

Procurement Policy

1. Policy Accountable Owner: Finance Committee FIN

2. Policy Name: Procurement Policy

3. Purpose for the policy:

- a. To provide the processes, procedures, and controls governing appropriate expenditures of Genesee Foundation funds for the procurement of goods and services for items in the Operating Fund and funding of the Reserve Fund.
- b. The Policy is designed to promote adherence to the current fiscal year Budget as approved by the Board of Directors.
- c. Notwithstanding the requirements of this procurement policy, the Finance Committee, at its sole discretion, can choose to **recommend** expenditures to the Board of Directors outside of the policy with documented reasoning as to why, followed by a committee discussion as needed, a resolution, and a majority committee vote on the resolution.

4. Policy details:

- a. All expenditures for both operational and Capital Reserve Funds will follow the processes and procedures as set forth in this Procurement Policy.
- b. Payment is prohibited for any procurement not approved by the appropriate authorizing entity.
- c. All persons acting on behalf of the Genesee Foundation are required to comply with the Procurement Policy and include but are not limited to Foundation employees, the Board of Directors, Board Committees, and the Architectural Review Committee.
- d. **Conflict of Interest:**
 - i. Foundation employees, members of the Board of Directors, and Committee members are prohibited from contracting with the Foundation or using their position or influence for personal gain. All members of these groups or other related third parties who could reasonably be expected to gain or benefit from providing goods or services to the Foundation must disclose the possibility or appearance of a conflict of interest to the Board and must recuse themselves from any involvement in a procurement decision unless specifically allowed by a majority vote of the Board of Directors.
- e. **Processes, Procedures, and Controls**
 - i. **Dollar Limits, Bids, and Authorizations:**
 - 1. For all budgeted expenditures of Foundation Funds, the following dollar limits, minimum required bids, and Authorizing Officials must be observed. Any conflicts arising over authority, amounts, bids, authorizing authority, or vendor selection will be referred to the Community Manager and/or the Board for resolution.

f. OPERATIONAL FUND and CAPITAL RESERVE FUND

Amount of Procurement	Minimum Bids Required	Authorizing Officials
\$0-4999	Optional as required By Community Manager	Community Manager or Treasurer

\$5000 and above	Minimum of TWO, THREE Preferred	Community Manager, Finance Committee, and Board of Directors
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****NOTE**:** Items under \$1000 are not capitalized (SEE Genesee Foundation “Fixed Asset Capitalization Policy”)

**** All NEW expenditures/procurements from the Operational Fund or the Capital Reserve Fund of \$5,000 or more MUST be accompanied by and adhere to the AFE (Authorization For Expenditure) process.**

g. EXISTING CONTRACTS AND PROCUREMENTS:

i. Contracts and Procurements currently in place or reoccurring annually that are generally renewed on a periodic basis, (e.g., Trash, Patrol, CiraConnect, Cleaning, Auditor, Slash, etc.) **MAY BE EXCLUDED** from a renewed Procurement Process if the Finance Committee and Community Manager, in consultation with the appropriate staff, conclude the contract performance has been acceptable. **AMENDMENTS** to existing contracts under renewal consideration must first be reviewed by the Finance Committee and reported to the Board if deemed material in nature.

h. While the Foundation is under no obligation to select the **LOWEST BID**, a written explanation for not doing so must be provided to the Authorizing individuals.

i. For procurements over \$7,499 where the lowest bidder is not selected, the Treasurer, in consultation with the Board President, must review and approve prior to the contract being let.

j. Bill Payments:

i. With regard to **CONTRACTUAL** obligations extending over a timeline for bids of \$7,500 or more, the winning bidder shall submit a timetable for all interim payments and the final payment.

k. Bid Overages:

i. Once a bid has been accepted and a contract let, the Community Manager will monitor actual expenses vs. approved contract amounts. When actual expenses are projected to exceed **the lesser of 10%** of the original bid **or \$7,500**, the Treasurer must be notified for approval. At the discretion of the Treasurer, the overage may be referred to the Finance Committee for a recommendation to the Board of Directors; however, the Finance Committee must review, and the Board must approve, overages of \$7,500 or more. If possible, all overages must be approved prior to additional expenses being incurred.

l. Approved Vendor List: Genesee no longer has an Approved Vendor List

m. Emergency Expenditures/Procurements:

i. If an emergency expenditure/procurement of less than \$7,499 is required, the Community Manager is the authorizing official. If the Community Manager is not available, the Board President, Vice President, or Treasurer may act as the authorizing official.

- ii. Emergency expenditure/procurements greater than \$7500, in consultation with other Board Members, must ALSO be approved by one of the following: Board Treasurer, President, or Vice President.
 - iii. All emergency authorizations must be documented in writing within five (5) business days after procurement by the authorizing individual with justification for the emergency procurement over the normal acquisition procedures.
- n. **Sole-Source Procurement (Single Purchases up to \$2,499)**
 - i. For purchases of less than \$2500, where competitive bids may not be practical or necessary, a Sole-Source Justification may be submitted to the Community Manager by the authorized Department Head, Board Member, or Committee Chairperson for approval.
 - ii. The Community Manager will review the procurement to assure it is free of any conflicts of interest, the funds needed are in the annual budget, there is a demonstrated need for the acquisition, and the price is reasonable.
 - iii. Authorized Department Heads include the Maintenance Director and the Open Space Manager.
- o. **Sole-Source Procurements \$2,500 or more**
 - i. Any procurement of \$2,500 or more requested to be done as a Sole Source must first be submitted to and reviewed by the Community Manager for conflicts of interest, availability of funds within the budget, demonstrated need, and reasonableness of price. After such review, it must then be submitted to the Finance Committee for further review and approval by the Treasurer prior to contracting with the vendor.
 - ii. The Community Manager will retain on file all Sole-Source Justification forms for a period of Three (3) years.
- p. **Discrimination** When procuring goods and services, the Foundation will solicit and award contracts without consideration of race, color, religion, gender, national origin, political affiliation, or sexual orientation.
- q. **Attachments to the Procurement Policy**
 - i. Sole-Source Justification Form

APPROVED BY: Board of Directors

SUPERCEDES: All prior (11/2/2005; 2/11/2009; 3/12/2014, 4/25/18, 10/23/2019)

NEXT REVIEW DATE: 4 years (2027)

EFFECTIVE DATE: January 25, 2023