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PROCUREMENT POLICY

1. **Purpose**
   This policy governs the acquisition of goods and services required for Creative to conduct work for clients and for internal use.

2. **Scope**
   This policy applies to all employees of Creative.

3. **Responsible Department**
   The Procurement Department is responsible for administering and enforcing this policy.

4. **Definitions & Abbreviations**
   N/A

5. **Policy Statement**
   The Procurement Department is responsible for the procurement of quality products and services in the most cost-effective manner and to satisfy the Company's requirements on a timely basis while maintaining the highest ethical standards. The Procurement Department is granted authority to execute all procurements that have been properly approved through Creative's authority matrix and to institute procurement procedures that achieve the procurement goals of the Company.

   Procurement staff are expected to be free of interests or relationships that are actually or potentially detrimental to the Company. They shall not engage or participate in any commercial transaction involving the Company in which they have an undisclosed interest. In addition to being in violation of the employee's duty of loyalty to Creative, improper relationships with vendors are at odds with the Company's goal of treating fairly and impartially all persons and entities engaged in business dealings with Creative.

   Creative will acquire goods and services from sources that will enable Creative to operate in the most professional, transparent and cost-efficient manner consistent with contractual obligations, Government regulations, corporate policy, and sound business practices.

   All products and services purchased by Creative will conform to specified purchase requirements. The type and extent of control applied to the supplier and the verification of the purchased products and services shall be dependent upon the effect of the purchased product or service on subsequent delivery of services to Creative, its subsidiaries and its clients. Local consultants, hired under STTA consultant agreements, shall be considered a procurement of labor and governed by procurement policies and procedures. .

Creative evaluates and selects suppliers based on their ability to supply product in accordance with specified requirements. Creative establishes and utilizes criteria for selection, evaluation, and re-evaluation of suppliers and communicates to its suppliers its evaluation of performance requirements. Records of the results of evaluations and any necessary actions arising from those evaluations are maintained in the procurement files.

Goods and services will be obtained from both large and small businesses as described in the Procurement Procedure maintained by the Procurement Department within Field Administration. Whenever appropriate, Creative encourages the use of qualified Small Business, Small Disadvantaged Business (SDB), Women Owned Small Business (WOSB), HubZone, Veteran Owned Small Business (VOSB), and Service Disabled Veteran Owned Small Business (SDVOSB), and other socioeconomically disadvantaged classifications as may be added from time to time. Contracts and subcontracts will be awarded to those organizations who offer the best value, product or professional or technical expertise that meet the needs of Creative, its subsidiaries and its clients.
Failure to follow the provisions of this policy with respect to acquisition of goods and services may result in disciplinary action up to and including termination.

Procurement Department Management
The Procurement Department is led by the Director, Procurement under the direction of the Senior Director for Field Administration. The Director serves as the single point of contact for all procurement and procurement systems.

Procurement Records
Complete and accurate records are necessary for the documentation of all procurement bids, awards, and disposition. Records of such procurement actions shall be maintained by the Procurement Department. Records may be reviewed by executive management and any internal functional organization as upon request.

Relations with Vendors
Sound business relations with vendors are essential for maintaining a dependable, competent source of supply for the uninterrupted flow of quality goods and services. Procurement is the primary source of contact and channel of communication with all vendors. Honesty, integrity, confidence and tact should be employed by procurement staff to establish and maintain mutually satisfactory bonds of respect and understanding with vendors. These relationships enable procurement staff to enhance the reputation of the Company in the course of their duties, building goodwill that will serve the Company well in all of its activities.

Risk Management
It is the Company's policy to ensure that Creative's interests and assets are protected by ensuring that the terms and conditions of awards to suppliers are in the Company's interests and by ensuring that suppliers offer favorable return and

warranty policies. Procurement staff will use discretion in specifying progress payments, retainage, holdbacks, and other accepted methods when using contractors/service providers.

Hiring Project-based Procurement Manager
The recruitment and selection of the project-based Procurement Manager (or person responsible for the function) must be done in coordination with the HQ Procurement Director, including reviewing credentials and conducting interviews with final candidates. The selection and appointment of this employee must be approved by the HQ Procurement Director. The Procurement Manager cannot be removed without the express approval of the HQ Procurement Director.

6. Additional Authority and References

- Exceptions to this policy can only be authorized by the HQ Director of Procurement or CEO.