

PURCHASING PROCEDURES MANUAL

GLOUCESTER COUNTY PURCHASING DEPARTMENT



**FREEHOLDER LIAISON:
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FORWARD

The Purchasing Department has prepared this "Purchasing Manual" which will serve as the basis for purchasing policies and procedures for the County of Gloucester.

The purchasing function involves the procurement of materials, supplies, equipment, and services at the lowest possible cost. These costs are consistent with the quality needed to meet the required standards established and approved by the Board of Chosen Freeholders. Our goal is the promotion of the best interest of Gloucester County through knowledgeable action and fair dealings. This will result in obtaining maximum savings for the County.

Since rules and regulations are necessary for the proper operation of purchasing functions and since it is essential that all who are involved in the purchasing operation be well informed, this manual has been developed to aid all employees directly or indirectly associated with the functions of purchasing.

The objectives of the Purchasing Department of Gloucester County are as follows:

1. Assurance of continuity of supply to meet the service needs.
2. Avoidance of duplication and waste through standardization.
3. Maintenance of required quality standards in goods and services purchased.
4. Development of a cooperative environment between Purchasing, the agencies and departments served.
5. Obtain maximum savings through innovative buying and application of value analysis techniques.
6. Administer the purchasing function with internal efficiency.
7. Purchase of goods and services at the lowest price, consistent with quality performance, and delivery requirements.

The central purchasing system has been established by the Board of Chosen Freeholders. This manual provides the means of implementation and is prepared to acquaint County personnel with purchasing procedures.

The Purchasing Department cannot satisfactorily fill the needs of a department unless all concerned are familiar with the procedures. The following material should therefore be studied and followed.

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PURCHASING DEPARTMENT

RESPONSIBILITIES AND FUNCTIONS

The Purchasing Department is responsible for administering purchasing policies, as approved by the Board of Chosen Freeholders; approving term contracts less than bid requirement, consolidation of purchases of like or common items, analyzing prices paid for materials, equipment, supplies and services, and generally defining how to generate cost savings and coordinate purchasing procedures for Gloucester County.

The Purchasing Agent is the only person authorized by the Board of Chosen Freeholders to make purchases for the County. No department has the right to obligate the County or purchasing agent to buy from a particular vendor even if the purchase is being made for a state contract item/service or from an apparent sole source vendor.

Specific responsibilities, duties and functions include:

1. Policies and Procedures – Develop purchasing objectives, policies programs and procedures for the purchase and acquisition of all materials, supplies, equipment and services.

2. Representation – Act as Gloucester County’s representative on all matters pertaining to purchasing.

3. Specifications – Prepare specifications in cooperation with using agencies which are subsequently acted on and approved by the Board of Chosen Freeholders.

4. Consolidation and Bulk Purchasing – Consolidate purchases of like or common items to obtain the maximum economical benefits and cost savings, and explore the possibilities of buying “in bulk” to take full advantage of quantity discounts.

5. Surplus Property – Arrange for the sale and disposal of surplus materials, supplies or equipment.

6. Standardization – Work with other divisions to establish Standardization of materials, supplies and equipment where practical.

7. Supplier Relations – Promote good will and public relations between Gloucester County and its suppliers. Encourage full and open competition wherever possible.

8. Budget – Prepare and submit the annual operating budget for Purchasing Department and its divisions.

9. Purchasing Analysis – Keep informed of current developments in the field of purchasing, prices, market conditions and new products, and secure for the County the benefits of research conducted in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations having national recognition, and by private businesses and organizations.

10. Purchasing Manual – Prescribe and maintain a standard purchasing manual for all using agencies.

POLICIES

The following procedures shall govern the procurement of goods and services for the County in accordance with the existing Purchasing ordinance:

1. All requests for prices or services, and all purchases should be made through and by the Purchasing Department except as otherwise exempted in writing by the County Administrator or Board of Chosen Freeholders. In some instances, authority to request prices may be delegated to others.

2. Acceptance of gifts is strictly prohibited. Acceptance of entertainment is also prohibited. No employee shall become obligated to any supplier and shall not conclude any County transaction from which they may personally benefit.

3. No employee of the County shall contract on behalf of the County whereby they may derive income or benefits other than those provided as compensation from the County for their employment. However, no employee or officer of the County shall be prohibited from purchasing, at public auction authorized by law, used goods or materials from the County.

4. No contract, purchase, or group of requisitions shall be subdivided to avoid bid and quotation requirements.

5. It is unlawful for a County officer or employee to order the purchase of any materials, supplies, equipment, and contractual services, or make any contract other than through the Purchasing Department and any purchase order or contract made contrary to the provisions hereof shall not be approved and the County shall not be bound thereby.

INTER-DEPARTMENT RELATIONS

Cooperation and understanding between departments is essential in the effective operation of the Purchasing Department.

1. The Purchasing Department will at all times establish and maintain a close liaison with other departments in order to meet their purchase needs and requirements.

2. In most instances, the user department and not the Purchasing Department determine the requirements for a particular purchase.

3. In cases where technical equipment, specifications, plans or designs are involved, the division concerned will indicate their requirements and all purchasing actions will be coordinated with the user department prior to the issuance of a formal purchase order or contract.

The Purchasing Agent or his designee (s) shall direct a "Purchasing Seminar" to be held with various County Departments periodically. This seminar shall aid County personnel in gaining a better understanding of the operation of the Purchasing Department. In addition, the seminar matter shall contain information on State Purchasing Regulations, Board Policy, emergency purchases, flow of requisitions, distribution of purchase order copies, definition of purchasing items, blanket orders, change orders and contracts.

VENDOR RELATIONS

In interviews with salesmen, neither the user department nor purchasing staff shall commit to preference for any product or service to give any information regarding performance or price.

Any quotations or specific information received from vendors relative to any item under consideration for purchase will not be divulged to competing vendors before a purchase order for those goods or services is processed.

All bidders must be afforded equal opportunities to quote so that all bidders can compete on equal terms.

New sources of supply will be given due consideration because multiple sources of supply are necessary to ensure competition, continuity of supply and availability of materials. The County will buy from any vendor who exhibits adequate financial strength, high ethical standards, a record of adhering to specifications, maintains shipping promises, gives a full measure of service and meets all other requirements for a particular purchase.

REQUISITION TO PURCHASE

PURPOSE

The requisition to purchase serves to inform the Purchasing Department of the needs of the user department and to correctly define the material requested. In addition, the signed requisition signifies authority to charge a specific account number and that there are sufficient funds available in the account specified.

PURCHASING DEPARTMENT'S RESPONSIBILITIES

1. To become acquainted with the needs of all departments and divisions.
2. To aid and cooperate with all departments in meeting their needs for operating supplies and equipment at the least possible cost to the County.
3. To assist in the preparation of specifications for all requirements.
4. To locate sources and availability or needed products.
5. To process all requisitions and purchase orders with the least possible delay.
6. To work with the supplier in correlating all the steps involved in completing a purchase, including purchase order follow-up and tracing.
7. To assist the department with any difficulty after the product has been delivered or service has been rendered.

USER DEPARTMENT'S RESPONSIBILITIES

1. Write clear and accurate description of materials and equipment to be purchased and purpose for which they are intended.
2. When possible, list anticipated requirements for department or projects in advance.

3. Under no circumstances is the Purchasing Department to be obligated to a vendor for anything except the opportunity to offer for sale any goods and/or services the County may wish to purchase.

4. Cooperate with the Purchasing Department by reporting in writing the results of purchases, either favorable or unfavorable. If you have complaints, REPORT THEM. (See Report of Unsatisfactory Material and/or Service, EXHIBIT 1).

5. Advise the Purchasing Department of any known qualified supplier.

6. Verify that all charges on the requisition are properly coded as to department and line account.

7. Be sure that funds have been allocated and are available in the proper line account to support purchases. If sufficient funds have not been allocated and are not available, Purchasing is not permitted to process the requisition into a Purchase Order.

8. Be sure the proper line account is charged for each purchase. If the wrong account is used, the Purchasing Department will return the requisition for correction.

9. Be sure the purchase is for a budgeted purpose only.

WHEN A REQUISITION IS PREPARED

A requisition shall be prepared far enough in advance to permit the Purchasing Department to obtain competitive prices, and to allow sufficient time for deliveries to be made.

WHO PREPARES A REQUISITION

All requisitions should originate in the using department at the level where the purchase is to be used and proceed to the designated approval authority prior to being sent to Purchasing. All requisitions shall be signed by the Department Head or designated authority. Requisitions not properly signed will be returned.

However, such assignment or approval does not relieve the department head from any responsibilities arising from purchases made in his/her department.

SPECIAL SITUATIONS FOR A REQUISITION

Requisitions in which special handling is requested for the purchase of materials to prevent downtime in any operation of a department, but which might not be strictly emergencies, may be hand-carried or walked through channels in the interest of saving time. These must be held to a minimum and shall be used only in cases of required purchases under the current threshold.

HOW TO PREPARE A REQUISITION

A properly processed purchase requisition must contain the following information:

1. Vendor Name – Please note that the Purchasing Department’s task is to obtain competition where possible, therefore, the brand or vendor suggested on the requisition is not necessarily the brand or vendor to whom the purchase order is eventually issued.
2. Requisition Date – The Requisition date will always default to the current date.
3. Due Date: Optional. Any dates noted are purely for the assistance and guidance of the Purchasing Agent to meet the Department’s schedule of needs. When a date is not shown, the Purchasing Department may automatically allow the vendor thirty (30) days from date of purchase order. Requisitions shall be prepared far enough in advance of deliveries so as not to create emergencies.
4. S.C. No.: (State Contract Number) This field can also be used for PD # (Bid Number) RFP#, (Request for Proposal for Professional Service), PQ# (Annual Quote Number) or any number assigned to a Contract.
5. Ship To ID: Be specific as to location by using department’s two digit “Ship To” number. Type in the two letter code used for your Department or use the picklist to select an address to be used for shipping the items ordered.
6. Description and Specifications: Give a clear description of the

item desired as to size, color, type, grade, etc. If the purchase is of a technical nature, specifications should accompany the requisition. Catalog and page numbers may be used in cases such as office supplies being requested. In some cases, detailed and technical specifications will be determined by the department head and Purchasing. If the item cannot be described, except with a great amount of detail, a brief description should be given followed by the trade name and model of an acceptable item or "equal". Requisitions must not give specifications that will favor one supplier to the exclusion of all others.

7. Budget Number: Insert the account line number to which the purchase is to be charged.
8. Attention of: Name (signature) and phone number of person requesting the item or service. An indication of the person preparing the requisition is of great importance in that it enables the Purchasing Department to make direct contact in the event of errors, omissions or questions regarding the purchase.
9. Correct Quantity and Unit: Insert the number required and follow with an abbreviation for those materials that need clarification such as "doz.", "ea.", "bd.ft.", "lin.ft.", etc.
10. Estimated Cost: Departments are requested to estimate the cost in the unit price column. The Purchasing Department will verify the cost and make necessary corrections. It is requested that when the using department is aware that a purchase will exceed the current threshold for bidding, that fact should be so noted on the requisition for the assistance of the Purchasing Department.

DISTRIBUTION OF REQUISITIONS

A standard requisition form generated by the procurement system on the computer is to be used to make requests for all purchases and services.

1. The using department will prepare the requisition and obtain an authorized signature on the requisition.
2. The Department will retain a copy (EXHIBIT 2) and forward the original along with any needed documents to Purchasing.

3. Upon receipt of the requisition, the Purchasing Department will obtain quotations, bids, and/or Board approval (where necessary) for commodities or services required and a purchase order will be issued. (EXHIBIT 3)

4. If the requisition is incomplete or not properly prepared, the Purchasing Department shall return it to the originating department for completion and/or correction.

REVIEW OF SPECIFICATIONS

Prior to issuance of bids or processing of requisitions with specifications attached, review of the specifications for certain commodities and services shall be made by other departments within the County to assure open competitive bidding and up to date specifications. Some examples are as follows:

Type of Equipment/Service Requested Department Review

Computers/Word Processing Equipment: Data Processing Department

Vehicles: Motor Pool

Radios/Communication Equipment: Communications

PURCHASE ORDERS

PURPOSE

A purchase order authorizes the vendor to ship and invoice the materials and/or services as specified. Purchase orders shall be written so that they are clear, concise and complete. This will prevent any unnecessary misunderstanding and correspondence with suppliers.

WHEN ISSUED

After determining that funds are available, competitive pricing is received, and Board approval (if necessary), a computer originated purchase order shall be issued.

WHO ISSUES A PURCHASE ORDER

Only the Purchasing Department shall issue purchase orders. The using department will not enter into negotiations with any supplier for the purchase of supplies, materials or equipment. The Purchasing Department shall transmit all purchase orders to the supplier.

PURCHASING PROCEDURE

1. Requisition from using department to Purchasing Agent
2. Purchasing Department will process purchase order and encumber funds.
3. Purchase Order consisting of three (3) parts is prepared as follows:

Part 1 = Voucher (White)	(EXHIBIT 3)
Part 2 = Receiving Copy (Blue)	(EXHIBIT 4)
Part 3 = Purchasing File Copy (Green)	(EXHIBIT 5)
4. Purchase Order is signed by Purchasing Agent
5. Purchasing Department sends part 1(White) to vendor, and forwards part 2 (Blue) to using department

6. Using Department sends Receiving Report (Blue Copy) with Signed Voucher and Invoice to the Purchasing Department for payment processing.
7. Any discrepancies will be brought to the using department's attention for their review and approval. It must however, be forwarded to Purchasing in writing. Purchasing will then make the actual changes.

EXPEDITING AND FOLLOW-UP

The ordering department shall make inquiry to the vendor as to the status of an order after a reasonable period of time.

DIFFICULTIES AFTER RECEIPT OF SERVICE OR GOODS

Upon request from the ordering department, the Purchasing Department shall handle with the vendor any problems or difficulties with received goods and/or services.

CHANGING A VENDOR NAME

Vendor names are not to be changed. The only way a vendor name can be changed is if a company with whom we have an open purchase order is taken over by another company by court order. A copy of the court order must be received by us prior to the purchase order being voided and a new one issued.

REGISTERING A BUSINESS WITH THE NEW JERSEY DEPARTMENT OF THE TREASURY

A Business Registration Certificate serves two purposes:

- **For public contracting, as proof of valid business registration with the New Jersey Division of Revenue.** All contractors and subcontractors must provide this documentation when seeking to do business with the State of New Jersey, and other public agencies in this state. Proof of registration is also required for licensure with the Casino Control Commission.
- **To comply with Chapter 85, P.L. 2006, defined under N.J.S.A. 54A:7-1.2.** You must use the Business Registration Certificate if you are an unincorporated construction contractor performing work in NJ or you are a registered unincorporated contractor requesting proof of certification.

If you are registered vendor but have not received the Business Registration Certificate in the mail, you may obtain a certificate online. Please note that this certificate is not required by all businesses in New Jersey, but only those doing business with the public sector and with the casino service industry.

You may check the online registration inquiry to determine if the business is already registered. If you have not registered but are required to have this certificate, you will need to complete Form NJ-REG. Representatives of the Division's Client Registration activity are available to assist in the registration process by calling 609.292.9292.

Filing Form NJ-REG (EXHIBIT 9)

In most cases, you may submit Form NJ-REG online. Exceptions and additional requirements include:

- Any business including an out-of-state business with a presence or nexus in New Jersey, Operating as a **corporation, limited partnership, limited liability company or limited liability partnership** must first obtain legal authority to operate in this State prior to submitting Form NJ-REG. Generally, this is accomplished by filing a Certificate of Incorporation or Formation with the Division. You may wish to review information concerning getting registered to assist with this process.

- **Out-of-state businesses** that believe they do not have state tax nexus will file a paperform NJ-REG in order to obtain a Business Registration Certificate. Business entities that file form NJ-REG only will be subject to a nexus review, initiated and conducted by the Division of Taxation.
- **Individuals or Unincorporated Construction Contractors** with no business tax or employer obligations may register using Form REG-A instead of Form NJ-REG in order to obtain the Business Registration Certificate. Individuals who have created and are operating as a business entity (e.g. LLC) may not use Form REG-A
- **Non-profit organizations** although required to register for tax purposes are not subject to the proof of registration requirement when contracting with public agencies in this state.

