

Village Grande at English Mill Homeowners Association

PROCEDURE 105 – EXPENSE MANAGEMENT

Process/ Procedure Owner: Treasurer

1.1 Purpose

This procedure describes how expenses incurred by the HOA for events, or by any HOA sanctioned Club or organization shall be handled. Article 9 of the Declaration of Covenants and Restrictions (the "Declaration") empowers the Board of Trustees to promulgate, adopt and publish such Rules and Regulations as may be necessary to carry out the intent of the HOA's Governing Documents.

Should there be a conflict between the terms of this Procedure and the terms of the Governing Documents, the terms of the Governing Documents shall control.

1.2 Scope

This procedure applies to all HOA Committees and sanctioned Clubs. This procedure does not apply to operating expenses that are managed by the HOA's Property Management Company and paid from the HOA Operating Account.

1.3 Roles and Duties

Expenses for events or club activities can be paid for in three ways: (a) using the Debit Card associated with the Activities Checking Account; (b) individuals using their own money to pay for expenses with the expectation of reimbursement; and (c) providing an invoice to be paid by check or debit card by the Site Manager.

Using the Debit Card - The Debit Card associated with the Treasury Checking Account is safely kept by the Site Manager. A request to use the Debit Card requires completion of the "VGEM Debit Card Request Form". Some individuals may be preapproved for use of this card due to their position on a committee. This form includes the estimated dollar amount and the reason for the expense. The form also requires the borrower's signature when the card is received and the Site Manager's signature when the card is returned. Associated documents such as receipts, invoices or contracts must be provided to the Site Manager when the card is returned for attachment to the form. The Club/ Event should be clearly identified on the receipts. The expense must be approved by a Board Member.

Reimbursement - When an Event Committeeperson lays out money for event expenses the Committeeperson completes a "VGEM Activities Account Check Request Form" in order to get reimbursed. This form includes the requested dollar amount and the reason for the expense. Associated documents such as receipts, invoices or contracts must be attached. The Site Manager makes copies of the documents and provides the check request form to the Treasurer. The Treasurer writes the check and returns the check request form along with the check to the Site Manager. The Site Manager obtains approval of a Board Member on both the check request form and the check. The Site Manager distributes the check to the requester.

Invoice Payment - The Committeeperson shall provide an invoice attached to a "VGEM Activities Account Check Request Form" and forward to the Site Manager. This form includes the requested dollar amount and the reason for the expense. The Site Manager makes copies of the documents and provides the check request form to the Treasurer. The Treasurer writes the check and returns the check request form along with the check to the Site Manager. The Site Manager obtains approval of a Board Member. The Site Manager distributes the check to the requester or mails the check to pay the vendor's invoice.

1.4 Definitions and Acronyms

Requester – The person requesting funds.

Governing Documents- Shall mean the Declaration of Covenants, and Restrictions for the Village Grande at English Mill, By-Laws of the Village Grande at English Mill Homeowners Association, Inc., and or any other Rules & Regulations duly adopted by the Board of Trustees for the Association.

HOA – Village Grande at English Mill Homeowners Association, Inc.

Site Manager- The person responsible for the day to day administration of the HOA and the person who receives the forms, invoices and receipts from the Requester and forwards to Treasurer. Also, responsible to safeguard the Debit Card, seek Trustee approval, and distribute checks.

Treasurer – The individual appointed by the VGEM HOA Board of Trustees to perform the duties of the Treasurer. This also implies anyone appointed by the VGEM HOA Board of Trustees as an Assistant Treasurer.

VGEM – Village Grande at English Mill

1.5 Attachments

Form 105 – Check Request

Form 105 A – Debit Card Request

1.6 References

1.7 Inquiries

Questions regarding this procedure should be directed to the Treasurer.