmental entities include political subdivisions. Political subdivisions include school districts.

Claiming the Exemption for General Sales Tax

To claim the exemption for purchases made during the performance of official DOE duties, please present the vendor with a properly completed [Tax Letter](#). Please note that this form may **not** be used to purchase food or drink for personal consumption. *The New York State Form ST-119.1 previously used should NOT be used!*

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.

Claiming the Exemption for Fuel Taxes

Also, if you purchase fuel while on DOE business and you pay sales tax, fuel excise tax, and/or petroleum business tax on the purchase, you may claim a refund of the taxes paid by filing: [Form FT-504, “Claim for Refund of Taxes Paid on Fuel by a Governmental Entity.”](#)

Additional Documentation

If vendors ask you to confirm that the DOE is sales tax exempt, please contact the New York State Department of Taxation and Finance at the Sales Tax information Center, at (518) 485-2889, to request a letter identifying your school as a New York governmental entity that is tax exempt.

2.5.13 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.

2.6 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 FSC - 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 for 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.

Payment	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.

Reimbursement expenses when processed through the FAMIS Portal for payment, are charged to [sub-object code 489](#) (see page 25 of this document) (Parents) or [sub-object code 496](#) (other than parents); therefore, funds should be available in these object code series. [See sub-object code 496](#).

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

The FSC/FMC processes the reimbursement. The [Non-Employee Payment Request Form](#) 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.

2.7 Restricted Purchases

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

Safety and Security Equipment

2.7.1. Two-Way Radios:

- As of June 2016, the Vertex Model # VX-821 is the two-way radio approved for use with school safety frequency that is available through the FAMIS portal (e-catalog). The purchase of two-way radios for use with school safety frequency is restricted to ensure

that the radios are suitable for public safety use, are programmed correctly and maintenance contracts are available.

2.7.1.2 Video Surveillance:

- All video surveillance installations are implemented through a centrally coordinated capital program at no charge to the participating schools. The Internet Protocol Digital Video Surveillance (IPDVS) systems are network-based with digital video archived to secure servers. The systems are maintained through the Division of Instructional and Information Technology DIIT's comprehensive technical support program. The standards for IPDVS are available at link: [IPDVS Standards 7.0](#) .
- Schools are **not** permitted to purchase or install video surveillance cameras and/or surveillance equipment on their own. This is necessary to ensure that all systems adhere to the standards and so that all systems can be properly maintained by DIIT. This is also necessary to ensure that NYCDOE has the ability to securely retrieve video evidence from the systems.

2.7.1.3 Metal detection

- Schools are not permitted to purchase or operate metal detection equipment. The School Safety Division of the New York City Police Department (NYPD) deploys and operates metal detection equipment in NYCDOE schools. Please see [Chancellor's Regulation A-432](#), Search & Seizure.

2.7.1.4 Student ID-card access control

- As of June 2016 the authorized student id-card access control system for NYC schools is the Comprehensive Attendance, Administration and Security System (CAASS). Due to legal requirements regarding the confidentiality of student data and photographs, schools are not permitted to purchase or deploy other id-card based access control systems.

Questions regarding Safety and Security equipment may be directed to the Office of Safety and Youth Development (OSYD) at (212) 374-4368 or osydhel@schools.nyc.gov.

2.7.2 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.

- DSF will advise how to proceed with a purchase order only after the request has been approved

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

- Schools and other Department of Education sites that lease a copy machine must lease through a Department of Education contracted vendor only.

[For information on contracted vendors, contact Client Services via telephone 718 935 -5000](#)

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.

- **Lease Upgrades: (prior to expiration of lease term):**
Central Office & FSC's must provide DCP with clear justification outlining the request for upgrading equipment.

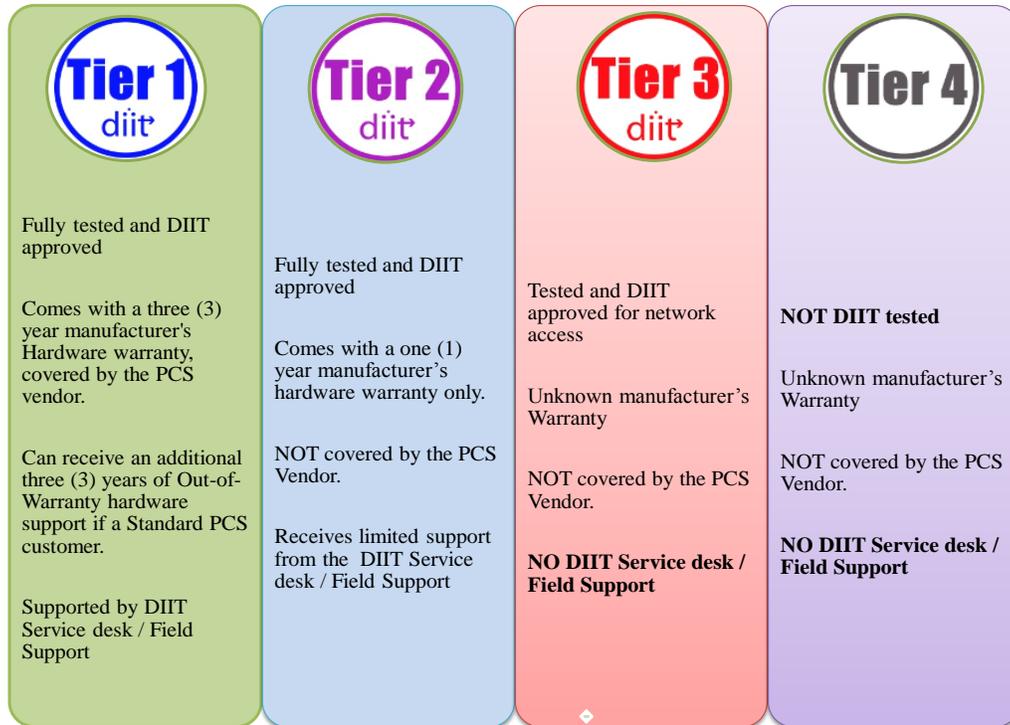
DCP will only consider upgrade of equipment if it's determined to be in the Department of Education's best interest.

