

River Wilderness of Bradenton Foundation Homeowners Association

A DEED RESTRICTED COMMUNITY

Procedure for Procurement, and Approval of Contracts and Invoices

Revision A		Effective

The purpose of this procedure is to outline the specific steps and criteria that must be followed when acquiring goods or services by direct purchase or through a contract. It is intended to ensure transparency, fairness, and compliance with legal regulations and to meet or exceed the requirements of Florida Statute Title XL Chapter 720.3055.

1. CONTRACTS

- a. Contracts with a value exceeding \$50,000 shall require approval of a majority of the Board of Directors at a regular or special meeting.
- b. Contracts with a value exceeding \$50,000 shall have at least two competitive bids. If a contract was awarded under the competitive bid procedures, any renewal of that contract is not subject to such competitive bid requirements if the contract contains a provision that allows the board to cancel the contract on 30 days' notice.
- c. In the case of an emergency the requirements of "1.a" and "1.b" can be waived. An emergency shall be defined as an action that must be taken immediately to prevent injury or damage to property. A majority of the board must agree that emergency actions are required.
- d. All contracts exceeding those that may be approved by board members (see "1.g" below) shall be signed by the President of the Board of Directors or by his or her designee from the board. The approval shall indicate the operating or reserve account number or numbers to which the contract payments are to be charged.
- e. An electronic copy of the executed contract and competitive bids shall be kept on file with the

Association's permanent records. A copy of the approved contract shall be sent to the treasurer and HOA manager.

- f. Note: A quote is not a binding contract. In a quote the vendor gives the terms of service and the price. The client then can reject, accept or make changes to the quote. A quote becomes a contract when both the vendor and client agree.
 - i. Supplier submits the quote to the client
 - ii. The client accepts the quote and issues an order
 - iii. The supplier accepts the order. The quote is now a contract
- g. All board members may accept contracts for services or goods for up to \$10,000 in a single month. The approved contract shall be sent to the President, Treasurer and HOA manager so that it may be reconciled when the final invoice is received. The approved contract will indicate the operating or reserve account to be charged.

2. INVOICES

- a. All invoices, including standard monthly invoices for expenses such as utilities, insurance, accounting, management, landscaping, and administration costs, will be approved by the HOA manager. He will review the invoice based upon the signed contracts or the requirements of this document. If approved he will forward the invoice to the accounts payable department. The HOA manager shall indicate his approval, date and the account to be charged on all invoices. Such approval signifies that the manager has assessed the material, work or repair that was done and attests that the work was done in accordance with Board expectations either verbal or written.
- b. The managements company's accounts payable department will enter the invoice into the accounting software system.
- c. The Treasurer or his designee from the board will approve the invoice for payment within the software system.
- d. Invoices from the Association's legal counsel shall require the approval of the Association president or their designee board member prior to submission to the HOA manager.
- e. If an invoice is not approved either by the HOA manager or the Treasurer it shall be reported to the HOA president providing them the reason why the invoice was not approved. Appropriate corrective action will then be taken.

3. MANAGERS CREDIT CARD

- a. The HOA manager shall have a credit card for payment of materials or services which cannot be contracted and invoiced. This will normally be for miscellaneous goods and services. This credit card will have direct payment by the accounts payable department. This credit card is only for expenses incurred for River Wilderness.
- b. When the credit card statement arrives the HOA manager shall indicate the account to be charge for each expense. He will then send the statement to the accounts payable department for payment. The Treasurer will review and approve the credit card statement via the accounting

software.

4. BOARD MEMBER PERSONAL CREDIT CARDS AND CASH

- a. In some circumstances board members may need to purchase miscellaneous items with cash or credit card. This has a limit of \$500 in a month. The receipt for such purchases shall be attached to a "Check Request Form" and send to the HOA Manager, HOA President and the HOA Treasurer. The HOA President shall sign the "Check Request Form" and forward it to the HOA Manager if the expense is approved.

5. SUBMITTAL OF ALL INVOICES, MANAGER'S CREDIT CARD STATEMENTS AND CHECK REQUEST FORMS

- a. The HOA manager shall send all invoices, manager's credit card statements and check request forms with documentation to the HOA management's accountant. The accountant will enter the various documents into the accounting system. The HOA Treasurer will review the final documents in the accounting system and, if applicable, approve for payment.

**RIVER WILDERNESS OF
BRADENTON FOUNDATION
CHECK REQUEST FORM**

Requester Fills In

Date of Request: Click or tap here to enter text.

Person Requesting: Click or tap here to enter text.

Make check Payable to: Click or tap here to enter text.

Amount of Check: Click or tap here to enter text.

Purpose of Reimbursement: Click or tap here to enter text.

G/L Account number: Click or tap here to enter text.

Signature of Requester:

Note: Please attach receipt(s) to this form. Approval must be obtained on all purchases. Signature of the President is required before a check will be issued.