STATE OF NEW JERSEY	
BUSINESS REGISTRATION CERTIFICATE	
FOR STATE AGENCY AND CASINO SERVICE CONTRACTOR	
TAXPAYER NAME:	TAXPAYER NAME:
TAX REGISTRATION TEST ACCOUNT	CLIENT ID: (STR)
TAXPAYER IDENTIFICATION#:	SEQUENCE NUMBER:
970-097-382/500	0107
ADDRESS:	ISSUANCE DATE:
300 BLING AVE	07/14/04
TRENTON NJ 086	
VE DA	
010	
ACUM	

DEPARTMENT OF TREASURY
 DIVISION OF TAXATION
 P.O. BOX 352
 TRENTON, NJ 08646

John S. Trully
 Tax Director

This Certificate is NOT assignable or transferable. It must be conspicuously displayed at above address.

(NONCOMPLIANCE RENDERS BID NONRESPONSIVE AND INCURABLE)

CERTIFICATIONS OF AVAILABILITY **POLICY AND PROCEDURE**

POLICY

All resolutions awarding contracts must have an approved Purchase Order/Certification of Availability of Funds before being considered by the Board of Chosen Freeholders.

All Purchase Orders now include a Certificate of Availability of Funds (CAF) which meets all County and State rules.

EXCEPTION

Resolutions awarding contracts on a price only basis such as for salt, sand, and uniform rental do not require a CAF before being considered. However, a separate purchase order may need to be issued for every purchase against such a contract.

OPEN ENDED CONTRACTS

PROCESSING PROCEDURE

In an open ended contract, after Purchasing receives the signed contract, they send the purchase order and voucher to the vendor. The department will complete the receiving report or a partial receiver whichever applies when goods and/or services are received.

These contracts are ones in which a contract is signed with a particular company who has given the lowest bid per item. The items however, are to be ordered as needed.

PARTIAL RECEIVING REPORTS

More and more purchase orders are now requiring partial payments. Most of these orders are contracts and/or orders which require monthly payments, such as utilities. Maintenance agreements can also be set up to pay on a monthly basis.

BUDGET TRANSFERS

Budget Transfer Forms (EXHIBIT 6) are used when it becomes necessary to transfer money from one line account to another. This form must be completed and forwarded to the Finance Officer for transfer approval. Purchase orders cannot be processed against a line account with insufficient funds until after this procedure has been completed.

EMERGENCY PURCHASES

DEFINITION

Emergency purchase of supplies and/or contractual services are those supplies or services necessary due to certain emergency conditions occurring that may affect the health, safety and welfare of the County. (EXHIBIT 7)

CRITERIA FOR EMERGENCIES

Emergency purchases are to be initiated only when property, equipment, or life is endangered through unexpected circumstances.

AUTHORIZATION

Emergency purchases may only be authorized by the Director of the department where the emergency exists.

PROCEDURE

When an emergency exists, this procedure shall be followed: The department head of the ordering department shall contact the Purchasing Agent to

notify him of the emergency and supply information as to budget number and tag req number being used. A purchase order will be issued upon walk-through of the requisition.

EMERGENCY PURCHASES AT NIGHT, WEEKENDS, OR HOLIDAYS

If an emergency should arise during a time when the Purchasing Department is closed, the department head shall act to secure the necessary materials or service. The evidence of purchase such as sales ticket, bill, delivery slip, counter receipt, etc., which the supplier normally furnishes shall be attached to the requisition form and be forwarded by the using department to the Purchasing Department on the next work day following the date of purchase. The Purchasing Department may reject requisitions which are confirmation of orders if there is reason to believe no true emergency existed at the time of Purchase.

GENERAL INFORMATION

When emergency purchases are made, the department will make the purchase at the best possible price. A true emergency will often occur as a result of an act of nature or something unforeseen. Emergencies are also created through negligence and are to be avoided. Failure to anticipate normal needs or project deadline dates does not constitute an emergency.

NOTE: EMERGENCY PURCHASES ARE COSTLY AND SHOULD BE KEPT TO A MINIMUM. THEY ARE USUALLY MADE HURRIEDLY, ON A NON-COMPETITIVE BASIS, AND AT TOP PRICES. MOST VENDORS CHARGE A PREMIUM WHEN SUPPLIES MUST BE OBTAINED IMMEDIATELY. BY AVOIDING EMERGENCY ORDERS, YOU WILL SAVE YOUR DEPARTMENT MONEY.

For emergencies, it is necessary to invoke N.J.S.A. 40A:11-6 (EMERGENCY PURCHASES AND CONTRACTS). This statute is very restrictive as to the definition of an emergency.

QUOTATIONS AND BIDS

Upon receipt of a requisition to purchase, the Purchasing Department will seek a source of supply and enter into transactions for the purchase of the commodity or service in accordance with the provisions of the N.J.S.A. 40A:11.

LOCAL PUBLIC CONTRACTS LAW

The Governor, in consultation with the Department of the Treasury, shall, no later than March 1, of every fifth year beginning in the fifth year after the year in which P.L.1999, c. 440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c 198 (C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

CURRENT QUOTE AND BID THRESHOLDS

Quotes - \$1.00 - \$6,000.00

Bids - \$6,001.00 to \$40,000.00

PROCEDURE FOR SECURING QUOTES AND BIDS

Prices for purchases up to \$6,000.00 can be either written or oral, at the discretion of the Purchasing Agent. Purchases estimated to cost between \$6,001.00 and \$40,000.00 will be made by written request for quotation (RFQ). Every effort will be made to obtain a minimum of three (3) quotations for each item or group of items required.

Written requests for quotations (RFQ) will be mailed to all prospective bidders, as feasible, and such RFQ's shall be opened at a pre-determined time and date. Emergency purchases are exempted with prior approval of the Purchasing Agent. RFQ's documented completely, shall be maintained with the Purchase Order.

The Purchasing Department shall request sealed bids on purchases exceeding the current bid threshold. Advertisements shall be published at least one (1) time in a newspaper distributed in the County. The Purchasing Department shall solicit bids from responsible prospective suppliers obtained from our vendor list, publications and catalogues, suggestions from department heads, previous suppliers, etc. The Purchasing Department shall attempt to secure at least three (3) bids.

A tabulation of all bids received shall be available for public inspection in the main offices of the Purchasing Department during regular business hours.

The Purchasing Agent, with advise of assigned County Counsel, shall have the right to reject all bids and request the entire transaction be re-bid.

FEDERALLY FUNDED PROJECT PROCEDURES – SEE EXHIBIT 11

Please note: All of our current Bid Opportunities are advertised in the Courier Post and/or Gloucester County times and listed on the County Web-Site: www.co.gloucester.nj.us. From the home page, scroll down to County Services Forms & Updates and click on Bid Opportunities. Professional Services Contract Opportunities are also listed on the Web-Site and can be accessed from the home page. Specifications or RFP's must be requested in writing by fax or e-mail. Please state your company's name, contact person, address, phone number, fax number, e-mail address, and the PD number or RFP number you are requesting. Send your request to one of the below:

Kim Larter
856-853-3415 Phone
856-251-6777 Fax
klarter@co.gloucester.nj.us

Andrea Lombardi
856-853-3419 Phone
856-251-6777 Fax
alombardi@co.gloucester.nj.us

RESPONSIBILITY FOR SPECIFICATIONS

The preparation of specifications is the joint responsibility of the Purchasing Department and the using department. Specifications shall permit competition. In general, specifications should define the level of performance required rather than specific brand name. For the benefit of vendors and the department, specifications

must be clear and concise. The Purchasing Department reserves the right to alter or revise specifications to allow open competition.

BID INVITATIONS

The invitation to bid is sent or placed in the hands of prospective bidders. Notice of Bid shall be advertised and posted in the County newspaper. The Notice should contain the following instructions and information:

1. Bids must be sealed.
2. The time, date, and place of bid opening.
3. Quantity desired.
4. A full description of the material (or title of bid)
5. Bids must be plainly marked on outside of envelope with the bid number, and the time and date of opening

BID BOND/DEPOSITS

Bid bonds shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to the return of surety where the Purchasing Agent has required such. Bid deposits, bid bonds or performance deposits may include cashier's checks. Surety in the form of a bid bond, certified check or cashier's check in the amount of 10% of the total bid, but not to exceed \$20,000.00 made payable to the County of Gloucester will be required on all bids unless specifically excluded.

DISPOSITION OF BIDS

Bids shall be opened in public at the time and place stated in the public notices. No bids shall be accepted after the time and date designated for bid opening. A tabulation of all bids received will be made and be available for public inspection.

All bids requiring Board approval shall be submitted with recommendation to the Board for final approval.

AWARD OF BIDS

In determining the lowest and best bidder, in addition to price, the following shall also be considered.