- **New Copy Machine:**
If a School or FSC 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 FSC will be responsible for the cost associated with supplies not covered by the lease or maintenance agreements.

Note: Security Devices are recommended when purchasing Computer Hardware ([see Datamation link](#)).

- All purchases for computer hardware must be made through the [FAMIS](#) portal.
- Utilize Portal's e-catalog to access DOE approved hardware. Tested and approved hardware will have a "Tier" designation, as to what level of support should be expected. Note that procedures for accessing FAMIS and the e-catalog are available from your FSC.

Tier Designations are as follows:



- 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.

2.7.4 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. Please note that equipment bought through this process is not eligible for PCS Installation and Hardware support services. The purchaser understands that networking, software and hardware support for equipment bought via these means, is solely the responsibility of the purchasing site. The devices have not been tested on our networks, so instructional and in-house administrative applications may not be available. And in addition, the site would be responsible for the cost to asset tag the devices, for inventory purposes.

The following reasons are NOT acceptable for exceptions:

1. User does not like the contracted brand.
2. User has ink cartridges or other items that can only be used on a different brand.
3. User wants all equipment in the school or lab to be the same brand.
4. 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)

Items to be aware of:

1. Computer purchases must be Business or Enterprise-class devices, not consumer-class, machines. For example, a Dell XPS or a Lenovo Flex laptop, are consumer-class computers, and are not appropriate for the DOE environment.
2. 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).
3. 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.
 - c. User should track the approval status of his/her PO in FAMIS.
 - d. POs that are not approved and encumbered in FAMIS will not be processed.
 - e. Only when the PO is approved and encumbered should the user fax a copy of the PO to the manufacture

Exception Procedure:

1. Check for the equipment you want to order: For Apple, Acer (Chromebooks), Lenovo, and Lexmark, see the FAMIS e-catalog or visit the [Managed Services](#) website to find the most recent catalogues. On this site, you will also find the contact list for sales reps for each vendor mentioned. These Sales reps may also be able to assist in finding an alternate product, if those listed contracted devices do not meet your needs. And while not contracted, these devices may be able to receive some level of support, though it is not guaranteed.
2. If the equipment you need is not available through item 1 above, Email your request to purchase Non-Contracted items to: PCSQUESTIONS@schools.nyc.gov.
3. Include a business case with an explanation of the functionality that the requested hardware can provide but which the contracted hardware cannot. Be very specific, and include any hardware components or other differences, that may assist with the determination for an exception.
4. Within 10 business days you should receive a response to your request and/or receive a request for additional information. If your request is authorized, you will need to secure three bids from alternative vendors. Please see Procurement Rules around Non-Contracted Commodities.

5. Non Contracted equipment pricing should include similar warranties, and other services that would normally be purchased with contracted hardware. This would include:
 - a. 3 year, onsite warranty.
 - b. Accidental Damage Protection, for Laptops and Mobile devices.
 - c. Onsite delivery, and removal of all delivery packing material

6. User will enter an exception Purchase Order in FAMIS and must provide the following in the additional Information Box:
 - a. Date the exception was authorized by PCSQUESTIONS or the Managed services manager
 - b. The lowest of three quotes from an alternate vendor
Detailed line-item listing of equipment and pricesNote that you are not to purchase office productivity software, mainframe communications software, or antivirus software since these are available from your Borough Technology Director at no cost to the DOE end-user.

7. When the Non-Contracted equipment is received, the site will be responsible for all setup, installation, and configuration activities to the DOE network.

8. The site must contact the DOE Help Desk at (718) 935-5100 to have the equipment asset-tagged and added to the NYC DOE Asset Management Database. Tagging by your PCS vendor will involve an additional cost, and will not guarantee any future support

9. User should track the approval status of his/her PO in FAMIS.
 - POs that are not approved and encumbered in FAMIS will not be processed
 - 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)

2.7.5 Office Supplies:

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

2.7.6 Art Supplies:

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

2.7.7 Physical Education Instructional Supplies and Equipment

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

2.7.8 [Transportation for School Trips](#) (See Chancellor Regulation A-670)

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

2.7.9 Hazardous Supplies: Chemicals, Hazardous Waste Supplies:

- All chemicals must be ordered through the FAMIS Portal

2.8 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.

