



THE POINT

The Point Owners Association, Inc.

Governance Manual

Revision History: Adopted, January 20, 2015



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Policies Applicable to the Board of Directors and Board-Sanctioned Committees

1. **Definitions.** The following terms shall have the meanings set forth below:
 - a. **“POA”** – The Point Owner’s Association, Inc.
 - b. **“Board”** – The Board of Directors of the POA (collectively the “Board”).
 - c. **“Board-Sanctioned Committee”** – Each committee formally established by the POA Board to provide assistance to the POA Board consistent with the powers delegated by the POA Board to that committee (collectively the “Board-Sanctioned Committees” and each individually a “Board-Sanctioned Committee”).
 - d. **“Director”** – Each member of the Board.
 - e. **“Interested Person”** – Any Director who may have an interest (directly or indirectly, through business, investment, or family) of the following types:
 - i. **“Business Relationship”** – One in which a Director or a member of his or her family (spouse, parent, sibling, child) serves as an officer, director, trustee, partner, employee, or agent of a third party that does business with the POA.
 - ii. **“Substantial Benefit.”** When a Director or a member of his or her family (spouse, parent, sibling, child): (a) is the actual or beneficial owner of an interest in an organization that does business with the POA; or (b) has other direct or indirect dealings with such an organization from which the person, or a member of the person's family benefits directly, indirectly, or potentially in excess of \$50 annually.
2. **General Matters.**
 - a. **Meetings.** All regular and special meetings of POA’s Board and all meetings of the members of the POA shall be conducted in accordance with the most recent edition of Robert's Rules of Order.
 - b. **Record of Meetings.** Minutes shall be taken of all regular and special meetings of (i) the Board, and (ii) the members of the POA, and shall include all material actions taken at such meeting. Such minutes shall be timely posted on the password protected part of the website of the POA’s management company for review by the members of the POA. Board-Sanctioned Committees may (but are not required to) take minutes of their meetings, and if they are taken, shall be stored/posted as set forth in the Board-Sanctioned Committee guidelines for that Board-Sanctioned Committee.
 - c. **Communications.** Other than the President of the Board, or the Vice-President acting in his or her absence, no Board member is authorized to speak on behalf of the Board with respect to any past, pending or future issue concerning the business of the POA. Any member of the Board engaging in informal communications with any resident shall make it clear to such member that such Board member does not have the authority to bind the Board or the POA.
3. **Financial Matters.**
 - a. **Gifts/Favors/Entertainment.** No Board member or a member of a Board-Sanctioned Committee shall accept any gift, favor or entertainment with a value in excess of \$50 per



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calendar year from any existing or potential third party supplier of goods or services to the POA. A “gift” includes any type of gratuity, favor, service, discount or price concession, loan, legacy (except from a relative), fee, commission, compensation, or anything of monetary value, including without limitation, mowing services, irrigation system repair, consulting, trips, meals and entertainment.

- b. **No Loan, Guaranty or Other Security.** No loan, guaranty, or other form of security shall be made or provided by the POA to or for the benefit of any Director, POA officer, or a member of a Board-Sanctioned Committee.
- c. **Arrangements for Goods and Services.** All arrangements for the procurement of goods and/or services required by the POA must be consistent with the following:
 - i. **Fair Bidding Process.** When bidding is involved, bidders must be given a fair chance to compete for POA business and the POA volunteers reviewing bid responses and/or negotiating the arrangements must consider whether there are any potential conflicts of interest before engaging a third party. If there is the appearance of a potential conflict of interest, then the third party should not be included in the bidding process and/or contracted with unless there are no other reasonable options for obtaining such goods or services, in which case the Interested Person must disclose his or her Interest and recuse himself/herself from the selection process and all deliberations pertaining to the selection of the third party.
 - ii. **Invoicing & Payments.** All invoices involving the sale of goods or services must accurately reflect the items and/or services purchased and their price. Generally, all expenses of the POA shall be paid by the POA through its management company directly to the provider of the goods or services. However, reimbursement may be made to a Director or member of a Board-Sanctioned Committee who, in fulfilling his/her duties to the POA, incurs certain types of expenses on behalf of the POA from a contractor that requires other payment forms (*e.g.*, expenses that must be paid by credit card such as website hosting fees, photocopying POA materials at a local print shop).
 - iii. **Purchasing Steps.** All purchases made by or on behalf of the POA must be consistent with the applicable Purchasing Steps, attached hereto and incorporated herein.

