

**Vintage Grand Condominium Association**  
**Procurement Policies and Procedures**

**1. Scope of Work Requirements**

- a. The Association Manager will write a scope of work to govern the procurement of all significant material, equipment and services needed by the Association (small routine service projects typically would not require a scope of work). If the Association Manager is not able to complete this task, a board member may assist. If necessary, an independent expert (e.g., engineer, landscape architect) will be paid to create a scope of work.
- b. At a minimum, the written scope of work shall clearly describe the location of the work to be performed, the quantities of and specifications for equipment and materials to be installed or removed as part of the job, the supplier's responsibilities for cleanup and removal of debris, the timeframe over which the work will be performed and the expected payment terms.
- c. If a satisfactory scope of work is provided by a supplier, it may be used to solicit competitive bids from other potential suppliers

**2. Board Notification and Bidding Requirements**

- a. When developing an individual project, if it is determined that an expenditure over \$3,000 will be required, the Association Manager will inform all board members via email before proceeding to solicit proposals for the work. This notification should occur even when the project falls within the boundaries of an existing blanket or annual contract. This will give board members an opportunity to comment on possible alternative approaches and/or whether the work should be deferred to a later point in time or perhaps not performed at all. If there is consensus to move forward on the project, the Association Manager will request written proposal(s) from qualified supplier(s). For expenditures of \$5,000 or more, at least two, and preferably three, complete bid proposals from qualified suppliers will be obtained for the same scope of work (see note, below). After appropriate supplier proposal(s) have been received and evaluated, the Association Manager will request an opportunity to present the bidding results at an open board meeting along with his or her recommendation on which supplier should be selected.
  - Note: The Vintage Grand governing documents do not require competitive bidding for some services such as engineering, landscape architecture and legal services. During the above described notification process, the Association Manager should request clarification from the board on whether competitive bids should be sought for projects that use such services.

**3. Requirements for Written Contracts or Purchase Agreements**

- a. A written contract or purchase agreement is required for all purchases greater than \$5,000 and for all service contracts that are one year or longer in duration. After a supplier is selected, the Association Manager will work with the selected supplier and association legal counsel, as required, to draft and finalize a written contract/purchase agreement. The Association Manager will circulate a draft version of the contract/purchase agreement to all board members via email, obtain their comments and suggested improvements, and reconcile all comments/suggestions into a final version of the contract or purchase agreement which will be presented to the President for his/her approval on behalf of the Association. It is not required that contracts or purchase agreements be formally approved at open board meetings, but the Association Manager is responsible for ensuring that all board members are afforded the opportunity to review and comment on proposed contracts/purchase agreements before they are signed by the President.

**4. Additional Requirements for All Purchases, With or Without a Written Contract or Purchase Agreement**

- a. If a supplier requests a down payment to begin work, the reasons for asking for a down payment must be stated in writing and such down payment shall not exceed 10% of the total job cost unless specific approval has been obtained from the President to exceed that threshold. If the purpose of the requested down payment is to purchase materials for a job, the Association Manager shall request and review purchase documentation from the supplier and not release the down payment until he or she has verified that the materials have been delivered. Generally, down payment deposits should be paid with a credit card. If the supplier does not accept credit cards, supplier shall be required to furnish a signed receipt with a statement delineating the Association's right to obtain reimbursement of the down payment if the work is not satisfactorily completed by an agreed upon completion date.
- b. References must be provided by all new suppliers.
- c. Proof of liability and workers' compensation insurance coverage must be provided by all suppliers.
- d. Business licenses should be provided by suppliers, where applicable.
- e. The Association Manager will inspect all jobs and sign off upon completion before final payment is made. If necessary, a technical expert will be brought in to perform acceptance testing of new equipment and systems before the Association Manager signs off on behalf of the Association.
- f. Irrespective of whether there is a written contract or purchase agreement in place, all individual invoices over \$3,000 for purchased materials, equipment or services must be

reviewed with the President or another officer before they are processed for payment.

**5. Recordkeeping and Website Posting Requirements**

- a. The signed contract/purchase agreement for the selected vendor and copies of all bid proposals submitted for the work/purchase will be retained in the Vintage Grand Office for the length of the warranty period (if warranties are provided) and, in all cases, for a minimum of seven years after work completion or product receipt and acceptance.
- b. Shortly after a new contract has been awarded, basic information about the contract will be added to the “Active Contracts List” that is maintained on the Vintage Grand website. If the new contract is a replacement for an existing contract on the list, all information about the existing contract will be removed from the list.
- c. In addition, copies of all bid proposals submitted for all purchases and/or service contracts over \$500 will posted to the Vintage Grand website shortly after the award date for the purchase/work. In lieu of the individual bid proposals, a brief summary of all bids received for a given purchase may be posted. The bid proposals or bid summary will remain on the website for a minimum of 12 months after the award date.