3. Purchasing Procedures: Overview of Variations

3.1 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/EnterpriseOperations/ChiefFinancialOfficer/DFO/BusinessOperations/KeyDocuments/Business+Operations+Forms.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.

3.2 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?
- 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 – of the fiscal year in which the item is purchased

3.2.1 Duplicate Shipment

In the unlikely event that a school or central office received a duplicate shipment, the following procedure must be followed:

- Inspect the shipment for a packing slip
- Check prior shipments and online certification for completed certification

- Notify vendor via email
- Request and obtain a Return Merchandise Authorization (**RMA**) from the vendor
- Return the duplicate shipment and retain all supporting documentation

3.3 How to Certify Forms for Payment

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

3.3.1 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.

3.3.2 Certification of Delivery affects the release of payment on the following procurements:

- Professional services (contracted and non-contracted)
- Listing applications
- Full value contract
- Non-contracted purchases

3.3.3 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

3.3.4 There must be Segregation of Duties in procurement and certification.

The initiator, approver, reviewer and certification enterer must all be different DOE employees.

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

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

Accounts Payables will contact schools via a biweekly automated email that will be sent to the PO initiator requesting that certification be performed.

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.

3.3.5 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 be maintained for 6 years.
- 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.

3.4 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. **Specifically, the purchase must be related to serving the needs of students.**
- 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. Delivery must always occur on or before June 30th.

3.4.1 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 and 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.

3.4.2 The FAMIS Portal Requisition

Allows authorized users to create non-contracted, non-list requisitions. The transaction amount must be over \$15,000.

3.4.3 The Small Item Payment Process (SIPP)

SIPP processed through the FAMIS Portal 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** 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.

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.

3.5 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 A) 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.

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 the "*Adjust P-Card*" button.
3. Change Notice must be printed and sent to vendor.

3.5.1 Change Notices/Cancellations:

Prior to generating a change notice or cancellation, the following steps should be taken:

- Contact vendor first to discuss intentions
- Check FAMIS prior to initiating to determine if payment has been made
- Check with vendor to determine if product has shipped
- Staples/WB Mason orders should not be changed due to 24-48 hour delivery
- Computer hardware orders cannot be cancelled after 2 days
i.e. Desktops, laptops, servers and printers

All change notices must be forwarded to the vendor. For additional questions, contact the FSC or Financial Service Center at (718) 935-5000.

If an order is cancelled:

- School must return goods after receiving an **RMA**
- If school keeps goods or accepts services, a new PO must be issued

3.6 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.

Note: These checks should be forwarded to the Division of Financial Operation's (DFO's) Office of Accounts Payable along with the [Cash Receipts](#).

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.

Note: Funds reported prior to the cash receipt deadline (except for Jury Duty stipends), would be credited to the schools/FSCs 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).

4. Introduction to Procurement Cards

Background

The Department of Education (DOE) established a Procurement Card (P-Card) program to facilitate employee purchasing in instances where the more formal purchase order (PO) process or the small item payment process (SIPP) is impractical. P-Cards may only be used for other than personal services (OTPS) purchases that support educational priorities or the business of education.

The program operates similarly to a stored value card. The cardholder deposits funds into his/her P-Card account using the FAMIS system. Each purchase reduces the value of the P-Card. The cardholder can add funds to the account as funds are depleted. A cardholder may increase the value of his/her P-Card at any time, up to a maximum of \$15,000. P-Cards are valid for one fiscal year only.

This section of the Standard Operating Procedures (SOP) includes:

- P-Card Enrollment
- Cardholder Responsibilities
- Making P-Card Purchases
- Transaction Reviews

Note: The Division of Financial Operations (DFO) will issue memoranda detailing any new policies and procedures regarding its P-Card program as they occur, as well as update the SOP accordingly.

4.1 P-Card Enrollment

Enrollment Period

Each year DFO announces the availability of the application for P-Card enrollment via **Principals' Weekly**. Prospective cardholders may request a P-Card for the upcoming fiscal year. P-Card enrollment is completed via FAMIS, and requires supervisor approval.

Eligible Titles

The Principal/Office Head is responsible for deciding who should have a P-Card. However, the following DOE titles are **NOT** eligible to apply for a P-Card:

- Annual education paraprofessional
- Bookkeeper
- Clerical associate
- Community assistant
- Community associate
- Community coordinator
- Co-op typist trainee
- Education officer
- Full-time school aide
- Full-time school guard
- F-status employees (principal, secretary, teacher, etc.)
- Procurement analyst
- School secretary
- Supervising computer service technician

4.1.1 How to Apply for a P-Card

Only eligible employees may apply for a P-Card online using the [FAMIS](#) portal.

Applicants are required to provide the following information:

- 7-digit employee reference number
- DOE Outlook email address
- Social Security number
- Date of birth (mm/dd/yyyy)
- School/worksite name, address, and phone number
- Budget details, including the following:
 - District
 - Quick code
 - Object code
 - Location code
 - Activity code
 - Desired spending limit
- Certification of the cardholder agreement:

“I certify that I am applying for my own P-Card. As the cardholder, I will be responsible for all transactions associated with this card. All purchases made with the P-Card must be for official NYC Department of Education (DOE) business and must be in compliance with the DOE procurement policies as detailed in this Standard Operating Procedures document. I will retain all necessary supporting documentation for 6 years. By submitting this request, I certify that I have read the SOP and agree to follow all of the regulations. I understand that non-compliance with SOP regulations may result in suspension or cancellation of my card and possible disciplinary action. ”

Note: Prior year certifications must be completed in order to enroll in the current year program.

