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6470 PAYMENT OF CLAIMS

A. Receipt of Goods and Services

1. The administrator who receives goods or services shall check them against the purchase order issued and determine whether the goods or services delivered meet the specifications and quantities set forth in the purchase order.
2. The receiving administrator will record his or her approval of the received goods or services on the receiving copy of the purchase order and return it to the Business office. A copy of the purchase order will be retained by the receiving administrator.
3. Any over-supply, shortage, substitution, or other discrepancy must be reported immediately to the School Business Administrator/Board Secretary or designee.

In accordance with the District Purchasing Manual, only duly authorized purchases will be paid for by the District.

Authorized Purchases

All requests for purchases of materials, supplies, and services must be made through a signed and approved purchase order.

A purchase order pursuant to State Law N.J.S.A.18A:18A-2(v) is a document issued by the Business Administrator authorizing the work or service to be done, and/or the materials, and supplies to be delivered to our school district.

Penalties for Unauthorized Purchases

Any Paterson Public Schools employee who orders and/or receives any materials, supplies or services without first going



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through the approved purchase order process has made an unauthorized purchase.

Unauthorized purchases are a violation of State Law and District Policy.

No person acting in an administrative/supervisory capacity is authorized to instruct anyone who is his/her subordinate to order any materials, supplies, and services outside of a signed and approved purchase order.

All un-authorized purchases generated as a result of instruction of a superior, to a subordinate, circumventing the approved purchase order system, will be the responsibility of the superior who initiate the purchase through instruction.

Penalties listed below shall be assigned by the Superintendent of Schools for unauthorized purchases:

First Offense	Letter in Personnel File	Pay for Purchase
Second Offense	Suspension	Pay for Purchase
Third Offense	Loss of Increment	Pay for Purchase
Fourth Offense	Loss of Employment Tenure Charges	Pay for Purchase

B. Approval of Invoice

1. The School Business Administrator/Board Secretary or designee shall verify the vendor's invoice for the correct billing price and check the invoice for accurate extensions and omission of tax.
2. The School Business Administrator/Board Secretary or designee shall attach the vendor's invoice and voucher, if a voucher is necessary, to the copy of the purchase order received from the requisitioner certifying satisfactory completion.



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3. If the invoice price exceeds the purchase order price the invoice will be referred to the School Business Administrator/Board Secretary, who will only approve a payment amount in excess of the approved purchase order amount in accordance with the provisions of Policy 6470 and N.J.A.C. 6A:23A-6.10.
 4. If extensions are incorrectly calculated, the invoice will be returned to the vendor for correction.
 5. If tax has been charged, the invoice will be returned to the vendor for correction with a copy of the district's tax exemption certificate.
 6. If goods or services received were not satisfactory, the receiving officer and the vendor will be consulted in order to reach a resolution satisfactory to all parties.
 7. The verified invoice, voucher (if necessary), verified receipt, and all accompanying papers will be forwarded to the School Business Administrator/Board Secretary or designee.
- C. Issuance of Warrants
1. The School Business Administrator/Board Secretary or Superintendent may prepare warrants for expenditures for which the Board has waived approval and which are listed in Policy No. 6470:
 - a. Interest on bonds as it becomes due,
 - b. Payments to redeem bonds as they become due,
 - c. Progress payments to contractors in accordance with a contract approved by the Board,



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- d. Warrants to cover payroll and approved agency account deposits,
 - e. Claims/checks not exceeding \$100,000 in amount,
 - f. Tuition contracts payments, and
 - g. Early childhood providers.
2. Expenditures made without prior Board approval must be reported to the Board at its next meeting after the warrant is drawn.
 3. All other demands for payment will be submitted to the Board.
 4. In accordance with Policy No. 6470, claims must be submitted to the Board in the form of a list that includes the:
 - a. Number, amount, and date of the warrant,
 - b. Payee,
 - c. Reason for the expenditure, and
 - d. Account charged.
 5. When the expenditure has been approved, the authorized Business office staff member will debit the correct account and credit the encumbrance.
 6. A warrant will be prepared for the payment of goods or services. The warrant number will be recorded on the file copy of the vendor's invoice.
 7. All warrants shall be signed by the Board President, the Board Secretary, and the Treasurer of School Moneys.



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Each warrant will have an imprint of the signatures of the Board President, Board Secretary and the Treasurer of School Moneys affixed by the computerized system when the warrants are printed.

The computer system used to prepare warrants and affix signatures shall have appropriate security software to assure that unauthorized individuals do not have access to the system.

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