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**Minutes of the  
Board of Directors Meeting  
April 22, 2010**

**Approved: May 27, 2010**

The regular meeting of the Columbia Association Board of Directors was held on Thursday, April 22, 2010, 7:30 p.m. at the Columbia Association Building. The following Members were present: Ms. Suzanne Waller, Acting Chair, Mr. Michael Cornell, Ms. Kathleen Dragovich, Mr. Alex Hekimian, Mr. Gregg Schwind, Ms. Atkinson-Stewart, Mr. Russell Swatek, and Ms. Shari Zaret. Ms. Cynthia A.S.H. Coyle and Mr. Phil Kirsch were absent. Staff Liaisons present were: Mr. Rob Goldman, Mr. Chick Rhodehamel, Mr. Steve Sattler, Ms. Rafia Siddiqui, and Mr. Phil Nelson, President.

1. **Call to Order-** The Board of Directors Meeting was Called to Order at 7:30 p.m. by Ms. Waller.
2. **Board Monitoring Form Reminder** – Members were reminded of the Board Monitoring Form.
3. **Announcement of Closed/Special Meetings Held/To be Held – April 20, 2010, Audit Committee** held a partial Closed Meeting. **April 22, 2010, 6:30 p.m., Board of Directors Special meeting**, held regarding the President’s Evaluation/Bonus and Raise.
4. **Approval of Agenda – Ms. Atkinson-Stewart** Moved to Approve the Agenda. Mr. Cornell seconded. **Mr. Swatek** recommended that Item 9(b)2, (Friends of Columbia) be moved to the Meeting of April 29, 2010. **Ms. Dragovich** recommended that the Symphony Woods Ground Breaking Discussion be added to the Agenda. **Mr. Cornell** recommended that the Audit Committee Report be moved to the Meeting of April 29, 2010. The Motion, as amended, Passed Unanimously.
5. **Approval of Minutes – April 8, 2010 – Ms. Atkinson-Stewart** Moved to Approve the Minutes of the April 8, 2010 Meeting. Mr. Cornell seconded. The Motion Passed Unanimously.
6. **Resident Speakout** – None.
7. **Chairman’s Remarks** – None. (The Chair was absent due to illness).
8. **President’s Report**.

45 **Symphony Woods Ground Breaking Discussion – Ms. Dragovich** updated the  
46 Members on the Symphony Woods project, including discussion on suitable kick-off  
47 event. The staff was directed to arrange a kick-off event in May 2010.  
48

49 **9. Committee Agenda**

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51 **(a) External Relations Committee**

- 52  
53 **1. CSS Demonstration** – Staff Members demonstrated the CSS  
54 recommendations, as follows:  
55 **Ms. Rita Sherman** discussed Member Checking and POS System; **Ms.**  
56 **Valerie Bernard** explained the Membership System; and **Mr. Will Reeder**  
57 discussed the Webb System.  
58 **2. Obtaining Input for Pathway System Development** – **Mr. Sattler** high-  
59 lighted the Goals, Types of Information to be obtained, Key Stakeholders,  
60 Methods of Data Input and Timeline.  
61  
62 **3. Communications Plan for Going Green** – **Mr. Sattler** discussed the Goals  
63 of the Plan for Going Green, to include Educating the Public on Green “Tips”,  
64 Educating the Public on CA’s Leadership Role on Green Issues, and  
65 scheduled Launch dates for these discussions(7/1 and 8/5).  
66  
67 **4. Generation of Renewable Energy on CA Property** – **Mr. Goldman**  
68 discussed the background concerning generating renewable energy on CA  
69 property, people consulted on the information gathering process, basic  
70 information, financial/budget considerations, legal considerations, policy  
71 considerations and options.  
72

73 **Mr. Cornell** Moved to Approve the following four recommendations: 1).  
74 Staff recommends moving forward with a survey of CA buildings and CA  
75 Open Space to determine which buildings and what areas of the Open Space  
76 are well suited for renewable energy generation. The survey will be  
77 conducted in the first half of FY 11; 2). Staff will then prepare a background  
78 paper using the site best suited to the installation of solar panels and bring  
79 forward options for CA investment in renewable energy including return on  
80 investment calculations as well available power purchase agreements. This  
81 information will be presented to the board as a part of the FY 12 budget  
82 process; 3). Communicate to the community that CA, in an effort to promote  
83 renewable energy and environmental sustainability, is willing to entertain and  
84 evaluate any proposal for investment in renewable energy on CA Open Space  
85 or CA building rooftops; 4). Staff will also continue to study and monitor  
86 advances in technology, regulatory changes, and other pertinent occurrences  
87 in renewable energy generation. Ms. Zaret seconded. The Motion Passed by  
88 Unanimous Consent.  
89  
90