Once the applicant submits the application via FAMIS, they will receive a receipt via email confirming that the application was successfully received. Applicants should save this notice as it contains their document number (e.g., **WCxxxxxx**). This number is required should the applicant later need to request an increase or decrease in spending limit.

4.1.2 Approval Process

P-Cards will not be issued without all required levels of approval.

Once the employee submits his or her application, it is automatically routed to the employee’s supervisor for approval, and where applicable, to the school’s Field School Center (FSC) for final approval. The approval process, by employee type, is as follows:

Employee Type	Approval Hierarchy
Central office employees	Executive director, head of office, or designee
Principal	(1) Superintendent (2) FSC
School-based employees (other than principal)	(1) Principal (2) FSC

4.1.3 P-Card Distribution

Once issued, the bank mails the P-Cards to DFO for distribution. The schedule for distribution of cards to cardholders is as follows:

P-Cards Received Prior to Labor Day:

DFO will notify new cardholders, via email, that their P-Card has arrived and to ask how they would like to receive it (there are two options). If a new cardholder fails to respond to the email, DFO will hold the P-Card until the start of the school year. The cardholder’s two options for obtaining the new P-Card are as follows:

1. Pick up the P-Card in person from DFO (65 Court Street, room 1501, Brooklyn, NY); or,
2. Request that DFO mail the P-Card to his/her work location.

P-Cards Received After Labor Day:

DFO will mail P-Cards via UPS if received after Labor Day directly to the employee’s work location. An email will be sent to the cardholder to notify him/her that the P-Card has been mailed to the work location.

Resources:

Along with the P-Card, employees will also receive the following resources:

- [P-Card FAQ document](#)
- [P-Card certification calendar](#)
- [Quick reference guide](#)

4.2 Cardholder Responsibilities

Terms of Use

It is the responsibility of all DOE P-Card holders to understand and adhere to the following terms of use:

- P-Cards are the property of the DOE; they are assigned for official business purposes only. Inappropriate usage may result in suspension or cancellation of a P-Card and possible disciplinary action and/or restitution of misspent funds.
- All purchases made with a P-Card must be in compliance with the DOE's procurement policies as defined within this SOP

The [procurement guidelines](#) provides additional information.

- Cardholders may use P-Cards for SIPP-type and other small purchases of \$250 or less without collecting bids from non-contracted vendors. However, bids are required once the value of a single purchase from a non-contracted vendor exceeds \$250 or once the total value of purchases with the same vendor in a single fiscal year exceeds \$2,500.

These purchases must be made in accordance with the DOE's stated procurement policies and procedures within this SOP.

- The cardholder is responsible for maintaining the following supporting documentation related to P-Card purchases for six years:
 - Monthly statements issued by the banking institution that issued the card
 - Sales receipts
 - Credit receipts
 - Meeting agenda (when related to charges on the P-Card)
 - Sign-in sheet or list of meeting attendees and titles (when related to charges on the P-Card)
 - Justification of P-Card expenditures

All supporting documentation is subject to random record review and/or a formal audit. Documentation should be maintained at the cardholder's work place for a minimum of six years.

Please note, in the event of a review or audit, cardholders will also be required to provide written justification of expenditures.

- Discrepancies between the cardholder's record and the bank's statement must be investigated and resolved in a timely manner. If the discrepancy involves fraudulent usage, double charges, or credits not issued, the cardholder must notify the banking institution immediately.
- All purchases made within New York State are tax exempt. Cardholders should present the vendor with the [State's Tax Exemption Certificate](#) when making a DOE business purchase:
- The cardholder is responsible for ensuring that funds are available to cover the cost of all transactions.
- The cardholder may obtain his or her credit limit and available credit balance at any time by calling the issuing bank directly (telephone number can be found on the back of the card). In addition, there is an online website cardholders can access for the available balance.
- Cards must be safeguarded at all times when not in use.
- It is the cardholder's responsibility to ensure that all applicable fees (such as shipping, tax, handling charges) are included before finalizing the sale.

- When purchasing goods, shipping and handling fees are not to exceed the purchase price for the item(s) purchased.

4.3 Purchasing Thresholds and Guidelines

Purchases are limited to thresholds and transaction counts. All purchases must adhere to bidding regulations when non-contracted purchases will exceed \$250. For rules and regulations concerning bidding, please refer to section 3-10 (“Simplified Procurement”) of [the DOE Procurement Policy and Procedures](#).

- Individual transaction cannot exceed \$2,500.
- Cardholders are limited to eight transactions per day.
- ATM transactions are strictly prohibited.
- Only DOE employees, working in an eligible DOE title, may apply for and use a P-Card to make purchases on behalf of a Community Education Council (CEC). The applicant’s supervisor must approve the request before the card can be issued.

4.3.1 Monthly Certification

It is the responsibility of the cardholder to certify P-Card purchases on a monthly basis using the FAMIS system. Cardholders will receive an email each month reminding them that the certification period is open for the prior month’s transactions, and that they must complete certification by the deadline. For convenience, a [P-Card](#) certification calendar containing deadlines is posted on the DFO Web site.