1. The ability, capacity and skill of the bidder to perform the contract.
2. Whether the bidder can perform the contract within the time specified, without delay or interference.
3. The sufficiency of the financial resources to perform the contract to provide the service.
4. The quality, availability and adaptability of the supplies or contractual services to the particular use required.
5. The ability of the bidder to provide future maintenance and service when applicable.
6. The number and scope of conditions attached to the bid.

Bid award recommendations wherein the award to each vendor exceeds the current bid threshold shall be approved by the Board of Chosen Freeholders.

WAIVER OF IRREGULARITIES

The Board of Chosen Freeholders shall have the authority to waive any and all irregularities in any and all formal bids, should it be deemed in the best interest of the County to do so.

TIE BIDS

The County of Gloucester reserves the right to award at their discretion to any one of the tie bidders.

CONTRACTS

Whenever required, the successful bidder shall promptly execute a formal contract to be approved as to its form, terms and conditions and signed by proper authority. When required, such bidder shall also execute and deliver to the Purchasing Department a good and sufficient performance bond in the amount specified in the invitation to bid. Any bidder who has a contract awarded to him/her and who fails to execute promptly and properly the required contract and

bond, shall forfeit his certified check or an equivalent amount under his bid bond. The certified checks of unsuccessful bidders shall be returned. A certificate of insurance must also be submitted when required by the specifications.

NOTICE OF AWARD

PURPOSE

A notice of award will be issued to the approved low bidder and the department involved of the results of a county competitive sealed bid.

HOW TO PREPARE

A properly prepared notice of award form must contain the following information:

1. Bid number (Specification of PD Number)
2. Bid title
3. Date of award
4. Vendor name and address
5. Department name and address
6. Item number
7. Authorized signature

DISTRIBUTION

The Purchasing Department will send the original to the vendor for their information. A copy will be sent to user department for informational purposes also.

VENDOR COMPLAINTS AND DISPUTES

Gloucester County encourages prompt and fair handling of all complaints and disputes with the business community. In order to resolve disputed matters in an equitable manner without fear of retribution on the part of the vendor, the following procedures are adopted:

1. The Purchasing Agent or his/her representative shall forward a notice of the intended award recommendation to all bidders.
2. Any bidder adversely affected by the decision or intended decision of award must file a written notice or protest. This notice must be delivered to the Purchasing Agent or his/her representative and must contain all information of their objection of award.
3. Upon receipt of a formal written protest, the Purchasing Agent will establish a time and date to discuss the matter and attempt to resolve the dispute within fourteen (14) consecutive days of the formal written protest date.

INVOICES

DEFINITION OF AN INVOICE

An invoice is a document which itemizes charges for the purchase of supplies, materials, equipment or services which have been furnished. It is the means by which the supplier informs the County of its obligations and should contain the same basic information as the purchase order.

Prompt processing of invoices for the settlement of obligations is very important because it may have a favorable or unfavorable affect on the relationship between the County and its suppliers.

WHAT AN INVOICE SHOULD CONTAIN

1. Purchase order number
2. Date of order
3. Date of delivery
4. Terms
5. Itemized list of materials or services rendered
6. Destination of delivery
7. Quantities, prices, (both unit and total), terms and any other charges contained in the purchase order.
8. Delivery and cartage should be listed separately from the materials and supplies.
9. Invoices should be submitted to the Purchasing Department along with a signed voucher for same.

WHO RECEIVES INVOICES

The using Department receives all invoices from suppliers and/or contractors. They will then match the invoice with the voucher, receiving report and purchase order. After all paperwork is reviewed the signed voucher will be forwarded to the Purchasing Department. After review, they will be processed for payment.

RECEIPT OF GOODS AND/OR SERVICES

USING/ORDERING DEPARTMENT

The using department is charged with the responsibility of inspecting all supplies to determine quality, quantity and conformance with specifications and the purchase order.

The Purchasing Department shall have the authority to question, examine, or test the quality and kind of materials requested by the using departments or divisions.

PROCEDURE IN DEPARTMENTS

After receipt of materials and after inspecting and/or testing, the departments should sign packing slips presented by the vendor and complete the receiver. Any variation in quantity shall be noted on the delivery ticket or receiver. If the quantity does not agree with the suppliers delivery ticket, the Purchasing Department shall be notified of the discrepancy. If the materials delivered are not in conformance with the specifications and are not acceptable by the using department/division, they shall notify Purchasing at once of the reasons of withholding acceptance.

The Purchasing Department will take immediate action to require replacement by the supplier or otherwise take action to supply the using department with the needed materials.

GENERAL INFORMATION

The importance of adequate testing and inspection cannot be over emphasized. Not only does inspection prevent the direct loss from occurring from acceptance of and payment for defective materials, it also has a salutary effect on vendors since the knowledge that materials will be carefully inspected and tested deters the shipment of inferior goods. It identifies those manufacturers whose products consistently conform to Specifications and those who habitually take full advantage of the maximum tolerances permitted. Finally, adequate inspection brings to the attention of the vendor, faults in their products which they must remedy before future purchases are made.

NOTE: Sign off on the receiver by the department head signifies the items have been properly received, inspected and accepted.

REPORT OF UNSATISFACTORY MATERIALS/SERVICES

PURPOSE

The Report of Unsatisfactory Materials or Services can be utilized to inform the Purchasing Department of any difficulties due to poor service on blanket orders, contracts, or quality of materials received which do not meet specification requirements. This shall not be utilized as an expediting tool. (See Exhibit 1).

HOW TO PREPARE

A properly prepared Report of Unsatisfactory Materials or Services must contain the following information:

1. Date
2. Vendor name and address
3. User department/division and contact person
4. Purchase order number
5. Department head signature
6. Brief statement of exactly what the problem is, and why the product or service is unacceptable
7. All available documentation shall be attached

DISTRIBUTION

The Report of Unsatisfactory Materials or Services shall be forwarded to the Purchasing Department. Purchasing will send a complaint to the vendor for their response.

GENERAL INFORMATION

The user department/division shall be notified as to the vendor's response and any action to be taken by the Purchasing Department.

SURPLUS AND OBSOLETE PROPERTY

PURPOSE

Surplus, both real and personal, such as worn out or obsolete material and equipment which are not needed or which are not suitable for public use shall be disposed of as the need arises. Such disposal shall be the responsibility of the Purchasing Department, except that miscellaneous items such as raincoats, gloves, broken tools, minor small articles, etc., either worn out or broken having no useful value shall be disposed of by the individual departments.

METHOD OF DISPOSITION

Surplus, worn out or obsolete materials and equipment which have no further practical use may be disposed of in any of the following ways:

1. By transferring to another department
2. By trading in on new equipment
3. By advertising for sealed bid sale
4. By selling as scrap
5. By sale at public auction as arranged by the Purchasing Agent.

HOW TO REPORT

Each department, division or authority shall report its surplus or obsolete stock, equipment or materials to the Purchasing Department.

HOW DISPOSITION IS MADE

Prior to disposition of property, the items shall first be offered to other County Departments.

If the surplus material is sold, it will be done by the Purchasing Department upon precise specifications concerning the item (s) and upon an order of sale approved by the Purchasing Agent in the following manner:

1. Advertise for sealed bids on specified surplus materials and equipment in accordance with state statutes
2. Public auction

HOW ACCEPTANCE IS MADE

Final acceptance of the sale and sale conditions will be made as follows:

The Purchasing Agent will review all bids, select the successful bidder, and prepare a sales order for all items. All sales of a value exceeding the current bid threshold shall require approval of the Board of Chosen Freeholders.

GENERAL INFORMATION

The Purchasing Agent, with the assistance of the various departments, shall decide, in the best interest of the County, if any items shall be sold, traded, or transferred to another department.

REQUEST FOR TRAVEL

TRAVEL AUTHORIZATION FORM

A purchase requisition must be submitted to the Purchasing Department with an approved Travel Authorization Form. (EXHIBIT 8) This requisition must be submitted with enough time being allowed for arrangements to be made.

When there is not enough time allowed for the above, reimbursement will only be made to the employee with all proper documentation attached to the requisition, including a completed Travel Request Form.

REQUEST FOR TRAVEL REIMBURSEMENT

All requests for reimbursements must first be approved by the department head. Once approved, a requisition with documentation attached (ie: original receipts for tolls and meals) should be forwarded to the Purchasing Department along with a mileage log. In the case of reimbursement for department heads, as in the past, the requisition must first be submitted to the Treasurer for signature and then forwarded to the Freeholder Liaison for signature and then forwarded with documentation attached to the Purchasing Department.