91 (b) Performance Oversight Committee

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93 1. **Continuous Quality Report Update – Mr. Marc Kolp** of CA’s  
94 Organizational Development & Training Department presented a concept of  
95 the “Key Performance Indicators Dashboard” for member’s information. **Mr.**  
96 **Hekimian** Moved to Recommend Endorsement, to the full Board, of the  
97 Performance Indicator as a good start. Ms. Dragovich seconded. The Motion  
98 Passed by Unanimous Consent.

99  
100 2. **Friends of Columbia – 501(c)(3) Update** – Subject moved to the Board  
101 of Director’s meeting, April 29, 2010.

102  
103 3. **Kings Cove Sewer Easement Request - Ms. Atkinson-Stewart** Moved  
104 to Approve the recommendation to grant, to the board, the easement in  
105 exchange for annexation to CPRA and Village of Kings Contrivance. Ms.  
106 Dragovich seconded. The Motion Passed by Unanimous Consent.

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108 (c) Planning and Strategy Committee

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110 (d) Audit Committee

111 Chair’s Report - Committee Report scheduled for Meeting of April 29, 2010.

112  
113 (e) Board Operations Committee

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115 1. **Approve Minutes of the April 12 Open Meeting - Mr. Hekimian**  
116 Moved to Approve the Minutes of the April 12<sup>th</sup> Meeting. Ms. Waller  
117 seconded. The Motion Passed 2-0-1. For: Mr. Hekimian and Ms. Waller;  
118 Abstain: Mr. Swatek.

119  
120 2. **Introduction of Proposed Changes to the Columbia Association Board**  
121 **of Directors Committee Structure Governing Documents – Mr. Hekimian**  
122 Moved to defer the changes being proposed on the Board of Directors  
123 Committee Structure Governing Documents for second reading. Ms. Waller  
124 seconded. The Motion Passed 2-0-1. For: Mr. Hekimian and Ms. Waller;  
125 Abstain: Mr. Swatek.

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127 **10. Recommendations from Committees for Second Reading**

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129 (a) **Recommendation to approve revisions to By-laws, Policy, and Special**  
130 **Rules of Order related to minimal meeting minutes.** Members agreed to send  
131 back to Committee.

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**11. Recommendations from Committees to the Board for Action**

**(a) Consent Agenda**

**1. Notice of Presidents Evaluation/Bonus Meeting held April 22, 2010 -**The Board of Directors voted to approve the ratings for all of the predetermined goals. The goals were based on the strategic objectives of the Board of Directors and their ratings were used to determine the President’s bonus of \$12,600. In addition, the Board of Directors voted to increase the President/CEO’s base salary for FY 11 by 1.8%. The base salary for the President/CEO for FY 11 will be \$203,600. **President’s Evaluation/Bonus and Raise Passed by Unanimous Consent.**

**(b) Leadership Development Plan (BOC) Mr. Hekimian** Moved to Approve the Leadership Development Plan. Ms. Waller seconded. The Motion Passed 7-0-1. For: Mr. Cornell, Ms. Dragovich, Mr. Hekimian, Mr. Schwind, Mr. Swatek, Ms. Waller and Ms. Zaret; Abstain: Ms. Atkinson-Stewart.

**(c) Revisions to Purchasing Policy (POC) – Mr. Hekimian** Moved to Approve the Purchasing Policy. Ms. Waller seconded. The Motion Passed by Unanimous Consent.

**12. Board Member Items for Discussion and Assignment to Committees – None.**

**13. Tracking Forms**

**(a) Tracking Form for Board Requests**

**(b) Tracking Form for Resident Requests**

**14. Complete Monitoring Form**

**15. Talking Points – Ms. Schellenburger**

**16. Adjournment –** The Board of Directors Meeting adjourned at 11:30 p.m.

Respectfully submitted,

Barbara Y. Barnes  
Recording Secretary



## COMMITTEE RECOMMENDATIONS TO BOARD

Date: March 31, 2010  
To: Columbia Association Board of Directors  
From: Phil Kirsch, Chair Board Operations Committee  
Subject: Board/Staff Leadership Development Plan  
Issue: Approval of Board/Staff Leadership Development Plan

### Discussion:

At the November 2009 Board/Staff Retreat, Staff was directed to develop a Leadership Development Plan for FY2011 and Staff was asked to bring that plan to the Board for approval in April 2010. The BOC reviewed and edited the draft plan at its March 29, 2010 meeting and is recommending approval of the plan.