4. Conflicts of Interest.

- a. **Purpose.** The POA wishes to protect the interests of the POA and avoid even the appearance of impropriety when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Director or might have the appearance of favoritism. This Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest applicable to home owner associations and/or nonprofit corporations.
- b. **Annual Process for Directors.** Shortly after the election of Directors at the Annual Meeting of Members, the POA’s management company shall provide each Director with a copy of the POA’s Annual Conflict of Interest Disclosure Form for Directors attached hereto and incorporated herein, and each Director shall promptly complete and submit such form to the POA management company. The completed forms shall be distributed to the Board and reviewed by the Board at its March regular meeting. Any Director that is



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appointed to fill a vacancy shall promptly complete and submit this form after his/her appointment, and such completed form shall be reviewed by the Board at the first meeting following his/her appointment.

c. **Procedure for Dealing with Actual or Possible Conflicts of Interest.**

- i. In connection with any actual or possible conflict of interest, a Director that is an Interested Person (or who could be perceived to be an Interested Person by a reasonable person) must disclose the existence of the interest and all material facts to the Board.
- ii. After disclosure of the interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the Board meeting and the remaining members of the Board shall decide if a conflict of interest exists. When in doubt, or if a reasonable person could reasonably believe that there is a potential conflict of interest, the presumption shall be that a conflict of interest exists.
- iii. An Interested Person may make a presentation at the Board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote upon, the arrangement involving the conflict of interest.
- iv. A conflict of interest transaction may be authorized, approved, or ratified if it receives the affirmative vote of a majority of the Directors who have no direct or indirect interest in the arrangement, but an arrangement shall not be authorized, approved, or ratified under this section by a single Director. If a majority of the Directors who have no direct or indirect interest in the arrangement vote to authorize, approve, or ratify the arrangement, a quorum is present for the purpose of taking action under this section.

5. **Document Retention.** The paper and electronic documents pertaining to the operation of the Board that need to be retained include the types of documents shown in the Document Retention Schedule (for POA documents not covered by a Board-Sanctioned Committee Guidelines document) attached hereto and incorporated herein. Records that are no longer in active use may be archived, including being stored at one or more commercial off-site storage facility(ies) or virtual document storage services designed for the storage and prompt retrieval of archived records, as deemed appropriate by the Board from time to time. Paper and electronic records of the POA that are maintained by a Director should be promptly provided to the POA's management company or deleted upon that Director's resignation or removal from the Board, all as directed by the POA President.

IN WITNESS WHEREOF, the undersigned Secretary of the POA hereby certifies that this resolution was duly adopted by the Board at a regular meeting held on January 20, 2015.

ATTEST:

Michael R. Levin
Michael R. Levin, Secretary

January 20, 2015
Date



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Purchasing Steps

Each Director and each member of a Board-Sanctioned Committee must follow the steps below when making purchases on behalf of the POA.

