



Day&Zimmermann

We do what we say.®

Policy: Purchase Orders and Subcontracts Processing

Policy No.: 1331-03

Responsible Officer: Senior VP Finance and CFO

1.0 Upon receipt of a fully approved SAP Requisition, the SC Strategic Sourcing Specialist will document commitments issued to suppliers/subcontractors for the procurement of goods or services by a SAP Purchase Order or other written agreements such as Consultant Agreement, Licensing Agreement, or via Notice to Proceed including pricing, schedule, quality and warranties. All appropriate terms and conditions including client flow-downs will be stipulated in the Purchase Order, Subcontract or written agreement.

2.0 The Supply Chain Organization is an agent of the Company and the only organization authorized to commit funds on behalf of the Company for the procurement of goods and services with the exception of Independent Contractor commitments and low dollar value incidental purchases as governed by the P-Card, as referenced in [Policy 1327](#). A written agreement is required and executed by the goods or services provider and a SC Supply Chain Specialist prior to commencement of work or procurement of goods.

3.0 Services performed by an outside entity on behalf of the Company, or the Company's client, must be covered by a contract, subcontract, master services or teaming agreement. The Company's standard terms and conditions consistent with federal and statutory compliance in the country where goods and services are provided will accompany any of the above documents when authorizing work or procuring goods and/or services.

4.0 SC Strategic Sourcing Specialists who support government contracts must refer to the detailed policies/procedures in the Business Group.

5.0 Where deemed appropriate, a supplier's contract may be utilized for purchasing commitments on behalf of the Company. However, this written agreement will be reviewed and if necessary, modified by the Supply Chain Organization and/or Law Department to ensure that the Company's interests are protected in certain areas, for example, pricing, liability protection, warranty, insurance, client requirements, indemnification, and other areas of risk distribution.