

**CITY OF NORTHFIELD, NJ
ORDINANCE NO. 4-2018**

**AN ORDINANCE TO ESTABLISH CLAIMS
AND PURCHASING PROCEDURES**

15A-1. General policy.

No article or service shall be contracted for or purchased by any department, board, agency or office of the City of Northfield except in accordance with the procedures set forth herein. The City of Northfield will not be bound by any purchase or contract made contrary to this policy, and any employee or representative of the City of Northfield who violates the policy may face disciplinary action, as well as personal liability for any costs or obligations improperly incurred.

15A-2. Standard purchasing procedures

A. Requests for Purchases

1. The initial step in the purchasing cycle is the preparation of a request for purchase, which is a form used to request goods, materials and services. The request for purchase should be typewritten, printed or in electronic format and forwarded to the Chief Finance Officer, or designee, for approval.
2. The department head should request only purchases for budgeted items. Non-budgeted items or services shall require the prior approval of the Council person in charge of that particular department. Such purchases, if of an emergent nature, will be processed using the emergency procedures. Adjustments to the department's budgeted items should be considered when purchasing non-budgeted items.
3. Request for purchase. The following information is required for all requests for purchase.
 - a. Vendors complete name and address.
 - b. Full name of the department requesting purchase
 - c. Date of request
 - d. Required delivery date
 - e. Delivery address
 - f. Quantity
 - g. Description/stock number. Be as specific as possible. The description should include model number, size and full specifications of the required purchase.
 - h. Price per unit.

- i. Total amount, including shipping charges. While every attempt should be made to determine the total price, it may be necessary on occasion, to estimate shipping charges.
- j. Signature of the department head approving purchase.

B. The request for purchase should be submitted well in advance of the time the goods, materials or services are needed to allow sufficient time for review and preparation of specifications, advertisements for bids (when required) or for the solicitation of information and/or quotations for more difficult purchases.

C. The request for purchase should be forwarded to the Chief Financial Officer, or designee, who will review and make necessary consolidations and standardizations with the requests of other departments. Requesting units should be advised and consulted when standardizations are made. Based on the total and aggregated dollar amount of the purchase request, written specifications and sealed bids for informal solicited quotations may be required. State-approved contract vendors or cooperative pricing systems vendors pursuant to N.J.S.A:40A:11-11(5) may be used to fulfill the contracting unit's needs. **Before any formal commitment is made to a vendor and prior to the issuance of a purchase order, the availability of funds must be determined pursuant to N.J.A.C. 5:30-14.5**

D. If the purchase cannot be approved, the Chief Financial Officer will provide the department head with a written explanation. In the case of an emergency, the preparation and release of a purchase order is the sole and exclusive duty of the Chief Financial Officer.

E. After encumbering the funds, the Chief Financial Officer shall prepare a combined purchase order and claim for payment, which shall include the following information:

1. The vendor's name and address
2. Purchase order number. Purchase orders should be consecutively numbered
3. The full name of the department and account number to be charged.
4. The date the purchase order is prepared
5. Delivery address
6. Specific data relative to the quantity required and shipping unit
7. Full description of items or services to be purchased
8. Exact price of each unit
9. Total dollar amount
10. State contract number of the vendor, if applicable. If a bid item, the date of the award or the bond ordinance number
11. Total cost for all items on the purchase order
12. Signature and date of the Chief Financial Officer, or designee, certifying that funds are available and encumbered.
13. Vendor's certification: signature of the vendor, if required, and the date

14. The certification by the department head that the goods and/or services have been received. Upon receipt of the order, the department head shall certify the goods received and return the voucher to the Chief Financial Officer with the invoice to process for payment.
15. Final approval. The voucher will be sent to the City Administrator by the Chief Financial Officer for review and recommendation for payment prior to final approval by the Council.
16. Date of payment and check number will be inserted by the Chief Financial Officer when payment is made

15A-3. Emergency purchases

Emergency purchases shall only be authorized when a situation requires the immediate purchase or delivery of goods or services to meet an actual danger to the public's health, safety or welfare. The department head seeking the purchase shall contact the Chief Financial Officer to receive approval for the expenditures, and certification of availability of funds. On the next working day following the emergency, the department head shall submit a written report to the Chief Financial Officer describing the emergency and the steps taken to resolve the matter. The Financial Officer will then prepare the purchase order and obtain all required approvals.

15A-4. Bill List

A detailed listing of all bills ready for payment shall be prepared by the Chief Financial Officer, or designee, for City Council's approval at their regularly scheduled Council meeting. The approved bill list shall be included in the official minutes of the meeting. The bill list shall be recorded in a manner approved by the Director of Local Government Services and kept available for public inspection.

15A-5. Signatures

All municipal checks will be signed with two out of three signatures. These signatures will be of City officials that will be authorized by resolution at the annual reorganization meeting of City Council.

15A-6. Payment

- A. No payment will be made unless duly authorized by the owner's authorized representative and accompanied by proper documentation. Vendor certification is required only for employee reimbursements or advances, professional services, and good and services provided exclusively and entirely by an individual (e.g. sole proprietor).
- B. The City of Northfield defines the billing date for payment, final and retainage payment as the date the bill is received by the local unit.

C. As per N.J.S.A 2A:30A-1, the City of Northfield operates under the alternative procedure; therefore, the following provisions apply:

1. The 20th calendar day deadline of the default procedure to approve and certify, or decide to withhold full or partial payment, is deferred until the public meeting following 20 calendar days of the billing date, at which time the bill must be approved for payment or notice as to why the bill or any portion of it will not be approved.
2. If the bill is approved, the thirty-day payment requirement of the default is replaced by the requirement that the bill be paid in the payment cycle following the meeting.

D. Upon approval by the City Council, checks shall be available no later than two business days after the meeting where approval was granted.

15A-7. When effective.

Effective Date. This Ordinance shall take effect according to law after final passage and publication.

Repealer. All Ordinances or parts of Ordinances inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Severability. If any Section or part of this Ordinance is deemed to be invalid or illegal in any Court of competent jurisdiction then said part is severable from the Ordinance as a whole and the remaining sections or parts of this Ordinance shall remain in full force and effect.

Mary Canesi, RMC
Municipal Clerk

Erland Chau
Mayor

The above Ordinance was introduced and passed on its first reading at a regular meeting of the Common Council of the City of Northfield, New Jersey held on May 29, 2018, and was taken up for a second reading, public hearing and final passage at a meeting of said Council held June 19, 2018 in Council Chambers, City Hall, Northfield, New Jersey.

FIRST READING: May 29, 2018
PUBLICATION: June 9, 2018
SECOND READING: June 19, 2018
PUBLICATION: June 23, 2018

Roll Call:

Aye: Korngut, Lischin, O'Neill, Perri, Travagline, Dewees

Nay:

Abstain:

Absent: Murray