To certify P-Card expenses, cardholders must complete the following steps:

- Log on to [FAMIS](#).
- Compare all transactions listed in FAMIS to saved transaction receipts to ensure that all purchases and credits appearing in the report are accurate.
- The justification of charges appearing on each cardholder’s monthly transaction statement is the responsibility of the cardholder and is a required field in monthly certifications.
- If any charges appear to be incorrect or unidentifiable, cardholders must properly dispute charges by calling the bank that issued the card directly (the telephone number is on the back of the card).
- In the event that a P-Card is lost or stolen, the cardholder must still certify legitimate charges and properly dispute charges that were made after the card was lost or stolen.

Failure to comply with the monthly certification requirement will result in progressive discipline as outlined below:

Compliance Requirement	Disciplinary Action
First missed certification within a fiscal year	Immediate suspension of card until purchases are certified and submitted. Cardholder must also send an email to the P-Card Unit (PCERS@schools.nyc.gov) indicating that the certification process has been completed.
Second missed certification within a fiscal year	Immediate suspension of card for 90 days effective the date of late certification.
Third missed certification within a fiscal year	Immediate loss of P-Card privileges for the remainder of the fiscal year.

4.3.2 Changes in Employment Status

When a personnel transaction, such as changes in title, work location, or employment status (e.g., leave of absence, resignation, retirement, termination) affects the cardholder’s eligibility to have a P-Card or it removes him/her from the school/location that issued the card, it is the cardholder’s responsibility to deactivate and destroy the card immediately. The cardholder is also responsible for ensuring that the worksite has a file of all of the cardholder’s P-Card documentation (e.g., receipts, statement, etc.). The principal/supervisor is responsible for ensuring that P-Card documentation is maintained at the site for six years, especially in those situations where P-cardholders are no longer at the school/office. To deactivate the P-Card properly, the cardholder must do the following:

- Call the banking institution and terminate the card.
- Review the Expense Reporting screen within FAMIS and ensure that all transactions have posted.
- If there are any transactions that have not yet posted, adequate funding must be maintained in the P-Card account to cover these expenditures.
- Once all outstanding transactions have posted in FAMIS, the employee must certify the transactions (see section 2.3 above).
- Go to FAMIS and remove the available balance to allow any unused funds to go back to the school’s spending plan.

Additionally, DFO receives a report whenever a cardholder’s employment status affecting the cardholder’s assignment to the original location (resignation, leave of absence, retirement, transfer to a different location, termination) has changed. Upon learning of these transactions, DFO immediately suspends the card and notifies the cardholder of this action. DFO also contacts the FSC, for school based employees, to inform it of the change.

4.3.3 Changing the Credit Limits on Procurement Cards

There may be instances when a cardholder needs to increase or decrease the P-Card’s spending limit. Cardholders may increase or decrease their current purchasing limits via the [FAMIS](#) system for approval. To process an adjustment request the cardholder will need to provide the WC document number received when the initial application for a P-Card was submitted. The spending limit adjustment request is automatically routed to the employee’s supervisor for approval, and where applicable, to the FSC for final approval.

The approval process for spending limit adjustments are as follows:

Employee Type	Approval Hierarchy
Central office employees	Executive director or designee
All school-based employees, including principals	FSC

Once DFO receives an approved request, it will forward the adjustment to the banking institution. New credit limits will be in effect within five business days of the request.

4.4 Guidance on P-Card Purchases

4.4.1 Food for Meetings that Do Not Include Students and/or their Parents or Guardians

P-Cardholders should thoroughly familiarize themselves with the rules surrounding these purchases.

As a general rule, P-Cardholders should refrain from purchasing and providing food for DOE-sponsored meetings, conferences, or retreats attended solely by fellow DOE employees. However, there are circumstances where the purchase of food to serve at these meetings are sanctioned with Executive Director/Head of office approval. These circumstances are:

1. At a meeting lasting more than four hours held at the organizer’s worksite **and** attended by multiple schools/offices away from their worksites.
2. At a meeting starting at least two hours prior to the beginning of the regular workday or continuing at least two hours beyond the end of the regular workday so long as attendees are not paid overtime or receive a meal allowance.

Meetings Held at a DOE Worksite

When an authorized educational meeting is held at a DOE worksite and does not include students and/or their parents or guardians, the per person maximum is \$3.00 for light refreshments; \$up to \$5 (inclusive of beverage) for breakfast and up to \$10.00 (inclusive of beverage) for lunch or modest meal.

Meetings Held At Other than a DOE Worksite

When an authorized educational meeting is held at a location other than a DOE worksite **and the @ DOE site per person rate cannot be adhered to**, then, the maximum per person meal allowance follows what the federal General Services Administration (GSA) permits. The current per person meal allowances for events held in New York City are contained in the following table:

Meal	Maximum Cost Per Person
Breakfast	\$12.00
Lunch	\$18.00
Dinner	\$36.00

Note: Rates include tips, taxes, and delivery charges.

Before purchasing food, P-Card holders should consult the [GSA](#) Web site to ensure that the table above reflects the current meal rates established for New York City. Additional information can also be found in the [Travel and Conferences SOP](#).