### Recommendation of Committee:

By a vote of 4 For 0 Opposed 1 Abstain

Has no recommendation.

Recommends the following action be taken or motion be approved by the CA Board of Directors in regards to the issue described above.

### Justification for Recommendation:

Motion: The recommendation must be written in the form of a motion or resolution.

Be it resolved that the attached Board/Staff Leadership Development Plan be approved

Additional Action recommended by committee in lieu of motion or in addition to motion:

**CA BOD & Staff Leadership Development Plan (LDP)**  
**Proposed Content/Calendar**  
**March 2010**

**April – The “Welcome Month”**

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- New BOD members announced

**May – “Transition Month”**

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- 1<sup>st</sup> BOD meeting – May 13<sup>th</sup>
    1. BOD Business
      - Meeting of Members of CA, in which they elect themselves as members of the CA BOD
      - Meeting of the CA BOD and election of Char/Vice Chair
      - Meeting of Columbia Council
    2. Rapport Building
      - Opportunity for BOD and Staff to get to know each other
    3. Overviews
      - Governance structure and process
      - Overview of CA Service Bureau structure
  - CA Facility Tours/Overviews – TBD at the request of BOD members
  - BOD/Staff Retreat – May 15<sup>th</sup> facilitated by OD&T – full-day session specific time TBD
    - Team Session
      1. Discussion of leadership
      2. Role clarity
      3. Team rapport
      4. Development of norms/rules of engagement
      5. Discussion of assessments (assessments to be completed after BOD meetings and periodically otherwise to assess adherence to rules of engagement, progress, productivity, and interpersonal dynamics)
      6. Discussion of BOD Chair, Committee Chair, and Senior Staff Liaison coaching program
    - Operations Overview
      1. Video tour of facilities and community amenities
      2. Intro to progression plan/operating plan
      3. Legal overview
      4. Financial overview (budgeting, reading P&Ls and financial statements, history, economic model, etc.)
      5. Other pertinent overviews
      6. Recap and next steps discussion from May 14<sup>th</sup> Village Roundtable/Stakeholders Event
  - 2<sup>nd</sup> BOD Meeting – May 27<sup>th</sup>
    1. Appoint committee members
    2. Other BOD Business
    3. Strategy Making Process
-

**CA BOD & Staff Leadership Development Plan (LDP)  
Proposed Content/Calendar  
March 2010**

**June – Educational/Skill-Building Workshop & Introduction to Coaching**

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- First BOC Meeting to set agendas for the Month – June 1<sup>st</sup> (Tuesday)
  1. OD&T attends to discuss the coaching process with BOD Chair, Committee Chairs, and Senior Staff Liaisons
- Conflict Resolution/Negotiation Workshop – June 3<sup>rd</sup> - led by external facilitator/expert in partnership with OD&T

**July – 1<sup>st</sup> BOD Meeting Observation/Feedback**

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- OD&T attends/observes BOD meeting; engages in 1-on-1 coaching following the meeting with each of the following: BOD Chair, Committee Chairs, and Senior Staff Liaisons

**September – Educational/Skill-Building Workshop**

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- Budget process workshop – led by Phil Nelson, et.al.

**October - Mid-Year Assessment & 2<sup>nd</sup> BOD Meeting Observation/Feedback**

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- OD&T administers survey to determine successes, opportunity areas, satisfaction, and concerns
- OD&T attends/observes BOD meeting; engages in 1-on-1 coaching following the meeting with each of the following: BOD Chair, Committee Chairs, and Senior Staff Liaisons

**November - Mid-Year Retreat & Educational/Skill-Building Workshop**

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Note: Educational/Skill-Building component TBD based on November feedback

1. Discussion of feedback from October survey
2. Determine successes/opportunities
3. Identify mid-course corrections needed
4. Facilitated by the OD&T

**January – 3<sup>rd</sup> BOD Meeting Observation/Feedback**

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- OD&T attends/observes BOD meeting; engages in 1-on-1 coaching following the meeting with each of the following: BOD Chair, Committee Chairs, and Senior Staff Liaisons

**Late March/Early April – End of Year Review**

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1. Lessons learned
2. Possible SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to be shared w/new BOD
3. Discuss LDP for FY12
4. Facilitated by OD&T

**Resources needed**

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- Conflict/Negotiation co-facilitator (see June)

