

POLICY & PROCEDURE - REVISED

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Position: President, Boca Greens HOA Board
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SIGNING OF CHECKS TO PAY VENDORS FOR WORK

POLICY:

All checks cut by the management company to pay vendors for work and / or product approved by the HOA Board, are not to be given to the vendor as payment for their work and / or product, until such time as the work and / or product has been visually verified as completed and / or count of the product ordered is verified as well, to the HOA's satisfaction, by the management company and the HOA Board member who proposed the work and / or product to be performed or ordered and thereby initiated the work and / or purchase order.

PROCEDURE:

In order to comply with this policy the following steps must be adhered to and there are to be no exceptions:

1. The HOA Board is to approve of any work order having to do with budget line items and having a value of \$500 or greater.
2. Said work and / or product purchase orders are to be approved by the HOA Board and be accepted as the best of three competitive bids submitted by three different vendors.
 - a. In the event that the work and / or purchase order is in the maximum amount of \$1,500, the board member generating said order can limit the bids to only one. In the event that it is not possible or practicable to obtain three competitive bids, the board member generating said order can request that the HOA Board waive the requirement which can be approved by a majority vote.
3. Once said work is completed by the vendor and the management company is aware of its completion, the management company's on-site manager is to verify that the work has been completed to his / her satisfaction.
 - a. If it has not been completed to the on-site manager's satisfaction, then the on-site manager is to notify the vendor of the deficiencies and require that the vendor return to the work site and resolve the issues as stated by the manager. The process re-starts at this point @ #3.
4. The on-site manager is then to place his / her initials on the vendor's invoice along with the day's date and note on the invoice, "Work completed."
5. The respective HOA board member is then to be notified by the management company that the work has been completed and verified and that they, as the board member who initiated the work order, is to verify that the work has been completed to the to his / her satisfaction.
 - a. If the work has not been completed to the board member's satisfaction, he / she is to notify the management company's on-site manager that the work has not been completed to his / her satisfaction and why.
 - b. The on-site manager is then to take up the board member's issue(s) with the vendor's work. Note: the cycle then is to re-start @ #3.
6. Once the respective board member approves of the vendor's work, said board member is to place his / her initials on the vendor's invoice along with the day's date and note on the invoice, "Work completed."
7. Once steps 1 – 4 have been completed as directed, then two board members who are authorized to sign checks may do so.
 - a. If both of the check signers are not the board member who initiated the work order, they are to note their two sets of initials on the work order (steps #2 & #4) before proceeding to sign his / her signature on the check. They are to also sign their initials underneath the initials previously signed on the work order by the on-site manager and the board member who initiated the work order.
 - b. If only one of the check signers is not the board member who initiated the work order, then he / she is to only sign his / her initials underneath those of the on-site manager and the board member who initiated the work order.

8. The check may then be sent to the vendor as payment for the completed work.

Note: As it is imperative that this process take place and conclude in a short amount of time, it is incumbent upon all of the parties involved in the process to perform their duties under this policy in an orderly and efficient manner. We should not hold up the delivery of checks to vendors unless there are unresolved issues that the vendor has failed to address and complete.