NOTE:

All requests for reimbursement must be submitted in a timely fashion. Please do not submit claims for reimbursements until they have reached a total of \$25.00. Once this amount is reached, you have until the end of the following month to submit the requisition. **Any expenses incurred during the month of December must be submitted by January 30th of the following year. Failure to submit a timely claim may result in denial of your reimbursement.**

HYPOTHESIS

The information contained in this manual is designed to assist departments in acquiring needed goods and/or services. It is not at all inclusive.

The Purchasing Department strives for quality service in a timely manner. In this respect, we are available for inquiries, suggestions, problems or any other assistance which can be provided within our scope of services. Our telephone number is 856-853-3420. Please feel free to contact us at any time.

PETER M. MERCANTI, PURCHASING DIRECTOR

EXHIBITS

- EXHIBIT 1 REPORT OF UNSATISFACTORY MATERIALS
OR SERVICES
- EXHIBIT 2 REQUISITION FORM
- EXHIBIT 3 PURCHASE ORDER-VENDOR COPY
- EXHIBIT 4 PURCHASE ORDER-RECEIVING COPY
- EXHIBIT 5 PURCHASING COPY-GREEN COPY
- EXHIBIT 6 BUDGET TRANSFER FORM
- EXHIBIT 7 EMERGENCY PURCHASE FORM
- EXHIBIT 8 TRAVEL REQUEST FORM
- EXHIBIT 9 BUSINESS REGISTRATON APPLICATION
- EXHIBIT 10 REQUIREMENTS FOR FEDERALLY FUNDED
REQUEST FOR PROPOSALS

**County of Gloucester
Purchasing Department
PO Box 337
Woodbury, NJ 08096
856-853-3420**

Report of Unsatisfactory Materials or Service

Vendor's Name: _____ Report Prepared By: _____

Purchase Order No.: _____ Department: _____

Date of Purchase Order: _____ Signature: _____

Statement of Problem (EXPLAIN SPECIFICS OF UNSATISFACTORY MATERIAL OR SERVICE):

(Use reverse side if necessary)

Vendor's Response To Complaint

The above complaint has been submitted to the Purchasing Department for unsatisfactory material/service from your establishment. Please complete and return to the County of Gloucester, Purchasing Department, PO Box 337, Woodbury, NJ 08096, Attention Purchasing Agent. Kindly respond within **10 days**. Failure to respond could result in withholding payment on your invoice or could be used for disqualification from future bidding for the County of Gloucester. Thank you.

(Use additional sheets if necessary)

Vendor Representative: _____

Title: _____

Signature: _____

Telephone No.: _____

COUNTY OF GLOUCESTER

2 SOUTH BROAD STREET
 P.O. BOX 337
 WOODBURY, NJ 08096
 TEL (856)853-3411 FAX (856)853-8504

REQUISITION	
NO.	R6-07094

SHIP TO	GLOUC. CO BUILDINGS & GROUNDS SHADY LANE COMPLEX (251-6700) 254 COUNTY HOUSE ROAD CLARKSBORO, NJ 08020
VENDOR	VENDOR #: CHERRY01 CHERRY VALLEY TRACTOR SALES 35 ROUTE 70 WEST MARLTON, NJ 08053-3009

ORDER DATE: 08/05/16
 DELIVERY DATE:
 STATE CONTRACT: PD-16-037
 F.O.B. TERMS:

EXHIBIT 2

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00/EA	AS PER PD 016-037 2016 KUBOTA L3901HST TRACTOR WITH FRONT LOADER AND TURF TIRES MCHANIC CRUSE CONTROL THIS IS A CAF	C-04-03-011-310-11203 Veterans Cemetery	21,951.0000	21,951.00
			TOTAL	21,951.00

REQUESTING DEPARTMENT

DATE

County of Gloucester Purchasing Department

PO Box 337, Woodbury, NJ 08096
(856) 853-3420 • Fax (856) 251-6777

**PURCHASE ORDER / CAF
CERTIFICATE AVAILABILITY FUNDS**

THIS NUMBER MUST APPEAR ON ALL INVOICES

NO. 16-06824

ORDER DATE: 08/05/16
REQUISITION NO: R6-07094
DELIVERY DATE:
STATE CONTRACT:
ACCOUNT NUM:

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GLOUC. CO BUILDINGS & GROUNDS
SHADY LANE COMPLEX (251-6700)
254 COUNTY HOUSE ROAD
CLARKSBORO, NJ 08020

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VENDOR #: PEACH010

PEACH COUNTRY TRACTOR INC.
RT 322
PO BOX 10
RICHWOOD, NJ 08074

EXHIBIT 3

SALES TAX ID # 21-6000660

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00/EA	AS PER SPECIFICATION PD 16-037 ONE (1) 2016 BOOMER 37 NEW HOLLAND TRACTOR WITH FRONT LOADER, TURF TIRES AND CANOPY	C-04-03-011-310-11203 Veterans Cemetery	23,974.0000	23,974.00
			TOTAL	23,974.00

CLAIMANT'S CERTIFICATION & DECLARATION

I do solemnly declare and certify under penalties of the law that the within bill is correct in all its particulars; that the articles have been furnished or services rendered as stated therein; that no bonus has been given or received by any person or persons within the knowledge of this claimant in connection with the above claim; that the amount therein stated is justly due and owing; and that the amount charged is a reasonable one.

X

VENDOR SIGN HERE DATE

TAX ID NO. OR SOCIAL SECURITY NO. DATE

RECEIVER'S CERTIFICATION

I, having knowledge of the facts, certify that the materials and supplies have been received or the services rendered; said certification being based on signed delivery slips or other reasonable procedures.

DEPARTMENT HEAD DATE

APPROVAL TO PURCHASE

**DO NOT ACCEPT THIS ORDER
UNLESS IT IS SIGNED BELOW**

Michael A. Bruck
TREASURER / CFO
[Signature]
PURCHASING DIRECTOR

MAIL VOUCHER WITH INVOICE TO THE "SHIP TO" ADDRESS

VOUCHER COPY - SIGN AT X AND RETURN FOR PAYMENT

County of Gloucester Purchasing Department

PO Box 337, Woodbury, NJ 08096
 (856) 853-3420 • Fax (856) 251-6777

**PURCHASE ORDER / CAF
 CERTIFICATE AVAILABILITY FUNDS**

THIS NUMBER MUST APPEAR ON ALL INVOICES

NO. 16-06824

ORDER DATE: 08/05/16
 REQUISITION NO: R6-07094
 DELIVERY DATE:
 STATE CONTRACT:
 ACCOUNT NUM:

EXHIBIT 4

SHIP TO	GLOUC. CO BUILDINGS & GROUNDS SHADY LANE COMPLEX (251-6700) 254 COUNTY HOUSE ROAD CLARKSBORO, NJ 08020
	VENDOR #: PEACH010
VENDOR	PEACH COUNTRY TRACTOR INC. RT 322 PO BOX 10 RICHWOOD, NJ 08074

SALES TAX ID # 21-6000660

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00/EA	AS PER SPECIFICATION PD 16-037 ONE (1) 2016 BOOMER 37 NEW HOLLAND TRACTOR WITH FRONT LOADER, TURF TIRES AND CANOPY	C-04-03-011-310-11203 Veterans Cemetery	23,974.0000	23,974.00
			TOTAL	23,974.00

CLAIMANT'S CERTIFICATION & DECLARATION

I do solemnly declare and certify under penalties of the law that the within bill is correct in all its particulars; that the articles have been furnished or services rendered as stated therein; that no bonus has been given or received by any person or persons within the knowledge of this claimant in connection with the above claim; that the amount therein stated is justly due and owing; and that the amount charged is a reasonable one.

X

VENDOR SIGN HERE _____ DATE _____

TAX ID NO. OR SOCIAL SECURITY NO. _____ DATE _____

MAIL VOUCHER WITH INVOICE TO THE "SHIP TO" ADDRESS

RECEIVER'S CERTIFICATION

I, having knowledge of the facts, certify that the materials and supplies have been received or the services rendered; said certification being based on signed delivery slips or other reasonable procedures.

