

9 CONTRACTING POLICY

9.1 POLICY

The Association does not have direct hire employees to perform duties for the Association. All undertakings and activities of the Association are performed by the Board of Directors, Officers, and members of established committees or outside independent contractors engaged by the Board. The conduct of Association business will require from time to time the use of vendors and independent contractors to facilitate the use, maintenance, repair, replacement, modification and added improvements to the common areas and provision of common services (i.e. landscape service, accounting and insurance).

Procurement of goods or services, where the expected aggregate amount will exceed \$5,000 in a one- year period, will be documented by written agreement/contract, and will be approved by the Board, which shall consider the work/products proposed, current budget and revenue sources, and the overall interests of the homeowners.

The Board shall approve contracts by vote at Board meetings, or separate written consent, which is to be read into the record of the next meeting of the Board and recorded in the minutes thereof. Voting and approval of contracts will not be conducted during any closed “executive session” of the Board. Approved contracts may be executed by an Officer designated by the Board.

The Board, at its sole discretion, may direct that multiple proposals be obtained to evaluate products and services, prior to voting/approval.

The Board may refer contracts to legal counsel for review, prior to engaging in a contract.

Consideration for engaging outside contractors shall include:

1. **Qualifications:** to deliver and/or perform the work to specifications, completely and safely, while protecting the assets of the Association.
2. **Experience:** verifiable with references, that the contractor will deliver/perform the work and satisfy all representations they have made to the Association.
3. **Costs:** that are competitive and reasonable for the scope of products/work as requested by the Association and proposed by the contractor.
4. **Licensing and insurance:** are documented by the contractor that they have professional credentials as required by Federal, State or Local regulations for the work, and that they have broad form liability and worker’s compensation insurance covering any on-site performance by the contractor. Performance bonding will not be required, unless specifically directed by the Board.

Conflicts of Interest

To avoid actual or perceived conflicts of interest, Board members and members of committees must disclose any financial interest, connection or relationship with a proposed contractor prior to any vote or approval of a contract. Similarly, proposing contractors shall disclose any relationship or connection with any homeowner, director or committee member at the time of proposal of work. See also “Conflict of Interest Policy”.