Other Considerations

- P-Cards cannot be used under any circumstances to purchase food for city employees if the food will be consumed somewhere other than at an approved official meeting, conference, or retreat.
- Any costs incurred for alcoholic beverages are not to be paid using DOE funds under any circumstances.
- Recoupment of funds may be sought if a food purchase is deemed to have violated the SOP regulations.

4.4.2 Events that Include Students and/or their Parents or Guardians or community members

When an event is attended by students and/or their parents or guardians, the per person maximum is \$3.00 for light refreshments and up to \$10.00 for a modest meal (if these per person allowances cannot be adhered to, refer to GSA as noted above).

- [Travel and Conferences](#) chapter (sections 4.3 – Meals, and 5 – DOE Sponsored Meetings, Conferences, or Retreats).

4.4.3 Transportation

P-cards may be used to make purchases associated with travel from an employee’s primary worksite to another worksite. Reasons for travel may include meetings held at other DOE schools or offices, or third-party locations. Eligible p-card purchases may include the following:

- MetroCard fare
- Commuter train fare
- Hourly parking meter fees, provided free street parking is unavailable
- Hourly parking garage fees, provided free street parking or metered parking is unavailable

The purchase of multi-day MetroCards and commuter train tickets is prohibited; all fares must be purchased on a daily basis.

4.4.4 Incentive Awards for Students

Items with a value of \$25 or less may be purchased as incentives for students as long as the purchase is for an officially sanctioned incentive program. The per student maximum per school year is \$100.00. Written documentation detailing the officially sanctioned incentive program must be retained for six years.

4.4.5 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 FSC Director (or his/her designee) must be obtained if these amounts will be exceeded (see [Section 2.5.3](#)).

4.4.6 Ordering Supplies

The current contracted DOE vendors for basic classroom and office supplies are Staples and School Specialties.

The recommended method for purchasing merchandise from Staples and School Specialties is the usage of a purchase order via the FAMIS system.

When necessary, cardholders can purchase emergency supplies from Staples by accessing a special Staples website – known as [Staples Advantage](#) within FAMIS. This site allows DOE employees to make tax-exempt purchases at the negotiated (contracted) prices. This site should be used when supplies are needed immediately, and will not be delivered in time using the purchase order method in FAMIS.

Accessing the DOE's Staples Advantage Website for the First Time:

- Access the [Staples Advantage Web site](#) for the DOE and register as a DOE P-Cardholder:
- The cardholder's registration will take three to five business days to process. Once Staples creates the account, it will send the cardholder a confirmation via email as well as a Staples customer ID that will be required when placing orders. Once the e-mail is received, the cardholder can begin to place orders via the Staples Advantage website.

Accessing the DOE's Staples Advantage Website Once Registration is Complete:

- Log in to the [FAMIS](#) system:
- Within the Procurement Card section of FAMIS, click on "Login to Staples".
- The cardholder can now place an order via the Staples Advantage website.

If a cardholder must make a purchase immediately but does not have access to the FAMIS system, s/he can go directly into any Staples retail outlet to make emergency purchases. When paying for items, cardholders should identify themselves as an employee of the DOE and inform the Staples employee

that purchases are tax exempt. If possible, cardholders should also present the Staples employee with a copy of the New York State's Tax Exemption Certificate as described in section 2.1 above. Staples will honor special DOE contracted pricing on all eligible items purchased in the store.

Cardholders should not use Staples.com or place an order via the toll-free telephone number. Neither of these methods will provide contract pricing.

Cardholders can purchase school and art supplies, and instructional learning materials [from School Specialty](#). This site allows all DOE employees to make tax-exempt purchases at the negotiated (contracted) prices. This site can be used all year long, but especially when the fiscal deadline has passed and schools are in need of additional items.

Accessing the DOE's School Specialty Website for the First Time:

- Access the [School Specialty website](#) for the DOE and register as a DOE P-Cardholder.
- The cardholder's registration will take three to five business days to process. School Specialty will then create the account profile, and send the cardholder a confirmation via email. The email will contain User Name and Password, which will be required when placing orders. Once the e-mail is received, the cardholder can begin to place orders via [School Specialty](#).

Accessing the DOE's School Specialty's Website Once Registration is Complete:

- Log in to the [FAMIS](#) system:
- Within the Procurement Card section of FAMIS, click on "School Specialty".
- The cardholder can now place an order via the School Specialty Dedicated Department of Education website.

Note: Cardholders should not use [School Specialty](#) without registration. Registration will provide discounted Department of Education contract pricing.

Prohibited Purchases

P-Cardholders must familiarize themselves with restricted purchases described in this OTPS **SOP** (see section 2.7 – Restricted Purchases). Cardholders found to have made prohibited purchases may be subject to disciplinary action:

In addition to the restricted purchases outlined in the SOP, P-Cards may not be used to pay for:

- The purchase of individual services (e.g., consultants).
- Split orders or other forms of billing that would otherwise circumvent bidding threshold of \$250
 - Cardholders must complete the purchase in one transaction;
 - Multiple payments for a single purchase are strictly prohibited.

