



ABP Corporate Policy

Vendor Management Policy

The Vendor Management Policy ensures that the American Board of Pediatrics (ABP) effectively manages the lifecycle of all vendor relationships in order to responsibly steward resources and minimize the inherent risk associated with engaging third parties to perform services.

VENDOR MANAGEMENT PROGRAM

The ABP supports sustaining and promoting a vendor management program based on the understanding that departments are in the best position to determine what they need to run their programs. The department has the responsibility to identify the requirements for the product or services being contracted or purchased, identify the risks associated with the contract or purchase, and manage the vendor's performance against the identified requirements and risks.

As the dollar value, risk, and complexity of a purchase increase, so does the level of authority and responsibilities required for the ABP to approve the contract. The Accounting, Privacy, Operations, and other departments will analyze the vendor and contract to ensure that the financial, security, privacy, legal, reputational, and other risks are evaluated and mitigated. For an individual or aggregate purchase totaling \$10,000 or more in one year, the vendor must appear on the approved vendor list. For construction projects in excess of \$25,000, the general contractor is required to submit a lien affidavit for each invoice. Competitive bidding may be required for contracts that are expected to exceed \$50,000 or if there is a conflict of interest, unless the President and CEO approves an exception in rare cases. The ABP encourages departments to include small and minority business owners to participate in the competitive bidding process.

ETHICAL BUSINESS POLICIES

Ethical business standards shall govern all procurement transactions and contracts. These standards are found in the following three policies: the Conflict of Interest Policy, which identifies perceived and actual conflicts of interest and describes the risk mitigation plan to be activated when a conflict of interest arises; the ABP Code of Ethics Policy, which outlines the expectations to conduct ABP business activities with the highest standards of ethical conduct; and the ABP Guidelines for Conduct, which outlines the behaviors and responsibilities expected of all ABP employees.

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Last Revision Approved by the Board of Directors/Executive Committee: 07/20