**CA BOD & Staff Leadership Development Plan (LDP)  
Proposed Content/Calendar  
March 2010**

**Additional components of LDP to be implemented in April/May 2011**

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- April: BODs receive welcome letter/LDP brochure, which illustrates LDP components for the year; BODs & Staff receive assessment (DiSC, MBTI, SDI, etc.)
- Early May: assessments due to OD&T
- May Retreat: debriefing of assessment that was sent out in April (discussion of individual styles, team type, and ways to maximize synergy based on styles)



## COMMITTEE RECOMMENDATIONS TO BOARD

Date: March 30, 2010  
To: Columbia Association Board of Directors  
From: Alex Hekimian, Chair of Performance Oversight Committee  
Subject: Revisions to Columbia Association's Purchasing Policy

Issue:

At its meeting on March 25, 2010, the Performance Oversight Committee discussed and considered the following issue:

Discussion:

The Committee discussed proposed revisions to the Columbia Association's Purchasing Policies.

Recommendation of Committee:

By a vote of  2  For  1  Opposed  0  Abstain

Has no recommendation.

Recommends the following action be taken or motion be approved by the CA Board of Directors in regards to the issue described above.

Justification for Recommendation:

Two Committee members agreed that the revisions proposed by a work group should be approved by the Board of Directors. The proposed revisions are tracked in the attached Purchasing Policy. The opposing Committee member felt that the governance process had not been followed for this issue.

Motion: The recommendation must be written in the form of a motion or resolution.

Motion: A motion was made for the Committee to recommend that the Board of Directors approve the proposed revisions to the Purchasing Policy, effective May 1, 2010. (attached with revisions tracked).

Additional Action recommended by committee in lieu of motion or in addition to motion:

None



## PURCHASING POLICIES AND PROCEDURES

May 1, 2010

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## I. INTRODUCTION

These policies and procedures govern all purchases for goods or services made by the Columbia Association. Each member of the staff who, by the nature of his or her job, deals with vendors or has supervisory responsibility for those who do, must be made familiar with its contents.

## II. GENERAL POLICY

A. The Columbia Association maintains an automated bidders list to allow prospective vendors the opportunity to do business with the Columbia Association. The automated bidders list provides CA purchaser's access to all firms that have completed the bidders list registration form. The list contains pertinent information on each bidder including name, address and phone number and indicates the types of supplies or services provided. If a bidder fails to respond to five solicitations for bid or has failed to perform satisfactorily, the bidder may be removed from the automated bidders list.

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B. The Columbia Association is committed to the procurement of goods and services that have less detrimental environmental and social impacts than competing goods and services. IFBs and RFPs shall endeavor, to the extent possible, to specify sustainable goods and services, and at the same time consider the value received and benefit to the environment in return for the expenditure. Goods and services should, for example, be more energy efficient, conserve water, reduce the use of fuel, generate less pollution and toxins, use recycled materials, and/or minimize waste.

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C. A firm that is paid to prepare a scope of work, a concept, a plan or specifications for a purchase or job for the Columbia Association is not permitted to bid on that purchase or job. A multi-step purchasing method may be used in certain cases (see Section V B). A firm that provides descriptive literature such as catalogue sheets, brochures, technical data sheets, or standard specification "samples," whether requested by a CA employee or provided on an unsolicited basis is permitted to bid on that purchase or job.

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D. Columbia Association shall preserve the integrity of the bidding process by soliciting bids and proposals from relevant and reputable vendors, preventing the disclosure of the contents of a vendor's bid to a competing vendor prior to contract award, and refraining from any actual or perceived interference of a potential vendor's response to an IFB or RFP.

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E. All bids that are received shall be date stamped. Bids received after the date and time specified for receipt will not be considered for award.

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F. At least three bids must be received to meet the minimum bid requirement. Prices obtained directly from a catalog shall not qualify as a bid. Bids obtained via the internet are acceptable when submitted in response to an IFB or RFP. If less than three bids are received, and (a) if the total bid price is \$10,000 to \$250,000, then the President's approval of the award is required, or (b) if the total bid price exceeds \$250,000, then Board approval of the award is required.

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G. The Purchase Order file will contain total bid information and selection justification. In all cases when the low bid is not chosen the President's approval is required.

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H. Requests for goods and services cannot be artificially divided to avoid bid requirements. Instead, requests should be aggregated to the maximum extent possible.