DEPARTMENT HEAD _____ DATE _____

APPROVAL TO PURCHASE

**DO NOT ACCEPT THIS ORDER
 UNLESS IT IS SIGNED BELOW**

TREASURER / CFO _____

PURCHASING DIRECTOR _____

RECEIVING COPY

County of Gloucester Purchasing Department

PO Box 337, Woodbury, NJ 08096
 (856) 853-3420 • Fax (856) 251-6777

**PURCHASE ORDER / CAF
 CERTIFICATE AVAILABILITY FUNDS**

THIS NUMBER MUST APPEAR ON ALL INVOICES

NO. 16-06824

ORDER DATE: 08/05/16
 REQUISITION NO: R6-07094
 DELIVERY DATE:
 STATE CONTRACT:
 ACCOUNT NUM:

EXHIBIT 5

Pg 1

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 GLOUC. CO BUILDINGS & GROUNDS
 SHADY LANE COMPLEX (251-6700)
 254 COUNTY HOUSE ROAD
 CLARKSBORO, NJ 08020

**V
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D
O
R**
 VENDOR #: PEACH010
 PEACH COUNTRY TRACTOR INC.
 RT 322
 PO BOX 10
 RICHWOOD, NJ 08074

SALES TAX ID # 21-6000660

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00/EA	AS PER SPECIFICATION PD 16-037 ONE (1) 2016 BOOMER 37 NEW HOLLAND TRACTOR WITH FRONT LOADER, TURF TIRES AND CANOPY	C-04-03-011-310-11203 Veterans Cemetery	23,974.0000	23,974.00
			TOTAL	23,974.00

CLAIMANT'S CERTIFICATION & DECLARATION		RECEIVER'S CERTIFICATION	APPROVAL TO PURCHASE
I do solemnly declare and certify under penalties of the law that the within bill is correct in all its particulars; that the articles have been furnished or services rendered as stated therein; that no bonus has been given or received by any person or persons within the knowledge of this claimant in connection with the above claim; that the amount therein stated is justly due and owing; and that the amount charged is a reasonable one.		I, having knowledge of the facts, certify that the materials and supplies have been received or the services rendered; said certification being based on signed delivery slips or other reasonable procedures.	DO NOT ACCEPT THIS ORDER UNLESS IT IS SIGNED BELOW
X VENDOR SIGN HERE _____ DATE _____			TREASURER / CFO _____
TAX ID NO. OR SOCIAL SECURITY NO. _____ DATE _____		DEPARTMENT HEAD _____ DATE _____	PURCHASING DIRECTOR _____

MAIL VOUCHER WITH INVOICE TO THE "SHIP TO" ADDRESS

PURCHASING COPY

EXHIBIT 6

BUDGET TRANSFER REQUEST

DATE: _____

Department Name _____

Department Number _____

TRANSFER TO

BUDGET NUMBER

ACCOUNT NAME

AMOUNT

<u>BUDGET NUMBER</u>	<u>ACCOUNT NAME</u>	<u>AMOUNT</u>

WHY ARE FUNDS NEEDED HERE? (ATTACH SUPPORTING INFORMATION)

TRANSFER FROM

BUDGET NUMBER

ACCOUNT NAME

AMOUNT

<u>BUDGET NUMBER</u>	<u>ACCOUNT NAME</u>	<u>AMOUNT</u>

WHY ARE FUNDS NOT REQUIRED?

AUTHORIZED SIGNATURE _____ TELEPHONE # _____

PLEASE FORWARD THESE REQUESTS TO THE TREASURER'S OFFICE

COUNTY OF GLOUCESTER
CERTIFICATION OF REQUEST FOR EMERGENCY PURCHASES

THE UNDERSIGNED DEPARTMENT HEAD (OR DESIGNATED AGENT) CERTIFIES AS FOLLOWS:

1. AN EMERGENCY CONDITION EXISTS IN _____
(NAME OF DEPARTMENT)

2. THIS EMERGENCY OCCURRED ON _____
(DATE) (TIME)

3. THE NATURE OF THE EMERGENCY IS:

4. THIS CONDITION CONSTITUTES AN EMERGENCY AFFECTING THE IMMEDIATE HEALTH, SAFETY OR WELFARE OF THE PUBLIC.

5. DESCRIPTION OF CONDITION AND HOW IT AFFECTS HEALTH, SAFETY OR WELFARE.

6. IT IS NECESSARY TO INVOKE N.J.S.A. 40A:11-6 (EMERGENCY PURCHASES AND CONTRACTS) IN ORDER TO OBTAIN THE DELIVERY OF THE MATERIALS, SUPPLIES, OR SERVICES DESCRIBED IN THE ATTACHED REQUISITION #. THE ESTIMATED COST OF FURNISHING THE MATERIALS, SUPPLIES OR SERVICES IS \$ _____

7. PERMISSION IS REQUESTED FOR APPROVAL TO ISSUE A PURCHASE ORDER WITHOUT OBTAINING BIDS, PURSUANT TO THE ABOVE CITED STATUTE.

8. I CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

DEPARTMENT HEAD _____ DATE _____

PURCHASING DIRECTOR _____

APPROVED BY COUNTY ADMINISTRATOR _____

EXHIBIT 8

**COUNTY OF GLOUCESTER
TRAVEL REQUEST FORM**

To: _____ (Treasurer)

From: _____ (Department Head)

Employee: _____ Travel Dates: _____

Department: _____ Destination: _____

PURPOSE: (detail): _____

COSTS:

Travel: _____

Lodging: _____

Registration: _____

Daily Expense: _____
(Max: \$50)

Other: _____

TOTAL: _____

Cost Budgeted: _____

Line Item: _____

Treasurer: _____ Date: _____

Freeholder Liaison: _____ Date: _____

Freeholder Director: _____ Date: _____

County Administrator: _____ Date: _____

EXHIBIT 9

NJ-REG

3-2011

STATE OF NEW JERSEY
DIVISION OF REVENUE
BUSINESS REGISTRATION APPLICATION

MAIL TO:
CLIENT REGISTRATION
PO BOX 252
TRENTON, NJ 08646-0252

*** NO FEE REQUIRED ***

Please read instructions carefully before filling out this form
ALL SECTIONS MUST BE FULLY COMPLETED

OVERNIGHT DELIVERY:
CLIENT REGISTRATION
33 West State St 3rd FL
TRENTON, NJ 08608

Hotline
(609) 292-9292

www.nj.gov/treasury/revenue/

REGISTRATION DETAIL

A. Please indicate the reason for your filing this application:

- Original application for a new business
- Moved previously registered business to new location (REG-C-L can be used in lieu of NJ-REG)
- Amended application for an existing business
Reason(s) for amending application: _____
- Application for an additional location of an existing registered business
- Applying for a Business Registration Certificate Employer of Domestic Household Employee(s)
- Withholding for Employee(s) residing in NJ (Not doing business or employing in NJ)

B. FEIN # OR Soc. Sec. # of Owner

Check Box if "Applied for"

C. Name _____
(If your business entity is a Corporation, LLC, LLP, LP or Non-Profit Organization, give entity name. IF NOT, give Name of Owner or Partners)

D. Trade Name _____

E. Business Location: (Do not use P.O. Box for Location Address)

Street _____
City _____ State
Zip Code
(Give 9-digit Zip)

(See instructions for providing alternate addresses)

F. Mailing Name and Address: (If different from business address)

Name _____
Street _____
City _____ State
Zip Code
(Give 9-digit Zip)

BUSINESS DETAIL

G. Beginning date for this business: _____ / _____ / _____ (see instructions)
month / day / year

O/C _____

H. Type of ownership (check one):

- NJ Corporation Sole Proprietor Partnership Out-of-State Corporation LLP Other _____
- Limited Partnership LLC (1065 Filer) LLC (1120 Filer) LLC (Single Member) S Corporation (You must complete page 41)

I. New Jersey Business Code (see instructions) Domestic (Household Employer)

FOR OFFICIAL USE ONLY

J. County / Municipality Code (see instructions) K. County _____
(New Jersey only)

DLN _____

L. Will this business be SEASONAL? Yes No

If YES - Circle months business will be open:

JAN FEB MAR APR MAY JUN JUL AUG SEPT OCT NOV DEC

M. If an ENTITY (Item C) complete the following:

Date of Incorporation: _____ / _____ / _____
month / day / year

State of Incorporation , Fiscal month

NJ Business/Corp. #

Is this a Subsidiary of another corporation? YES NO

If YES, give name and Federal ID# of parent: _____

N. Standard Industrial Code (If known)

O. NAICS (If known)

P. Provide the following information for the owner, partners or responsible corporate officers. (If more space is needed, attach rider)

OWNERSHIP DETAIL

NAME (Last Name, First, MI)	SOCIAL SECURITY NUMBER TITLE	HOME ADDRESS (Street, City, State, Zip)	PERCENT OF OWNERSHIP

BE SURE TO COMPLETE NEXT PAGE

**NJDOT Division of Local Aid and Economic Development
Summary of Project Management Eligibility Requirements for
Locally Administered Federal Aid Highway Projects**

Introduction

This document is intended to be used as a guide by LPA's in the development and implementation of procedures for projects using FHWA funds. Please note that this document is a summary of the federal requirements that must be met to establish an LPA's eligibility for funds. This document is not intended to be a comprehensive list of all federal requirements to be met once a project is authorized.

