



Springhurst Community Association

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Contracts Policy and Procedure

The SCA Board of directors has approved a policy for contracts that will be paid with Association funds.

a) Contracts must be approved by the SCA Board of directors.

1) Contracts in the amount of \$5,000 or more must be signed by the President of the SCA Board. In the absence of the president, the Vice-president is authorized to sign when the contract has been previously approved.

2) Contracts under the amount of \$5,000 may be signed by the property manager when the contract has been previously approved.

b) The procedure outlined below must be followed. When time is of the essence, a special meeting of the Board of Directors may be called by the President or any two Directors in accordance with the Bylaws of the Association.

Procedure

1. **New contracts** over \$5,000 require a review of the marketplace utilizing the bidding process. The responsible committee or the property manager will -

a) Prepare a Request for Proposal or Request for Quote, as appropriate.

b) Request competitive bids from at least three (when available) capable vendors. Board approval is required for an exception to three bids.

c) Sealed bids will be received and opened by the Finance Committee and the responsible committee or the property manager.

d) The responsible committee or property manager, as appropriate, will compare vendor responses and make a recommendation to the Board.

2. **Current contractor's** performance will be reviewed no later than six months prior to the contract's ending date.

a) If the contractor's performance is evaluated satisfactory by the Board, the contract may be extended for not more than three one-year terms beyond the original contract end date.

b) If the contractor's performance is evaluated unsatisfactory by the board, the bidding process will begin no later than six months prior to the current contract's end date.

1) The bidding process may not include a bid from that contractor, at the board's discretion.

2) The bidding process for all new contracts will be followed. See paragraph 1, above.

3. Vendor selection and authorization for the President to execute any contract must be approved by majority vote of the SCA Board of Directors.

4. Selection of contractors / vendors for one-time services, project work, or purchases over \$5,000 will be handled in the same manner as vendor selection stated above.