Date Filed: September 17, 2026

Witness: Craig Dikeman and Matthew J. Correia
Request from: Office of Education, Outreach, and Enforcement

Question:

(PROCUREMENT PROCEDURES) Refer to Response to EOE-046. The Company's response identified the requirements for purchases greater than $50,000 (i.e., competitive bids, sole source justifications, or documented exceptions) and included a note that states "[t]he requirement to document the exception was introduced in August of 2025." Explain why the documented exception process was only introduced in August of 2025 and discuss what standard(s) existed prior to the new requirement.

Response:

The Company updated its Procurement Policy in August 2025 to strengthen recordkeeping, enhance transparency, and ensure consistent compliance across procurement activities. Prior to this update, capturing decentralized exception details across separate records proved administratively challenging. To improve efficiency and tracking, the team implemented structured tracking fields and a standardized note template to centralize exception documentation.

Prior to August 2025, documenting exceptions in a centralized system was not a mandatory requirement. Instead, purchasing agents would log exceptions and context, as appropriate, which had the potential for inconsistencies. The August 2025 policy update formalized and standardized this practice into the mandatory requirement in place today.