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I. An approved check request is acceptable for the following categories of expenditures, however these purchases must comply with all other aspects of this policy:

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- Commercial Insurance
- Employee reimbursements (i.e., seminars, dues and travel expenses)
- Certain emergency purchases (a situation requiring an emergency purchase exists when sudden or unexpected occurrences or conditions pose an actual or immediate threat to the continuation of an essential operation of CA, or pose a threat to public health, welfare or safety. The failure to adequately plan and anticipate does not constitute an emergency purchase).
- Year-end processing
- Benefit payments

J. Exemptions

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The following categories of expenditures are exempt from the competitive pricing requirements; check requests may be processed for payment.

- Advertising expenditures
- Regulated public utilities where service and rates are not negotiable
- Conferences, seminars and training fees
- Visiting speakers, professors and performing artists
- Memberships, dues and fees in professional organizations
- Payments to governmental agencies
- Postage purchased directly from USPS
- Tickets, admission fees, etc. for amusement parks, sporting events, or entertainment events/activities
- Books and subscriptions

- Refunds, Checkbook Reimbursements

The following categories of expenditures are exempt from the competitive pricing requirements; Purchase Orders are required.

- Sole Source (a situation requiring a sole source purchase exists when the proposed vendor is confirmed by the Purchasing Manager and approved by the President as the only source for the specified goods or services available within the Baltimore/Washington Metropolitan region).
- Merchandise/consumable goods for resale to the public
- Instructors or others providing services to be sold to the public
- Contract labor (A temporary service agency providing services for a specific project of short duration or services required due to an extended employee absence or unexpected need)
- Expendable goods (items with a unit price of less than \$300 which will be used within one year) from retail stores such as Giant, Safeway, Target, K-Mart, and Home Depot. Blanket purchase orders may be established to accommodate these purchases.

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K. An invoice that exceeds the purchase order amount by no more than \$250 for shipping or sales tax only, may be paid without an addendum to the original purchase order.

Deleted: Blanket purchase orders for small, routine painting and printing service less than \$1,500 per job¶

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L. For expenditures of goods and services that total \$10,000 or less addressing immediate, unanticipated needs, verbal approval must be obtained from the appropriate Division Director/Assistant Division Director before a commitment is made with a vendor. Within five (5) calendar days of receiving the verbal approval, a purchase requisition must be properly completed and approved. Purchase orders will be issued for these expenditures.

### III. BLANKET PURCHASE ORDERS FOR RECURRING PURCHASES

A blanket purchase order is a purchase order that is established with a vendor to permit repetitive purchases within a given fiscal year to a stated maximum dollar limit. Blanket purchase orders should be established for all categories of recurring purchases. Recurring purchases are defined as multiple purchases of the same types of goods or services from the same vendor during a fiscal year. The purpose of blanket purchase orders is to facilitate the acquisition of multiple items that are purchased repetitively over a period of several months. The high volume of the items makes it impractical for individual purchase orders to be issued. Contracts for blanket purchase order items may be renewable annually for a maximum of two years beyond the first year.

“Departmental” blanket purchase orders are for recurring purchases made by departments. Departmental blanket purchase orders should be initiated by the department.

“Global” blanket purchase orders will consist of goods and services such as office supplies, fuel and janitorial supplies that are purchased on a recurring basis by more than one department. “Global” blanket purchase orders will be issued at the beginning of each fiscal year by the Purchasing Department and will be the responsibility of the Purchasing Manager. The Purchasing Manager in consultation with the operating managers will determine the approximate annual expenditure for eligible goods and services and then conduct the appropriate bid process.

Procurements for time and materials services such as HVAC, electrical and plumbing services will be conducted by the Purchasing Manager in coordination with the relevant Service Bureaus. A committee comprised of multiple divisions within the Operations Service Bureau will evaluate bids received and make recommendation(s) for contract award.

The following conditions apply to departmental and global blanket purchase orders:

- A. All blanket purchase order requests must be bid in accordance with Section IV G. The duration of a blanket purchase order for operating expenses cannot exceed one year.
- B. The total shown on the blanket purchase order will be the maximum dollar amount permitted to be spent under the original purchase order (see Section II (I) for exception). It is the responsibility of the originating department to review its estimated requirements and plan accordingly.
- C. Maximum dollar limits on established blanket purchase orders will be permitted to be increased only if the purchaser(s) carefully monitor their usage and submit a purchase requisition, as a change order to the original blanket purchase order, prior to reaching the dollar limit on the original blanket purchase order. If the increase moves the purchase into a category that requires a different bid procedure than the original blanket purchase order, the request will not be approved until the requisite bid procedures of the new category have been completed.
- D. All blanket purchase order requests will be reviewed by the Purchasing Manager for reasonableness to ensure requested dollar amounts are appropriate.