Purchases Up to \$750	
Note	All purchases by or on behalf of the POA must be reasonably and directly incurred by a Director or by a member of Board-Sanctioned Committee in fulfilling his/her duties to the POA and pre-approved by the Board Liaison for the applicable Board-Sanctioned Committee.
Step 1	<p>Board member or a member of a Board-Sanctioned Committee reviews potential vendors to:</p> <ul style="list-style-type: none"> · Determine what goods or services are required, with specifications, if appropriate; · Determine any delivery/timing requirements; · Determine quantity requirements; and · Obtain competitive pricing (can include a target price) <p>Note: Generally, a bid process is not necessary for these types of expenditures. If you use a summary bid process, the time in which a responsive bid must be received to be considered should be short (typically 2-7 days).</p>
Step 2	Provide the Board Liaison for the applicable Board-Sanctioned Committee background about how the vendor was selected. The Board Liaison must pre-approve the expenditure.
Step 3	Confirm satisfactory receipt of goods or services.
Step 4	Request payment or reimbursement of such an expense in writing to the POA’s management company, with a copy to the POA Treasurer and the applicable Board Liaison. All such requests must be accompanied by a receipt or other satisfactory supporting documentation.

Purchases \$750 to \$2,500	
Note	All purchases by or on behalf of the POA must be reasonably and directly incurred by a Director or by a member of Board-Sanctioned Committee in fulfilling his/her duties to the POA. All arrangements in this price range must be in writing.
Step 1	Develop Request for Quote (RFQ)), which shall: <ul style="list-style-type: none"> • State what goods or services are required, with specifications • State delivery/timing requirements • State quantity requirements • Include target/competitive price • State the time in which a responsive bid must be received to be considered (typically 1-2 weeks).
Step 2	Analyze budget to determine if expenditure is covered. Is it in the budget? <ul style="list-style-type: none"> • No – Obtain pre-approval from the President and the Treasurer (who may require full Board pre-approval) • Yes – Obtain pre-approval from Board Liaison to the applicable Board-Sanctioned Committee.
Step 3	Develop qualified potential contractor/supplier list. Note: A qualified potential contractor/supplier has each of the following characteristics: <ul style="list-style-type: none"> • Capacity to provide the needed goods and/or services; • A credible history of on time performance/delivery of quality work/goods; • Demonstrated financial stability; • Maintains in good standing all required licenses, certifications, etc.; and • Is bonded and insured.
Step 4	Analyze current contractor/supplier Is it capable? <ul style="list-style-type: none"> • No -- Send RFQ to at least 3 qualified potential contractors/suppliers. Yes – Send RFQ to current contractor/supplier and at least one other qualified potential contractor/supplier.
Step 5	Review bids timely received (to be conducted by a Board member or a member of a Board-Sanctioned Committee) and make bid award recommendation as follows: Is the expenditure budgeted? <ul style="list-style-type: none"> • No – Make bid award recommendation to President and Treasurer (who may require full Board pre-approval) • Yes – Make bid award recommendation to Board Liaison to the applicable Committee.
Step 6	Award bid to approved contractor/supplier. Notify each other bidder that it was not selected.
Step 7	Confirm satisfactory receipt of goods or services
Step 8	Request payment or reimbursement by written request to the Treasurer, applicable Board Liaison and the POA’s management company. Attach all applicable invoices.
Step 9	Confirm satisfactory receipt of goods or services
Step 10	Request payment or reimbursement by written request to the Treasurer, applicable Board Liaison and the POA’s management company. Attach all applicable invoices.

