



**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@cni.edu

**COLLEGE OF THE MARSHALL ISLANDS**

**BOARD RESOLUTION-No: 2021 - 017**

***“A RESOLUTION TO APPROVE THE REVISED PURCHASING AND ACCOUNT  
PAYABLE POLICY”***

**WHEREAS**, the College of the Marshall Islands’ Islands’ Finance, Risk and Assessment Committee recommend to the CMI Board of Regent OF the College the recommended revision to the *Purchasing and Account Payable*; and

**WHEREAS**, the College shall develop appropriate procedures to support and enhance the implementation of the new changes; and

**WHEREAS**, the College of the Marshall Islands shall continuously provide necessary trainings for the CMI staff that are responsible for the proper implementation of the policy; and

**NOW, THEREFORE, BE IT RESOLVED:**

That the Board of the College of the Marshall Islands accepts the Proposed Changes to the Revised Purchasing and Account Payable Policy attached.

I, **Kathryn Relang**, Chair of the Board of the College of the Marshall Islands, do hereby certify that the above is a true and correct copy of a resolution adopted at the meeting of the Boards College of the Marshall Islands on December 1, 2021 at which a quorum was present and voted.

**Kathryn Relang**  
Chair, Board of Regents  
College of the Marshall Islands



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## **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

Dr. Irene J. Taafaki

December 1, 2021

Date