Note: A split order is defined as a cardholder utilizing more than one transaction to complete a single purchase from a vendor. For example, if a cardholder initiates a few transactions with the same merchant within a short period of time, these transactions, in aggregate, will exceed one or more of the purchasing thresholds allowed by a single cardholder (i.e., bidding or single transaction limit)

- Payment of open purchase orders
- Internet connectivity or wireless services (for example, service from Verizon, ATT, Sprint, T-Mobile). Such services must be acquired through conventional means.
- Computer Hardware
- Staff gifts
- Staff social events
- Personal food items
- Coffee machines and/or coffee for staff use
- Flowers

Note: Limitation on the amount that can be purchased in any individual transaction shall be no greater than \$2,500 per transaction. For exception, justifiable purchases beyond the limit, contact the P-Card Unit by e-mail.

4.5 Transaction Reviews

To ensure that cards are being used in accordance with the rules established in this SOP, DFO conducts random reviews of P-Card transactions. In addition, the DOE’s Office of Auditor General (OAG) conducts periodic audits. To facilitate these reviews and audits, all supporting documentation must be maintained in a central location at the cardholder’s school or worksite for six years. The principal is responsible for ensuring that P-Card documentation is maintained at the site for six years, especially in those situations where P-cardholders are no longer at the school.

Upon request from DFO or OAG, cardholders must provide written justification for the selected expenditures together with supporting documentation to the requesting office. . Failure to comply with documentation requests within the required timeframe may result in suspension of P-Card privileges.

Request Response	Disciplinary Action
Failure to respond to first request for supporting documentation within the required timeframe.	A warning will be issued to the cardholder
Failure to respond to second request for supporting documentation within the required timeframe	Immediate suspension of card until the review requirements are met and communicated to the reviewer (either DFO or OAG)

5. Using the School Kitchen

The information detailed in this topic pertains to the process of utilizing the SchoolFood kitchens for a school event.

5.1 Use of Kitchen

SchoolFood has suspended special events catering services previously available for purchase by schools and central offices. Schools will still be able to request the use of a [SchoolFood kitchen](#) for a fee.

If any children are present for outside catering, please adhere to [Chancellor's Regulation A-812](#). Contact Robert Rivera at 718-707-4351 or RRivera27@schools.nyc.gov with questions.

5.1.1 Methods of Payment

- Purchase Orders are used by the Central Office/FSC/School to encumber funds for use of kitchen payments made directly to School Food (Vendor # OFF014000).
- 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.

5.2 Ordering for Use of Kitchen

- All use of kitchen orders must be placed online through the Special Events page of [School Food's website](#).
- Click on Document Center Sign In – Make Selection from the drop down list (Upper Right Corner of Page).
- Logon by placing your User Name (School DBN) Password (Same as OPT) for Principals & Staff (Follow instructions if you do not have a password or ID).
- Scroll down Department Directory or select “Food & Menu Management” and click on “Special Events”

If you prefer, you may go directly to the [Special Events Logon](#) page.

- The request should be made at least one week (8 days) prior to the event.
- Use of kitchen which are paid by SIPP – Small Item Payment Process or Journal Entry Debits, must indicate the name and fax number of the (FSC) Executive Director in the billing person details section.

The completed Request for use of kitchen 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 Use of Kitchen Services

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

5.3.1 Purchase Orders

- The School Food vendor number (OFF014000) must be placed in the appropriate section of the FAMIS Purchase Order. Remember to confirm section 2 on FAMIS Portal Purchase Order.
- Sole Vendor is entered in the Contract Number box of the purchase order.
- 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.
- 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.
- 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

- The OSFNS vendor number (OFF014000) must be placed in the appropriate area of the SIPP form.
- The School Food invoice number should be entered in the Invoice Number field on the SIPP form.
- 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.

6. Schedule of Reimbursement for CEC 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.

6.1 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.

6.2 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](#), 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;
- Has the president/chairperson signed the form; and
- Keeps all original receipts since these are needed for supporting documentation.
- The (FSC) 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.

6.3 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

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/(FSCs)/Schools are responsible for establishing effective oversight procedures and may find the following recommendations helpful.

7. 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.

7.1 Recordkeeping and Files

7.1.1 File copies of purchase documents

Since the introduction of FAMIS, Central Offices/(FSCs)/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.

7.1.2 Retention of Records and Documents

Access [Retention of Records and Documents](#) which reflects various school and office records and the retention period for each. Please contact the Staten Island Archive Center (SIAC) if you require additional information.

Angela M.Russo
Director of Staten Island Archive Center
N.Y.S.Advisory Board Member
New York City Department of Education
715 Ocean Terrace, room 200
Staten Island, N.Y. 10301
Phone #: 718-556-8330; Email: ARusso4@schools.nyc.gov

7.2 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

7.3 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.

7.4 Other Internal Controls Areas

- Central Offices/FSCs/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/FSC/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. Please note FY16 [SIPP enhancements](#) mandate the uploading of bids.
- 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).
- Services must be rendered prior to payments to vendors unless unique circumstances require prepayments. Central Offices/FSCs should continue to issue memoranda to schools advising them of such.
- On a periodic basis Central Offices/FSCs/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.

8. Payment of Referees and Officials (PSAL)

Referee payments for games not listed on your school (PSAL) profile must be processed by the school on the FAMIS portal as a SIPP (Small Item Payment Process). Funds must be apportioned and charged to the school's budget while using the [object code](#) 0695 when entering the payments in the portal. The PSAL is responsible only for officially listed games on your school profile, all other games (non-league games not listed, scrimmages etc.) must be processed by the school on the portal using the referee's vendor number. The vendor number is usually their S.S # or the first 3 letters of their first name followed by "00" followed by the last 4 digits of their social security number.