Purchases Over \$2,500 or Multi-Year	
Note	All purchases by or on behalf of the POA must be reasonably and directly incurred by a Director or by a member of Board-Sanctioned Committee in fulfilling his/her duties to the POA.
Step 1	<p>Develop Project Summary as well as a Request for Quote, which shall:</p> <ul style="list-style-type: none"> • State what goods or services are required, with specifications • State delivery/timing requirements • State quantity requirements • Include target/competitive price • State the time in which a responsive bid must be received to be considered (typically 2-4 weeks). <p>You must use the POA standard form of agreement, so an RFQ generally should include a copy of the POA's standard form of agreement that has been modified to pertain to the goods/services to be provided, along with a note indicating the POA's expectation that the terms and conditions of the agreement will not be modified.</p> <p>Important Note (to be followed throughout this process): Any modifications to the terms and conditions (other than descriptions of the goods and/or services to be provided) must be reviewed by outside counsel.</p>
Step 2	<p>Develop qualified bidder list.</p> <p>Note: A qualified potential contractor/supplier has each of the following characteristics:</p> <ul style="list-style-type: none"> • Capacity to provide the needed goods and/or services; • A credible history of on time performance/delivery of quality work/goods; • Demonstrated financial stability; • Maintains in good standing all required licenses, certifications, etc.; and <p>Is bonded and insured.</p>
Step 3	<p>Submit Project Summary and RFQ to Board member (must not be an Interested Person nor have an actual or potential conflict of interest) for support. Board member presents to Board for determination regarding approval to proceed.</p> <p>Approval to Move Forward with Process Decision:</p> <ul style="list-style-type: none"> • Approved – Move to Step 4 • Not Approved – Return to Step 1.
Step 4	Send RFQ to at least 3 qualified potential contractors/suppliers from bid list approved by the Board.
Step 5	Hold question and answer meetings during the first week after the RFQ sent to potential bidders to clarify project requirements as needed.
Step 6	Review bids timely received (to be conducted by a Board member or a member of a Board-Sanctioned Committee) and make bid award recommendation. Select two "best bids" and review with Board member, to gain input and/or support.
Step 7	Specify target bid parameters by selecting the best cost, best quality, best delivery, etc. aspects from submitted bids. Return a revised RFQ, which contains those "best" characteristics and re-bid the two best bids. If necessary or appropriate, include a modified version of the POA form agreement (keeping in mind that all modifications must be reviewed by outside counsel), with the note that this version of the agreement must be accepted "as is" to be considered.
Step 8	<p>Review re-bids timely received, and make recommendation to the Board, consistent with the following:</p> <ul style="list-style-type: none"> • The recommendation must be made to the Board by a Director who (i) is not an Interested Person and (ii) does not have an actual or potential conflict of interest.



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	<ul style="list-style-type: none"> • Provide (at a minimum) the following documentation to each Director at least 10 days prior to the Board meeting at which a draft arrangement will be considered: (i) description of the bidding process used, including a list of all entities from which bids were solicited and show which of those entities submitted a bid response, and (ii) a copy of each draft agreement to be considered, in a format (e.g., redline) that clearly delineates the differences between the negotiated agreement and the POA standard form of agreement.
Step 9	<p>Board reviews and makes approval determination (with any Interested Person or Director with an actual or potential conflict of interest being recused from consideration and vote on the arrangement) and documented in the minutes.</p> <p>The execution copies of the agreement must be signed by the President on behalf of the POA and by a person from the contractor/supplier with apparent authority to sign agreements on behalf of the contractor/supplier.</p>
Step 10	Award bid to approved contractor/supplier. Notify each other bidder that it was not selected.
Step 11	Confirm satisfactory receipt of goods or services (i.e. must be consistent with the terms of the written agreement between the POA and the contractor/supplier).
Step 12	Request payment or reimbursement by written request to the Treasurer, applicable Board Liaison and the POA's management company per the standard process for payment of large and/or multi-year contracts.



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Annual Conflict of Interest Disclosure Form for Directors

To be completed by each Director for review at the March meeting of the POA Board (or for directors appointed to fill mid-term vacancies, at the first meeting following such Director’s appointment).

	Circle One	
<p>1. Are you aware of any <i>business relationships</i> (involving yourself or a member of your family that may represent a conflict of interest as defined by the letter or spirit of the POA’s Governance Manual? (If Yes, please attach a document that identifies and describes such relationships and the details of annual or potential financial benefit as you can best estimate them.)</p> <p>“Business Relationship” – One in which a Director or a member of his or her family (spouse, parent, sibling, child) serves as an officer, director, trustee, partner, employee, or agent of a third party that does business with the POA.</p>	Yes	No
<p>2. During the past 12 months, did you or a member of your family receive any <i>personal benefit</i> from any source from which the POA buys goods or services, or otherwise has significant business dealings? (If Yes, please attach a list of them, their source, and their approximate value.)</p> <p>“Substantial Benefit.” When a Director or a member of his or her family (spouse, parent, sibling, child): (a) is the actual or beneficial owner of an interest in an organization that does business with the POA; or (b) has other direct or indirect dealings with such an organization from which the person, or a member of the person's family benefits directly, indirectly, or potentially in excess of \$50 annually.</p>	Yes	No
<p>3. Are you aware of any other events, transactions, or situations that you believe should be examined by the POA’s Board or that may be subject to the provisions of the POA’s Conflict of Interest Policy? (If “Yes,” please attach an explanation.)</p>	Yes	No