Each LPA seeking federal-aid funds must also complete NJDOT's Division of Local Aid's Federal Aid Highway Program Administrative Questionnaire. This questionnaire was developed to assess the LPA's accounting controls and administrative management systems.

The following areas must be addressed in each LPA's internal policy and procedure documents as a prerequisite to receiving federal aid funds.

Procurement of Professional Services— Consultant Selection

Consultant Services funded in whole or in part with FAHP funds must be procured and administered in accordance with the requirements of the Common Grant Rule, 49 CFR 18. In addition, contracts for engineering and design related services directly related to a construction project must also comply with the requirements of 23 U.S.C. 112 and 23 CFR 172.

Any LPA using Federal-aid funds for engineering and design related consultant services must have written procurement policies and procedures in accordance with 23 CFR 172.9. The written policies and procedures must address:

- Preparation of the consultant scope of work and cost estimate
- Solicitation, evaluation, ranking, and consultant selection
- Negotiation of reimbursement costs
- Monitoring of the consultant's work
- Consultant errors and omissions

Title 23 CFR 172 allows three procurement methods to be used to hire a consultant: competitive negotiation, small purchases and noncompetitive procurement. Competitive negotiation procedures generally apply and are commonly referred to as "qualification based selections". Qualification based selection requirements are defined by the Brooks Act, 40 U.S.C, and can be broken down into three steps:

1. Issuing a request for proposal, or RFP.
2. Selecting a consultant based on qualifications.
3. Negotiating a fair and reasonable cost and contract terms with the selected consultant.

Request for Proposal

1. The LPA must have a written procedure detailing their consultant selection process for federal-aid projects. This procedure must be approved by NJDOT for compliance to federal requirements.
2. The RFP must include a detailed scope of work, qualifications required, responsibilities, and deliverables.
3. The RFP must include an estimated schedule for the performance and delivery of the services.
4. The RFP must stipulate method of contract payment.

5. The RFP must clearly define the LPA's evaluation criteria used to assess and rate the firms including the scoring rate of each criterion.
6. The qualification based evaluation criteria may take into consideration qualifications of staff, prior similar work experience, past performance, workload capacity, and technical project approach.
7. In-state or local hiring preferences are prohibited.
8. Consideration of price or any element of cost in the evaluation is prohibited in the evaluation, ranking, and selection of the most qualified consultant.
9. The RFP must be advertised for a sufficient amount of time to solicit as many proposals from as many qualified consultants as possible.
10. The RFP process must allow fair and open competition by providing opportunities for in-State and out-of-State consultants.

Selection

11. All submitted proposals must be evaluated and ranked according to the evaluation criteria and scoring process outlined in the RFP.
12. The 3 most qualified consultants should be listed in order of preference.

Negotiations

13. The LPA must prepare an independent cost estimate that reflects the advertised scope of work to be used as the basis of negotiations.
14. Negotiation of costs and contract terms are conducted with the number-one ranked qualified consultant.
15. Only the tasks included in the RFP can be incorporated in the contract.
16. NJDOT is required to ensure the consultant contract is compliant with FAR cost principals when using federal-aid funds.
 - Allowable costs include those directly associated with the specific contract as well as overhead costs, also known as their indirect cost rate.
 - Only NJDOT approved overhead rates are used. Consultants that do not have approved overhead rates must be approved in accordance with NJDOT Procurement policies and procedures.
 - The approved overhead rate must be used for the purpose of estimating, negotiating, and making payment on the contract.

17. The methods of payment that shall be used are: lump sum, cost plus fixed fee, cost per unit of work or specific rates of compensation.

- **Lump Sum:** The lump sum method shall not be used to compensate a consultant for construction engineering and inspection services except when the agency has established the extent, scope, complexity, character and duration of the work to be required to a degree that a fair and reasonable compensation including fixed fee can be determined.
- **Cost plus fixed fee:** This method of payment reimburses the consultant for its direct and indirect costs (salary, overhead, direct expenses) in addition to a negotiated amount as a fixed fee. This type of agreement is typically used for projects where the level of effort is unknown or the final objectives cannot be fully identified or precisely defined.
- **Cost per unit of work:** This method is used when the cost per unit can be established with reasonable accuracy at the time of procurement, but the extent of the work is undefined. Payment is made based on a preset amount per unit of work performed.
- **Specific rates of compensation:** this method of payment reimburses the consultant for services based on direct labor hours at specific fixed hourly rates plus direct expenses/costs subject to an agreement maximum amount. The specific rates of compensation method should only be used when it is not possible to estimate the extent or duration of the work or to estimate costs with any reasonable degree of accuracy at the time of procurement.

18. The cost plus a percentage of cost and percentage of construction cost method of compensation shall not be used.

Contract Administration

19. The LPA must monitor the consultant's work throughout the life of the contract.
20. The LPA must be adequately staffed to oversee the work, and must provide one full time agency employee in responsible charge.
21. NJDOT will review invoices to ensure costs are consistent with FAR cost principals, contract terms, and progress of consultants work.
22. The LPA is required to evaluate the consultant's performance when the contract is complete.
23. All records pertaining to the consultant procurement and executed contract must be kept on file a minimum of 3 years following submittal of the final invoice.

Project Management

Responsible Charge

Title 23 CFR 635.105(a) (4) requires LPA's to provide a full-time employee to be in responsible charge of Federal-aid construction projects. The person in responsible charge of LPA administered projects need not be an engineer. The "responsible charge" requirement applies even when a consultant is providing construction engineering services.

The LPA responsible charge is accountable for the project and expected to perform the following duties and functions:

- Administers inherently Government project activities, including those dealing with cost, time, adherence to contract requirements, construction quality, and scope of Federal-aid projects.
- Maintains familiarity of day to day project operations, including project safety issues.
- Makes or participates in decisions about changed conditions or scope changes that require change orders or supplemental agreements.
- Visits and reviews the project on a frequency that is commensurate with the magnitude and complexity of the project.
- Reviews financial processes, transactions and documentation to ensure that safeguards are in place to minimize fraud, waste, and abuse; and
- Directs project staff, agency or consultant, to carry out project administration and contract oversight, including proper documentation.
- Is aware of the qualifications, assignments, and on-the-job performance of the agency and consultant staff at all stages of the project.

Federal regulations do not preclude the sharing of these duties and functions among a number of LPA employees, nor do the regulations preclude one employee from having responsible charge of several projects and directing project managers assigned to specific projects.

Construction Inspection

Title 23 CFR 635.105 requires projects receive adequate supervision and detailed construction inspection to ensure construction is completed in conformance with the approved plans and specifications. Likewise, LPA's are required to be adequately staffed and suitably equipped to undertake and satisfactorily complete this work. The LPA's detailed inspections and related source documents are the basis for payment of completed work. Title 23 CFR 635.123 requires LPA's to have procedures in place to inspect and verify delivery and quality of materials and ensure that work has been completed in accordance with the plans and specifications. Source documentation should be reflected in inspector reports, daily diaries and engineering calculations.

Source Documentation

Title 23 CFR 635.123 requires each LPA to adopt procedures that provide adequate assurance that the quantities of completed work on federal-aid construction projects will be determined accurately and on a uniform basis. All such determinations and all related source documents upon which payment is based must be a matter of record. Additionally, all source documents pertaining to the determination of pay quantities must be retained for three years after final payment and project close-out pursuant to 49 CFR 18.36 (J)(11).

Source documents are the LPA's handwritten receipt of exactly what was delivered, and how many or how much. They are the single most important form of documentation that substantiate quality and quantities and provide the required basis for payment to the contractor. Lack of source documentation can result in the loss of federal participation of funds. Source documents consist of notes/documentation of counts; measurements (length, width, depth, and slope); calculations of area, volume, weights; sketches; a statement of compliance with contract plans and specifications; field changes; comments; and delivery tickets collected and initialed by the Inspector at the point of unloading.