Please contact the following PSAL staff for additional information:

- Diedre Hurst (DHurst@schools.nyc.gov)
- Maria Lenna (MLenna@schools.nyc.gov)
- Dexter Garner (DGarner2@schools.nyc.gov)

9. 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**, or central office the **director** or his/her designee is usually the authorizing official.

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.).

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.

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”).

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 (FSC)/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 FSC. The Procurement Team Member will ensure efficient ordering for schools and other sites within the Borough

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.

Emergency Procurements:

In emergency condition is an unforeseen danger to life, safety, property or a necessary service. Upon written determination of the Chancellor or his designee, the NYCDOE may procure items or services to avoid or mitigate the emergency condition and the contract shall become effective immediately. An emergency procurement shall be made with such competition as is practicable under the circumstances. The written determination of the basis for the emergency procurement shall be filed with the Comptroller.

Encumbrance:

Setting aside or reserving funds within FAMIS against a location’s budgeted spending plan 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.

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.

(FSC):

There are five (FSCs), 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 a (FSC) 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.

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.

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).

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.

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).

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.

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.

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> .

Public Transportation

Public transportation is subject to federal and state laws, which vary by state. Public transportation refers to all service involved in the transportation of passengers for hire by means of street railway, elevated railway, subway, underground railroad, motor vehicles, or other means of conveyance generally associated with or developed for mass surface or sub-surface transportation of the public, but does not include any service involved in transportation by taxicab, airport limousine, or industrial bus.

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.

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.

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.

School Spending Plan:

The allocation of budgeted funds to the location level.

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 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 by the school, (FSC), central office or DCP, depending upon the contract cost.

Split Order:

Utilizing more than one transaction to complete a single purchase (P-Card, PO, SIPP). This typically occurs on the same day or over several days, with the same vendor.

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.

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 [W-9 form](#) 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/ (FSC) who in turn returns it to Division of Contracts and Purchasing (DCP) along with the *Vendor Add/Change Form*.

9.2 Table of Exhibits

Notes

:

1. Exhibits A-B 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>

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 EXHIBITS3.4.1**

Appendix - Table of Exhibits

Exhibit Letter	Description
A	Facsimile - FAMIS Portal - Change Notice
B	Procurement Card Usage Log (Revised: September 2002)

OTPS PURCHASES
EXHIBIT A-FAMIS Portal Change Notice

Please print this page to be used as your change notice:

CHANGE NOTICE



NEW YORK CITY
DEPARTMENT OF EDUCATION

SAMPLE Close

WE0600772
CHANGE NOTICE NUMBER

<p>Vendor: OFFICE OF SCHOOL FOOD & NUTRITION</p> <p>Attn: <i>John Smith</i> Phone: (718)729-6100</p> <p>Street and No.: 44-36 VERNON BOULEVARD</p> <p>City: LONG ISLAND State: NY Zip Code: 111010000</p> <p>Vendor #: OFF014000 01 Contract #: 0M311140</p> <p>Fax #: Toll Free #:</p>	<p>Deliver To: REGION 2</p> <p>Attention: <i>Mary Jones</i> Phone: 718-123-4587</p> <p>Address: 1230 ZEREGA AVE, ROOM 4B</p> <p>City/State/Zip: BK, NY 10462</p>
<p>Send Invoice To: REGION 2</p> <p>Attn: NADIA GILBERT Phone: (718)828-6654</p> <p>Address: 1230 ZEREGA AVE, ROOM 4B</p> <p>City/State/Zip: BK, NY 10462</p>	<p>Special Delivery Instructions (If Any): NONE</p> <p>DELIVERY MUST BE COMPLETED WITHIN 30 DAYS OF RECEIPT OF ORDER.</p>

I HEREBY CERTIFY THAT THIS CHANGE NOTICE ONLY MODIFIES OR CANCELS THE ORIGINAL PURCHASE ORDER REFERENCED AND IS IN CONFORMANCE WITH THE DEPARTMENT OF EDUCATION'S STANDARD OPERATING PROCEDURES (SOPM).

Signature of Principal or Authorized Department of Education Official. Date

Items on original order to be changed

Item #	Description	U/M	QTY	Price Per Unit	Amount
Additional Items					
1.	Status: NEW ITEM 1. Description: FOOD SERVICES 2006	EACH	1	\$ 5,000.00	\$ 5,000.00

Additional Items Sub Total
\$ 5,000.00

Financial Accounting Data

Fiscal Year: 2006

Dist	Quick	Obj	Document Reference #	Locn	Actv	Start Date	End Date	Increase Amt.	Decrease Amt.
1.	96	032641	0451	WR6036373 01	X602	0707	11/14/2005	06/30/2006	\$ 5,000.00

OTPS PURCHASES

EXHIBIT B – Procurement Card Usage Log



Department of
Education

PROCUREMENT CARD USAGE LOG

Month of _____

Buyer/Purchaser Name: _____

Department: _____

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

Grand Total: \$ _____

Revised: 5 September 2002

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