



SOUTH RIDING PROPRIETARY POLICY RESOLUTION P2009-1

Procurement Policy

WHEREAS, Article 4, Section 4.1 of the South Riding Proprietary Bylaws (hereinafter “SRP,” “Association” and “Bylaws” respectively) provide that the Board of Directors (“Board”) shall manage the business and affairs of the Association and furthermore that the Board shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not required to be done by the Owners; and

WHEREAS, Article 4, Section 4.1 (4) of the Bylaws empowers the Board to adopt and amend reasonable Rules and Regulations not inconsistent with the Association Documents; and

WHEREAS, it is the Board’s intent to be efficient in its procurement and provide the best value for the resident’s of South Riding:

THEREFORE, IT IS HEREBY RESOLVED THAT the Board establishes the following policy for all **South Riding Proprietary procurements** in order to maximize competition and to obtain required goods for the best combination of service and value, and to control the expenditure of South Riding Proprietary funds.

APPROVAL LEVELS

In order to ensure the most effective use of our resources the following procurement approval levels and mandatory required bids are established:

<u>AMOUNT OF PROCUREMENT (BUDGETED)</u>	<u>MINIMUM # OF BIDS REQUIRED</u>	<u>AUTHORIZING OFFICIAL(S)</u>
\$0 - \$999.99	Formal bids not generally required	Department Head*
\$1,000. - \$1499.99	Optional - as Determined by General Manager	General Manager
\$1500. - \$4999.99	Two	General Manager

<u>AMOUNT OF PROCUREMENT (BUDGETED)</u>	<u>MINIMUM # OF BIDS REQUIRED</u>	<u>AUTHORIZING OFFICIAL(S)</u>
\$5000. and more	Three (Operation or Reserve)	General Manager with concurrence from appropriate committee and Budget & Finance Committee
	Three (Capital)	Above and Board Approval

**Department heads must adhere to all policies and procedures in obtaining and awarding bids of goods and services at a competitive price.*

PURCHASE

Selection will be of the lowest evaluated bid representing the **best combination of service and value** from the group of qualified bidders. The SRP is under no obligation to select the lowest bid.

SOLE SOURCE PROCUREMENT

The Board recognizes that in some circumstances it is necessary to obtain procurement without formal bids. On this basis, procurements up to \$5,000 may be obtained from a sole source only if a written Sole Source justification is submitted to/by the General Manager by the responsible Department Director requesting the procurement. Concurrence of the appropriate oversight committee and Budget and Finance Committee is required.

Sole Source procurements greater than \$5,000 must be approved by the Board of Directors prior to contracting with the vendor. The Sole Source justification shall be attached to and become part of the contract.

EMERGENCY PROCUREMENTS

If an emergency procurement of less than \$5000 is required and the General Manager is not available, the Operations Director may act as the authorizing official. All emergency authorizations must be produced in writing within five (5) business days after the procurement is made. Emergency procurements over \$5000. must be approved by the President of the Board, or in their absence the Vice President or Treasurer.

NON BUDGETED ITEMS

Any non budgeted items or expenditures that exceed \$5,000. will require Board and Oversight Committee approval. All non budgeted items under \$5,000. will require General Manager's approval. Items over \$999.99 will be submitted as informational to the Budget and Finance committee.

INVOICE PROCESSING

All invoices requiring a Purchase Order or Check Request must have a copy of the related procurement order (e.g., contract or invoice) attached. Receipt will be acknowledged by the person receiving the service/goods. A legible signature and the date received are required. The invoice will be approved by the appropriate Department Head and the General Manager, and then submitted to the Accounting Department for processing.

PETTY CASH FUNDS

There is one petty cash fund currently authorized by the SRP.

<u>Department</u>	<u>Amount</u>
ADMINISTRATION	\$250. PETTY CASH

The petty cash fund shall consist of only cash advances, or receipts for purchased goods/services. The limit on petty cash purchases is \$100. It is against Property Owners Association policy for petty cash funds to loan monies to any individual. Petty cash funds shall be audited at least twice each year at unannounced times. The audit shall be conducted by any one or a combination of the following: General Manager or Operations Director.

BIDS

Once a bid has been accepted and the project begun, additional expenses incurred due to unforeseen circumstances that will exceed the approved project budgetary authority must be approved by the Board with notice to the committee

SOUTH RIDING PROPRIETARY RESOLUTION ACTION RECORD

Resolution Type: Policy No. P2009-1

Pertaining to: Procurement

Duly adopted at a meeting of the Board of Directors held December 3, 2009

Motion by: Ken Walsh

Seconded by: Jeff Salmon

VOTE

	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Morse	X			
Mr. Garant	X			
Mr. Salmon	X			
Mr. Walsh	X			
Mr. Turner	X			
Mrs. Pilkus	X			
Ms. Roy				X
Mr. Tressler	X			
Mr. Larkin	X			

Attest:

W. E. Max...
President

12/18/09
Date

FILE:

Book of Minutes –

Book of Resolutions:

Administrative

Policy

Regulatory

Special

General

Book No.

Page No.

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Resolution effective: