

Ellicott Mills Homeowner Association

FINANCIAL POLICIES AND PROCEDURES

The policies and procedures contained in this document are designed to:

1. Protect the assets of Ellicott Mills Homeowners Association
2. Ensure the maintenance of accurate records of financial activities
3. Provide a framework of financial operating standards and behavioral activities

The President of Ellicott Mills Homeowners Association (EMHA) has the responsibility for administering these policies and ensuring compliance with procedures that have been approved by the Board of Directors. Exceptions to these written policies may only be made with the prior approval of the EMHA Board of Directors. Changes or amendments to these policies may be approved by the Board of Directors at any time.

Every Director and Chairperson is expected to be familiar with and operate within the parameters of these policies and guidelines.

FINANCIAL POWERS AND AUTHORITY

President

The President shall have all powers and duties which are vested in the Governing Documents. Such powers include signing of contracts and written instruments.

Treasurer

The Treasurer shall arrange for the receipt and deposit in appropriate bank accounts all monies of EMHA and shall disburse such funds as directed by resolution of the Board of Directors. In addition, shall ascertain that proper books of account are maintained, shall ensure that receipts and invoices of all expenditures are maintained, shall ensure a compliance review is performed annually, and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at the annual meeting. The Treasurer has the authority to sign checks that are within the parameters of these policies and guidelines. The Treasurer, at no time, can sign a check that reimburses the Treasurer for cost incurred.

Treasurer shall be responsible for approving any administrative expense, **within** budget and not related to Committee activity, up to \$500.00. Any expenditure above that requires the approval of the President. Any other expenditure requires the approval of the Board of Directors.

Committee Chairperson

A Committee Chairperson shall have the authority to approve expenditures **within** the budget guidelines up to \$500.00. Expenditures within the budget but over \$500.00 requires secondary approval of the President. Any other expenditure requires the approval of the Board of Directors. Prior to a service being authorized, Committee Chairperson's are responsible for obtaining, at a minimum, two quotes/estimates.

Board of Directors

For services that are not within the budget or are non-routine, or are non-contractual, or are broadly specified in the budget (Example: Special Projects), the Board of Directors must approve the expenditure prior to the service being authorized. Prior to a service being authorized, at a minimum, two quotes/estimates from competent providers must be reviewed. However, in the event two quotes are not feasible, given time constraints (ie tree removal), then one quote/estimate is sufficient.