

# DISTRICT OF COLUMBIA METROPOLITAN AREA DIETETIC ASSOCIATION PURCHASING POLICY

APPROVED, NOVEMBER 18, 2013

## RATIONAL FOR POLICY:

This policy ensures that any person making a purchase on behalf of the District of Columbia Metropolitan Area Dietetic Association (DCMADA) follows appropriate purchasing procedures, that adequate cost controls are in place, and that event-planning, travel, and other expenditures are appropriate.

**When handling all financial matters, DCMADA expects individuals to exercise discretion and good business judgment, be cost-conscious and spend DCMADA's money carefully and judiciously, and to report actual expenses and provide required documentation.**

## POLICY AND PROCEDURES

- 1) All purchases made on behalf of DCMADA must be pre-approved by the DCMADA Board of Directors (BOD).
- 2) Before purchasing a product or service, DCMADA BOD members or volunteers must:
  - a. Determine vendor selection.
  - b. For items over \$500:
    - i. At least three competitive bids must be obtained.
    - ii. Bids must be reviewed with planning committee or Executive Committee of the BOD before making a final decision.
- 3) When purchasing items or services on behalf of DCMADA, members or volunteers must:
  - a. Pay for services after they are rendered. If prepayment is requested by a vendor, a deposit can be paid by DCMADA before services or products are rendered or received. Exceptions to this provision will be considered by the BOD.
  - b. The Treasurer can pay for the services or products by check or with the DCMADA credit card. A planning committee member may also pay for pre-approved services/products and request reimbursement from DCMADA according to the provisions outlined in the DCMADA General Expense Reimbursement Policy.
  - c. Purchases of over \$300 should be made using the DCMADA purchasing card rather than by individual BOD member (who will then seek reimbursement).
- 4) Once the line items for the general budget are BOD-approved, the following individual purchases are not subject to Board approval before purchasing a product or service:
  - a. Business-related travel, lodging, and meals.
  - b. Postage for mailing.
  - c. DCMADA voicemail services.
- 5) If a vendor requires DCMADA to sign a contract for services, the following procedures must be followed:
  - a. All contracts and agreements must be in the name of DCMADA.

- b. Members of the BOD will not commit DCMADA to an arrangement until the agreement is in writing and approved accordingly.
- c. Contract signing:
  - i. The planning committee chairperson must submit the contract to the President and Treasurer for review. The President and/or Treasurer will review the terms of the contract and grant approval before the committee chairperson signs the contract. No contract should be initiated in the name of DCMADA unless it has been approved by the President and the Treasurer.
  - ii. Before signing any contract, the planning committee members and chairperson should be sure to read all its provisions and understand what DCMADA and the other parties are agreeing to. The planning committee chairperson's signature on a contract, even if signed on behalf of DCMADA, means that he/she as an individual could be held personally liable for any legal or financial issues that may arise.
  - iii. Seek advice from the President or Treasurer if unsure about any terms or conditions in the agreement.
  - iv. Make sure the event is BOD-approved and the facility reserved prior to signing a contract.
  - v. Be sure any attachments, exhibits, or appendices, mentioned in the contract are attached to the document that is signed.
  - vi. The Treasurer will be responsible for retaining the contract records per the DCMADA Treasurer Policies and Procedures within the official Treasurer's financial records. A copy should be kept for the committee chairperson's records.
- d. Contract payment procedures:
  - i. Pay for services after they are rendered. If prepayment is requested by a vendor, a deposit can be paid by DCMADA before services or products are rendered or received. Exceptions to this provision will be considered by the Board of Directors.
  - ii. The Treasurer can pay for the services or products by check or with the DCMADA credit card. A planning committee member may also pay for pre-approved services/products and request reimbursement from DCMADA according to the provisions outlined in the DCMADA General Expense Reimbursement Policy.