The LPA's procedures for source documentation must specify the following at a minimum:

- Delivery tickets are received before placement of materials
- Testing of materials is documented in the project files and referenced in daily inspection reports
- Form DC-29's are used for daily inspection reports and the instructions included on the DC-29's are followed. DC-29's are supplemented with field notes and photographs that tie the work being done to the plans, specifications and related contract documents.
(<http://www.state.nj.us/transportation/business/localaid/documents/DC29aWI.pdf>)
- Inspection reports are signed and dated by the inspectors.
- The Resident Engineer reviews and initials the daily inspection reports.
- The Resident Engineer prepares a summary of pay quantities based on the daily inspection reports
- The Resident Engineer uses the summary of pay items to develop periodic pay estimates for the LPA person in responsible charge. The summary of pay items must be used for comparison and negotiations of contractor payment requests. The LPA person in responsible charge must ensure proper payments are being made in accordance with the contract provisions. Upon acceptance of the negotiated contractor payment, a voucher request will be forwarded to the LPA financial officer for contractor payment. Once contractor payment is made, the LPA financial officer must prepare and submit a State voucher.
- Prevailing wage rate requirements of 23 U.S.C. and the Davis- Bacon Act must be met and documented in the LPA's project files.
- Environmental commitments and/or permit requirements must be met and documented in the daily inspection reports.

- All pedestrian facilities must be constructed or reconstructed in accordance with the American with Disabilities Act (ADA) of 1990; Section 504 of the Rehabilitation Act of 1973; 28 CFR Part 35.151 (e) and NJDOT Standard Construction Details.
- DBE requirements are monitored and enforced to ensure compliance with 49 CFR 26; the contract plans, specifications and related contract documents; the NJDOT Construction Handbook Section V, Subsection B and NJDOT DBE/ESBE Programs.
- Include provisions to identify the LPA's full time employee in "responsible charge" of the project.

Buy America

Title 23 CFR 635.410 requires that all steel or iron products permanently incorporated into a federal-aid project must be manufactured in the United States. This includes application of coatings.

Buy America requirements apply to the entire federal-aid project. Steel or iron products purchased with non federal funds are not exempt from this requirement.

Waivers are permissible in rare cases as specified in 23 CFR 635.410 (c) (1). Minimal use of foreign steel or iron is permissible if the costs of such materials does not exceed one-tenth of one percent of the total cost or \$2,500, whichever is greater as specified in 23 CFR 635.410 (b)(4).

The LPA responsible charge is responsible for receiving the Buy America certification at time of delivery and prior to the steel or iron product being incorporated into the project. The Buy America certification must be current, signed, and dated and be specific to the materials

DBE Compliance

Title 49 CFR 26 requires that Disadvantaged Business enterprises (DBE's) have an equal opportunity to receive and participate in federal-aid assisted construction contracts. The LPA is responsible to award federal-aid contracts to only those bidders who make a good faith effort to meet the DBE goals established by NJDOT's Civil Rights Contract Compliance Unit. The LPA must continuously monitor DBE participation as the project progresses and is responsible for ensuring the contract goals will be met at the time of project completion. Failure to comply with DBE goal requirements may result in the loss of federal funding. The LPA's responsibilities include:

1. Verification of Recommendation to Award memorandum and Form CR-266F, "Schedule of DBE/ESBE Participation (former "Form A") to determine status of the subcontractors to monitor DBE/ESBE compliance.
2. Monitor participation by comparing contractors DBE/ESBE/SBE goal commitments against each Form DC-18, "Request for Approval to sublet". Cross check the Daily Work Reports with each affected Form DC-18, the Recommendation to Award, and the Form CR-267, Monthly Report of Utilization of ESBE/DBE or SBE.

3. Utilize Daily Work Report to document on-site monitoring of stipulated DBE work items and contractor performing the work to insure compliance.
4. The person in responsible charge must be made aware of non-compliance issues and direct the contractor in writing to comply with these requirements. Revisions can only be made to the approved DBE/ESBE/SBE program upon submission of a revised Form CR 266 by the contractor and review and approval by NJDOT.
5. Any DBE/ESBE/SBE goal commitments not fulfilled must be supported by Good Faith Effort documentation and reviewed and approved by NJDOT based on the guidance set forth in 49 CFR 26 Appendix A.

Project Schedules, Project Progress, Contractor Payment, Contract Completion

Contract Changes

Title 23 CFR 635.120 and Section 104.03 of the NJDOT Standard Specifications governs changes in plans and specifications, and extra work. Deviations from the contract requirements shall not occur unless the Resident Engineer issues a written field order or a Change Order is approved by the Department. Change Orders require written justification: breakdown of costs and quantities; and timely approvals. Contract changes and progress of work must be monitored daily. Types of changes include quantity increases and decreases; new work; and changes in the character of work.

Contract line item overruns are not permissible without NJDOT approval. Any sum in excess of the contract's current authorized funding amount cannot be expended until a Change Order is approved by NJDOT. All new or supplemental costs must be negotiated, itemized and justified. All documentation including a cost analysis of each negotiated cost must be included in the Change Order request and maintained in the project file.

Time shall always be evaluated as part of a change order. Extensions in contract time related to contract changes or extra work will only be granted for excusable, compensable delays as defined in Section 108.10 of the NJDOT Standard Specifications.

Contract Time

Contract time must be specified in the bid documents for all federal-aid projects, monitored by the local public agency each work day, and documented. A pre-construction conference shall be promptly scheduled following contract award and a Notice to Proceed (NTP) issued specifying the NTP date, project duration, and contract completion date.

Delays in work progress and completion result in delays in the use of the project, inconvenience to the public and increased inefficiencies leading to additional costs incurred by the NJDOT and the LPA for engineering, inspection, and contract administration. The NJDOT Standard Specifications summarizes it simply by stating "Time is of the essence as to all time frames stated in the Contract." Every effort should be made to establish contract times that have the shortest practical durations.

Contract time extensions will only be granted for excusable delays specified in Section 108.11 of the NJDOT 2007 Standard Specifications. Contract time extensions must be submitted and approved by Change Order as the project progresses and at the time an excusable delay occurs.

Liquidated Damages

Liquidated damages must be specified for all federal-aid projects. Liquidated Damages are defined as the daily amount set forth in the contract to be deducted from the contract price to cover additional costs incurred by the local public agency because of a contractor's failure to complete work within the specified Contract Time.

Liquidated damages must be assessed by the LPA for each day the contractor fails to complete work within the specified Contract Time. Failure to assess liquidated damages by the local public agency in accordance with the contract bids documents and federal-aid requirements may result in the loss of federal participation of funds.

Progress Schedules

The LPA is responsible for providing a progress schedule and monitoring contract progress to evaluate impacts to contract time pursuant to Section 153 of the NJDOT Standard Specifications.

Progress payments are compensation for the value of work performed during a covered period as specified in Title 23 CFR 635.123. The LPA is responsible for documenting the project's progress, contractor payments, and contract completion to ensure adherence to the approved project schedule and specified contract time.

Disposition of Change Order Protests

Title 23 CFR 635.109 prescribes standardized changed conditions contract clauses for differing site conditions; suspensions of work ordered by the engineer; and significant changes in the character of work on all federal-aid construction projects. The LPA is responsible for resolving protests to change orders in accordance with 23 CFR 635.109 and Section 104.03.02 of the NJDOT 2007 Specifications.

If the contractor disagrees with any terms or conditions of a Change Order, a written protest must be submitted to the LPA within 15 days of receipt of the Change Order. The LPA will notify the NJDOT as soon as possible. (Agreement language and claims language; NJSA 59:13-1)

Submission of a written protest does not relieve the contractor from the obligation to proceed with work as directed by an approved change order.

Questions regarding federal-aid compliance can be directed to one of NJDOT's Local Aid District Offices. District Office contact information can be found on the Local Aid website at:
<http://www.state.nj.us/transportation/business/localaid/>

The "Summary of Project Management Eligibility Requirements for Locally Administered Federal Aid Highway Projects" and the "Division of Local Aid's Federal Aid Highway Program Administrative Questionnaire" can also be found on the Local Aid website.

NJDOT Division of Local Aid and Economic Development Summary of Project Management Eligibility Requirements for Locally Administered Federal Aid Highway Projects