

**MINNESOTA SECTION 1203
AMERICAN SOCIETY FOR QUALITY
SECTION POLICY**

POLICY NUMBER: MSP-F-009	SUBJECT: Section Contracts
ORINATION DATE: 9/15/99	ACCOUNTABILITY: Section Treasurer
APPROVAL DATE: 11/2/99	APPROVAL BY:
REVISION DATE: 5/7/02	PAGE NO: 1 OF 2

1.0 OBJECTIVE

1.1 The objective of this policy is to define acceptable practices for contractual commitments within the Section and its member units.

2.0 RELATED POLICIES AND PROCEDURES

2.1 The Bylaws of the American Society for Quality.

2.2 The Bylaws of the Minnesota Section of the American Society for Quality.

3.0 SUPERSEDES

3.1 MSP-F-11/02/99

4.0 SCOPE

4.1 This policy is applicable throughout the Section. The Section Executive Board, its officers, and Section member units will apply contractual commitments as described herein.

4.2 This policy is applicable to Subsections, Task Groups, Student Branches, special committees and other units of the Minnesota Section who may involve the Section in contractual commitments.

5.0 TERMS AND DEFINITIONS

5.1 Section: The term Section shall apply to all entities of the organization chartered as Minnesota Section 1203 - American Society for Quality.

5.2 Member Units: This policy refers to all organizations defined in Section 4.2 above.

6.0 CONTRACTUAL REVIEW

6.1 Contractual review by any member unit shall consist of:

6.1.1 Review of contract to assure minimum requirements are defined both for the contractor and for the Section.

6.1.2 Review contract prior to approval to establish commitment by the Section does not exceed the Section's budgetary plan, legal authority or legal commitment.

6.1.3 Review of contract to negotiate best possible outcome for the Section.

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- 6.1.4 Review of contract to avoid legally binding the Section to commitments beyond the tenure of the current Executive Board without the signed approval on the contract by the Chair Elect.

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6.1.5 Advising the responsible Executive Board member(s) of pending contractual commitments.

6.1.6 Contracts which exceed budgetary plan must be submitted to the Treasurer for review. Contracts reviewed by the Treasurer which remain in excess of budgetary plan must be approved by the Section Executive Board.

6.2 The Section Treasurer is responsible for supplying insurance coverage verification for sites which require proof of liability coverage.

7.0 PROCEDURE

7.1 Contracts which meet 6.1 are to be submitted to the Section Treasurer and approved by the responsible Executive Board member.

7.2 The Section Treasurer and/or Executive Board member will review and advise/recommend modifications to the Section Executive Board to bring the contract into compliance with Section policies and budgetary constraints.

7.3 Contracts that cannot be resolved per 7.2 will be re-negotiated by the responsible Executive Board member or submitted to the Executive Board for approval.

8.0 APPROVAL

8.1 Approved by the Minnesota Section ASQ Executive Board:

Section Chair

Section Secretary

Date