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#### IV. PURCHASE CATEGORIES FOR SINGLE PURCHASES

A. **Purchases Up to \$10,000**

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Competitive pricing is encouraged.

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Approval by the Assistant Division Director or Division Director is required. \*

B. **Purchases greater than \$10,000 up to \$25,000**

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For purchases greater than \$10,000 up to \$25,000, a written request must be sent to potential vendors, and written responses must be received from prospective vendors. The written requests, vendor responses, and other relevant information shall be attached to the Purchase Requisition form and will become part of the file.

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Approval by the Division Director is required. \*

C. **Purchases greater than \$25,000**

The competitive bidding process for purchases greater than \$25,000 must be bid in accordance with Section V Request for Bids.

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Approval by the Division Director and President is required. \*

\* A Division Director may delegate his/her signature authority to a designee, such as that division's Assistant Division Director, if the Division Director is unavailable. If the designee is unavailable, the purchase may be approved by another Division Director or the President. The employee initiating the purchase must notify the appropriate Division Director that the purchase was made in his/her absence.

D. **Addendums/Change Orders**

Addendums arise as additional work is added to a purchase order for an operating expenditure that was not known at the time the original purchase order was prepared. The cumulative amount of purchases, including addendums, must comply with the competitive bidding guidelines. An invoice that exceeds the approved purchase order amount, including change orders, shall not be honored.

Change orders arise as additional work is identified for a capital project that was not known at the time that the original purchase order was

prepared. The nature of the services performed in the change order must be the same as the original purchase order. If the amount of the change order moves the total purchase amount into another bid category or the cumulative change orders exceed 20% of the original purchase order amount, the change order must be approved prior to authorizing the additional work.

If the original purchase order was an exception approved by the President, any cumulative change orders or addendums that exceed 20% of the original purchase order amount must be approved by the President. If a change order or addendum of a purchase order that was originally an exception approved by the President causes the total purchases to exceed \$25,000, it must be taken to the Board for approval. If the original purchase order was a Board approved exception, the Board must approve any cumulative change orders or addendums that exceed 20% of the original purchase order amount or exceed \$25,000.

E. **Riding Other Government Contracts**

CA may make purchases by “riding” contracts awarded by other state or local governments. Riding other jurisdiction’s contracts allows CA to take advantage of substantial volume discounts and reduce the amount of administrative effort necessary to obtain the goods and services. In order to ride another jurisdiction’s contract, CA must purchase the exact same goods and services, receive the exact same pricing offered by the other jurisdiction and the goods or services awarded by the other jurisdictions must have been competitively bid. The purchase order file will contain relevant documentation from the jurisdiction to support their contract for the goods or services purchased.

“Riding” shall mean that CA may accept the pricing and terms and conditions of a vendor’s contract award with a state or local government for the procurement of the exact same goods or services without obtaining competitive bids or requesting an exception to the purchasing policy. The resulting contract will be between CA and the vendor. The state or local government is not a party to the agreement.

F. **Contract Processing**

Contracts between CA and other parties will be processed in accordance with the Contract Processing Policy attached hereto as Addendum A.

G. **Purchase Categories for Blanket Purchase Orders**

For blanket purchase orders up to \$5,000 per quarter not to exceed \$20,000 a year competitive pricing is encouraged.

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For blanket purchase orders greater than \$5,000 per quarter or greater than \$20,000 a year a written request for bid must be sent to potential vendors, and written responses must be received from prospective vendors. The written requests, vendor responses, and other relevant information shall be attached to the Purchase Order and will become part of the file.

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## V. REQUEST FOR BIDS

An Invitation for Bid (IFB) is used when the goods or services to be procured can be specified exactly and where price is the most important criteria for award. A Request for Proposal (RFP) is used when the goods or services to be procured cannot be specified exactly and where the bidder's qualifications and experience are as important or more important criteria than cost.

