



POLICY TITLE: Expenditure of Funds and Delegation of Authority

1. The Board of Directors of the Gold Mountain Homeowners Association (HOA) desires that financial accountability is clearly understood by HOA employees such that there are appropriate checks and balances but without encumbering the smooth functioning of HOA business and flexibility when needed, especially in the context of required emergency actions. All expenditures shall be in accordance with the adopted budget of the HOA. Accordingly, the following delegation of financial authorities will govern HOA business and operations until changed by specific HOA Board of Directors' action.
2. **HOA Management Company**
 - 2.1 Upon mutual agreement of the HOA Management Company and the Board, the HOA Management Company is authorized to execute contracts and agreements, purchase materials, supplies and services, and obligate the HOA for funds up to \$1,000 without specific Board authorization as deemed prudent and necessary.
 - 2.2 If emergencies occur that require an expenditure of funds of \$1,000 or more, the HOA Management Company will promptly inform the President and the CFO, and inform the other Board members at the earliest possible date or next Board meeting.
 - 2.3 The Board may authorize the Manager or Management Company to spend greater than \$1,000 by minute action.
 - 2.4 A List of Expenditures (to Include Wages Earned) since the preceding Board meeting will be presented to the Board at each Board meeting.
3. **Maintenance Manager**
 - 3.1 The Maintenance Manager is authorized to execute contracts and agreements, purchase materials, supplies and services, and obligate the HOA for funds up to \$5,000 without specific Board authorization as deemed prudent and necessary.
 - 3.2 If an emergency occurs requiring expenditure of funds of \$5,000 or more, the Maintenance Manager will promptly inform the HOA President or his designated supervising HOA Board member and the CFO; and inform the other Board members at the earliest possible date or next Board meeting.
 - 3.3 All receipts will be forwarded to the HOA Management Company for appropriate reconciliation and account payment.
4. **Design Review Committee (DRC) Chairperson**
 - 4.1 The DRC Chairperson is authorized to purchase materials and supplies as needed within the limits of the DRC approved budget.
 - 4.2 All expenditures shall be reported to the HOA CFO or other representative the Board may delegate.



5. Credit Cards and HOA Accounts

- 5.1 Use of the HOA credit card shall be limited to the Maintenance Manager and other maintenance employees he or she may designate. Credit card limits for the Maintenance Manager are \$5,000 per month and must be in accordance with the HOA approved budget. The Maintenance Manager is responsible for monitoring the credit card and HOA Account usage by any maintenance employees. Upon termination of any employee in possession of a HOA credit card or at the end of any “seasonal employment” period, if such an employee is a “designated employee”, the HOA credit card will be immediately surrendered to the Maintenance Manager or Board member.
- 5.2 Designated persons for use of a HOA credit card may also charge items within the above prescribed dollar limits at local business establishments where a HOA account is established. The names of the approved business establishments are contained in the attached Exhibit A.
- 5.3 Maintenance employees are required to submit receipts in a timely manner to the Maintenance Manager as appropriate to allow for account reconciliation.



Gold Mountain® Homeowners Association

Exhibit A

**Gold Mountain Homeowners Association
Expenditure of Funds/Delegation of Financial Authority**

Permission to Charge

Establishment (review for validity at least once per year):

Ace Hardware – Portola
Dillon’s Automotive - Portola
Eastern Plumas Health Care - Portola
Jefferson Supply - Portola
K S Market - Portola
NAPA Auto Parts - Portola
Sierra Garage - Portola
Sierra Promotions – Portola

Designated Employees (review for validity at least once per year):

Maintenance Manager
Maintenance Lead
Maintenance Worker