I, _____, certify that I have read and understand the Conflict of Interest Policy included in the POA’s Governance Manual, and that the foregoing information is true and complete to the best of my knowledge.

Signature

Date

Revision History: Adopted, January 20, 2015.

Document Retention Schedule
(for POA documents not covered by a Board-Sanctioned Committee Guidelines document)

Document Type	Where Stored	Retention Period
Corporate Records		
Architectural and Landscape Guidelines and amendments and modifications thereto	POA's management company	Permanently
Articles of incorporation, bylaws and amendments and modifications thereto	POA's management company	Permanently
Annual reports to members	POA's management company	7 years
Declaration of Conditions, Covenants and Restrictions and amendments and modifications thereto	POA's management company	Permanently
Election records	POA's management company	7 years
Membership records and related ledgers	POA's management company	Permanently
Minute books of meetings of the Board of Directors	POA Secretary	Permanently
Minute books of meetings of Members	POA Secretary	Permanently
Minutes (drafts)	POA Secretary	1 year
Correspondence & E-mails		
Correspondence and hearing notices regarding possible violations of the Declaration of Covenants, Conditions and Restrictions and Architecture and Landscape Guidelines	POA's management company	Permanently
Correspondence and e-mails (legal and important matters only)	POA's management company	Permanently
Correspondence (routine) with Members and/or contractors and/or pier associations	POA's management company	7 years
Routine administrative communications and data, transient memoranda or notes, and unused or insignificant drafts or copies having limited and short-term value or usefulness (e.g., e-mails between Directors or to or from the POA's management company).	n/a	Need not be maintained and can be destroyed at any time, unless subject to a legal hold.
Insurance		
Fire inspections and safety reports	POA's management company	7 years
Insurance policies (execution copy), other	POA's management	Term of the



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Document Type	Where Stored	Retention Period
than vehicles	company	policy plus 10 years (or until all claims made under the policy are paid, if any are not paid as of 10 years after the expiration of the policy)
Insurance on vehicles (execution copy)	POA's management company	Period of ownership or lease of vehicle plus 10 years (or until all claims made under the policy are paid, if any are not paid as of 10 years after the expiration of the policy)
Insurance records, current accident reports, claims, etc.	POA's management company	7 years
Internal reports (miscellaneous)	POA's management company	3 years
Legal		
Deeds, mortgages, leases, titles and bills of sale for real property	POA's management company	Permanently
Business Permits	POA's management company	Permanently
Claims and Litigation Concerning Torts and Breach of Contract	POA's management company	Permanently
Contracts, mortgages, notes and leases (final, execution copy)	POA's management company	Term of the agreement plus 10 years
Foreclosure and lien notices, filings, etc.	POA's management company	Permanently
Licenses	POA's management company	Permanently
Patent, copyright and trademark applications/registrations and other documents relating to intellectual property, and related papers	POA's management company	The life of the intellectual property, plus 7 years



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Document Type	Where Stored	Retention Period
Real Property & Boat Slips/Piers		
Blueprints and plans	POA's management company	Period of ownership of building
Property appraisals by outside appraisers	POA's management company	Permanently
Property Register	POA's management company	Permanently
Vehicles		
Titles and leases to vehicles	POA's management company	Period of ownership or lease of vehicle
Vehicle Operating and Maintenance logs		2 years
Vehicle Tax Payments	POA's management company	Period of ownership or lease of vehicle