A. An IFB or RFP must be sufficiently detailed and unambiguous to prevent misunderstandings. It should include the following:

1. Proposed scope of work, schedule of performance and specifications;
2. Any additional general and special instructions necessary, which may include the format in which proposals should be submitted;
3. Proposed terms and conditions of the resulting contract, if applicable;
4. For RFPs, criteria to be used to evaluate proposals (i.e., quality, price, and experience);
5. Time, date and location of pre-bid conferences, if any;
6. Time, date and location for the receipt of bids and proposals.
7. Deadline for receipt of bids, and notice that late proposals will not be accepted.
8. All bidders shall be made aware of any revisions to the IFB or RFP and shall have an opportunity to amend their bid prior to the bid deadline.
9. RFPs will include notice that a committee of appropriate staff members will evaluate and recommend the selection of the winning vendor, and that the name of the winning vendor will be announced to all bidders.
10. Name and contact information of the staff person from whom more details may be obtained.

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B. Columbia Association staff is responsible for preparing the scope of work and specifications. If the staff lacks the expertise to properly prepare this information, the Columbia Association may hire, through the competitive process specified in these policies and procedures, an experienced and qualified consultant for that purpose. The consultant may also provide assistance during the bidding process. The consultant is prohibited from submitting a proposal in response to the resulting RFP.

A multi-step purchasing method may be used when it is not practical to initially prepare a definitive purchase description that will be suitable to permit an award based on price. The RFP must state that the procurement is a multi-step procurement and state the intent to either make awards after each step or make one award. Technical proposals must be received by the date and time specified. The technical proposals received are evaluated against pre-established criteria that were stated in the solicitation. Bidders who submit technically acceptable proposals can be invited to submit sealed priced bids. The lowest priced, technically acceptable bid is awarded the project. The multi-step purchasing method is applicable to purchases up to a maximum of \$25,000 with the approval of the Purchasing Manager.

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C. A pre-bid conference may be held to discuss the RFP or IFB and answer questions from potential bidders. After the conference, it may be desirable to issue an addendum in response to comments made at the conference or to clarify the IFB or RFP.

D. For all services where RFPs are required, a Selection Committee is responsible for reviewing and ranking the proposals. In order to be considered qualified to be a member of a Selection Committee, Team Members must have knowledge and experience in the subject matter of the specific procurement. The Committee may interview and negotiate with the firms having the highest ranking proposals and may request submissions of "Best and Final Offers". The Committee is responsible for selection of a bidder for contract award.

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E. For RFPs discussions with potential bidders, the evaluation process and selection justification must be documented in writing and retained in the Purchase Order file. Columbia Association staff shall not mark or alter any contents of the original bids and proposals.

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F. For IFBs when award is made to other than the low bidder, the file will be documented with sufficient justification as to why the low bidder was not selected for award.

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G. Each bidder shall be notified of the outcome of the procurement process, including the name of the winning vendor.

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H. Potential vendors shall be urged to register for the automated bidders list. Vendors on the automated bidders list will be routinely notified by email about any relevant IFBs and RFPs issued by the Columbia Association. Notices that include any new IFBs and RFPs shall be timely placed on the Columbia Association website to make them accessible to vendors and the general public. Potential vendors shall be given at least 5 calendar days to submit their bids in response to an IFB, or at least 21 calendar days to submit their proposal in response to an RFP.

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## **VI. SELECTION OF PROFESSIONAL SERVICES**

(e.g., Architects, Planners, Engineers, Construction Management, Consultants, Accountants, Lawyers, Lobbyists and Others)

All professional services must be bid in accordance with the procedures in Section IV and the Request for Bids process outlined in Section V.

Professional service contracts may not exceed three (3) years except for Pension Plan Administration, Trustee Services, Banking Services, Third Party Administrator Services, Insurance Broker Services and Employee Medical Benefits which may exceed 3 years.

## **VII. AFFIRMATIVE ACTION**

In accordance with the Columbia Association's Affirmative Action Plan, CA will encourage the participation of firms owned by women, minorities and the disabled in the Columbia Association's purchasing process. Reasonable efforts will be made to identify available female, minority and disabled vendors and to increase the utilization of their services.

## **VIII. EXCEPTIONS**

A. Requests for exceptions to the purchasing policies and procedures must be made in writing to the President. The request must include full justification for the exception. The request may be approved only by the President, or, in the President's absence, by the Vice President for Administrative Services. If the Vice President for Administrative Services is also absent, the President may delegate this authority, in writing, to another Vice President. Final documentation in the bid files shall include the written justification and signature of approval by the President or designee.

B. Any requests for exceptions, including professional services, over \$25,000 require Board approval.

C. The Board will receive quarterly reports on all purchase orders that were approved with exceptions. At a minimum, the report will list basic information on the purchase orders, the reasons for the exceptions and the overall number and total dollar amount of all purchase orders approved with exceptions in comparison with all other purchase orders approved during the quarter. The President and the Board may take remedial measures if the number of exceptions is considered excessive.

