



BOARD OF REGENTS

College of the Marshall Islands

Accredited by the Western Association of Schools and Colleges

P.O. box 1258
Majuro, Marshall Islands, MH 96960

Tel: (692) 625-3291/3843
Fax: (692) 625-7203
Email: bor.regents@cmi.edu

CMI POLICY NO: 270

Purchasing and Account Payable Policy

Status: Approved
Effective Date: October 1, 2021
Approval Date: December 1, 2021
Steward: Board of Regents
Approval Authority: Board of Regents

Policy Statement

Appropriate policies and procedures will be implemented to ensure proper accounting for the approval, acquisition, storage, and disposal, tracking and recording of all assets purchased by the College.

All equipment, goods and services acquired for the College from sources outside the College are to be purchased through the Purchasing Department. All requests for products or services are to be referred to the Procurement Officer. No commitments should be made with any vendor without a purchase order issued by the Purchasing Department.

College policy prohibits the purchase of any equipment, goods, or services through the Purchasing Department for the personal use of any member of the College faculty or staff.

The College's credit card shall be used to purchase airfares and other off-island purchases deemed necessary. The use of personal credit cards for college purposes is prohibited unless specifically approved in advance by the VPBAA or the President.

All Federal Program purchases that are more than Three Thousand Five Hundred Dollars (\$3,500) should have three quotations, or need proper bidding if the amount is Twenty Five Thousand (\$25,000.00) or more.

General Fund purchases that are less than Three Thousand Five Hundred Dollars (\$3,500) need at least one quotation.

General Fund purchases that are more than Three Thousand Five Hundred Dollars (\$3,500) but less than Twenty Five Thousand Dollars need three or more quotations and are subject to review and approval by the VPBAA.



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Big purchases or purchases that are more than Twenty Five Thousand Dollars (\$25,000.00) are subject to competitive bidding and must be advertised publicly.

The FABS Director takes the information from the Chief of Procurement or Department Head and develops an (RFP) Request for Proposal or a Bid Announcement. The RFP is delivered to all vendors and may be advertised locally and internationally. The CMI Bid Committee is composed of the VPBAA, EVP, VPASA, Chief of Procurement and the Director of FABS. The Bid Committee will do the selection of the Vendor to ensure that the proper vendor is selected. The approved bid shall be forwarded to the President for final approval.

Reason for the revision of the Policy

The College seeks to improve efficiency and improve internal controls in the College's business processes. The updated policy is needed as part of its cost-savings effort by optimizing time spent to collect price quotations for small purchases. The demonstrated improvement in internal control and strengthened training and capacity, allows for this change.

Definitions

Small Purchase Threshold - Purchases that are equal to \$3,500 or greater and less than \$25,000 (including purchases using all CMI funds).

Statements of Elaboration of Policy

n/a

Cross References to Related Policies

CMI Year-End Closing Policy

Responsible Officer

- VPBAA
- FABS Director
- Chief of Procurement



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- Accounts Payable Accountant
- Department Heads

Key Offices to Contact Regarding the Policy and its Implementation

- Office of VPBAA
- FABS Director Office
- CMI Business Office

President's Signature

December 1, 2021

Dr. Irene J. Taafaki

Date