## IX. ACCOUNTABILITY

The Division Director shall be held accountable for all commitments made by his or her Division. The Division Director's responsibilities shall include the following:

A. Any commitments which obligate funds allocated to the Division must be approved by signature by the appropriate Division Director (or Assistant Division Director for purchases up to \$10,000). The review of each proposed commitment should verify that the vendor selection process was in accordance with both the spirit and the letter of these policies and procedures.

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B. All employees with purchasing responsibilities must sign the acknowledgement of receipt form attached to the Code of Business Conduct and Ethics policy contained in the Team Member Handbook. All employees responsible for procurement shall attend a meeting once every three years to review CA's purchasing policies and procedures.

## X. CONTROL

A. The Finance Department shall be the point of procurement control and shall keep central files on all bid documentation and purchase requisitions and other commitments. The Purchasing Manager shall review purchase requisitions, bids, specifications, and other relevant information to ensure compliance with these purchasing policies and procedures.

B. Internal audits will be conducted in accordance with an audit plan approved annually by the Audit Committee to determine whether the purchasing policies and procedures are being followed. Any exceptions to the policies and procedures shall be reported to the President and to the Board. If needed, the Board shall authorize procurement of services of outside auditors.

## XI. EFFECTIVE DATE

The effective date of these purchasing policies and procedures will be May 1, 2010. The provisions of this document supersede any previous Columbia Association documents that govern purchasing, contracting or related functions.

Deleted: January 23, 2009.

## **Addendum A**

### **Contract Processing Policy**

#### **A. Procurement Contracts**

Contracts are required for the following types of procurements:

- Professional services such as and not limited to Legal services, Accounting services, Group Health & Dental Benefits, Group Insurance, Architect/Engineer services greater than \$10,000
- Lease agreements
- Acquisition of real property
- Construction contracts greater than \$25,000 with a single vendor
- Janitorial services greater than \$25,000 annually

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Contracts may be required for other types of procurements or agreements, when detailed language is necessary to protect CA's interest. The Purchasing Manager will make the final decision whether a contract is required.

Construction projects and janitorial services up to \$25,000 require a purchase requisition/purchase order and certificate of insurance.

All contracts for the procurement of goods or services, as identified above, must be reviewed and approved by the appropriate Division Director, Purchasing Manager, and President or designee. It is preferable to prepare a form of contract previously approved by CA rather than using the vendor's form of contract. Use of a form of contract previously approved by CA will expedite the routing process. If a form of contract not previously approved is proposed, the General Counsel must review and approve the contract.

Only the President or his/her designee is authorized to sign contracts on behalf of the Columbia Association. The Finance department is responsible for maintaining a file of every contract. Contracts should be retained for a period of time defined in the record retention and disposal policy.

#### **Contract Routing Procedure**

- Conduct competitive bid process
- Select vendor for contract award
- Forward a previously approved form of contract to vendor for signature
- Vendor either signs the contract or suggests changes
- If vendor signs the contract, attach the Purchase Requisition, copy of the Invitation For Bid (IFB) or Request For Proposal (RFP), copy of each bidders response, certificate of insurance, procurement acknowledgement

form and route the contract in accordance with the contract routing sheet. After signature by the President, the contract will be forward to the vendor and a copy of the signed contract sent to the originator.

- If the vendor suggests changes, forward the contract with suggested changes and appropriate support documents to the Purchasing Manager for review. The Purchasing Manager will decide if the changes are substantive and if so forward to the General Counsel to negotiate acceptable language.

The contract and purchase requisition approval process will be completed within 10 business days from receipt in Finance. A contract routing sheet is attached to assist in the contract routing process.

Maintenance and service agreements may be signed by the appropriate Division Director and filed in the Division Director or his/her designee's facility.

Work ~~shall~~ not begin on any project and vendor invoices shall not be submitted to the Columbia Association until ~~(a) both parties sign the contract, (b) a purchase order is subsequently approved, (c) any requirements, such as a vendor certificate of insurance, are satisfied, and (d) notice to begin work is issued by the Columbia Association.~~

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Contract Routing Sheet

Vendor Name \_\_\_\_\_

Project Description \_\_\_\_\_

Dollar Amount \$ \_\_\_\_\_

	Date In:	Date Out:	Initials
Contract Originator	_____	_____	_____
Division Director	_____	_____	_____
Purchasing Manager	_____	_____	_____
General Counsel	_____	_____	_____
President	_____	_____	_____