

Board Policies and Procedures Manual for Cherry Creek Village North Civic Association

Version: 1.2

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1. Board Policy and Procedure Manual

This board Policy and Procedure Manual (herein referred to as the “PPM”) contains all of the current standing (ongoing) policies and procedures adopted by the board of Cherry Creek Village North Civic Association (CCVN) since the initial approval of the PPM.

a. Reasons for Adoption

- i. The reasons for adopting this PPM include:
 - ability to quickly orient new board members to current policies,
 - elimination of redundant or conflicting policies over time,
 - ease of reviewing current policy when considering new issues,
 - providing clear, proactive policies to guide the board and any administrative staff.

b. Consistency

- i. Each policy in this document is expected to be consistent with the law, the articles of incorporation, the bylaws, and any other publicly-published board documents. The board is responsible for developing organizational and administrative policies and procedures (SOPs) that are consistent with this PPM.

c. Transition

- i. Whether adopted part by part or as a complete document, as soon as some version of the PPM is voted on as the “one voice” of the board, those policies are deemed to supersede any past policy that might be found in old minutes unless a prior board resolution or contract obligates the organization with regard to a specific matter. If any actual or apparent conflict arises between the PPM and other policies or board resolutions, the matter shall be resolved by majority vote from the board.

d. Changes

- i. These policies are meant to be reviewed constantly and are frequently reviewed and refined. When language is recommended for deletion, it may be shown in strike-through format. Proposed new language may be shown as underlined text. Any change to this PPM must be approved by a quorum decision made by the board. Proposed changes may be submitted by any board member. Whenever changes are adopted, a new document should be quickly made available to the board and administrative staff. The previous version should also be maintained for future reference if needed.

e. Specificity

- i. Each new policy will be drafted to fit in the appropriate place within the PPM. Conceptually, policies should be drafted from the "outside in," i.e., the broadest policy statement should be presented first, then the next broadest, etc., down to the level of detail that the board finds appropriate for board action and below which management is afforded discretion as to how it implements the policies in this PPM.

f. Maintenance of Policies

- i. The Secretary (or paid administrative staff) shall ensure that all new policies that are voted in are transcribed correctly. The board's designee shall maintain the policies file (or website) and provide updated copies to the board whenever the policies change, or upon request. The board will ask that legal counsel review this PPM periodically to ensure compliance with the law.

2. Membership on the Board

a. Board Job Description

- i. The job of the board is to lead the organization in a style that emphasizes outward vision rather than an internal preoccupation, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, clear distinction of board and staff roles, and proactivity rather than reactivity. To perform its job, the board shall:
 - o Determine the mission, strategies, and major goals/outcomes for the neighborhood.
 - o Maintain and constantly improve all ongoing policies of the board in this PPM.
 - o Ensure financial solvency and integrity through policies and practices.

b. Board Participation

- i. A board member forfeits their position on the board if they accumulate three (3) unexcused absences from monthly meetings.
- ii. In an effort to control costs, members of the board shall take turns hosting the board meeting at their residences. Each board member shall host a monthly board meeting at least once per year, if possible.
- iii. Board members must avoid any conflict of interest with respect to their fiduciary responsibility. The board expects itself and its

members to conduct themselves in an ethical and businesslike conduct. Board members must offer unconflicted loyalty to the interests of the entire neighborhood, superseding any conflicting loyalty such as that to family members, advocacy or interest groups, and other boards or staffs of which they are members.

- iv. Any board member or committee member may submit for reimbursement any expenses incurred to attend board or committee meetings.
- v. Board members are representatives of the community and should set a good example by ensuring that their HOA dues and assessments are current and paid, and that they have no covenant violations.

c. Board Member Criteria

- i. In nominating members for the board, the board Governance Committee shall be guided by the articles of incorporation, bylaws, and this PPM.
- ii. Except for members at large, the board shall attempt to identify and nominate the most qualified candidates for specific board positions.
- iii. All potential board members must be current in the payment of their HOA dues and assessments, and must not have any covenant violations.

d. Orientation

- i. Prior to election, each nominee shall be given this PPM along with adequate briefings on the role of the board, officers, and staff and an overview of programs, plans, and finances. Soon after election, each new board member will be given more comprehensive orientation material and training.

e. Officers' Position Descriptions

- i. President's Position Description
 - To preside over board meetings
 - To uphold and have an understanding of the bylaws and protective covenants of the association.
- ii. Vice President's Position Description
 - To conduct board meetings in the absence of the President
 - To uphold and have an understanding of the bylaws and protective covenants of the association.

iii. Treasurer's Position Description

- To ensure:
 - a. that the financial integrity of the organization is maintained at all times;
 - b. that proper care is exercised in the receiving, processing, and disbursing of funds;
 - c. that the association's financial and nonfinancial assets are appropriately protected;
 - d. that an adequate risk assessment is regularly performed and that necessary controls are implemented;
 - e. that a prudent, conservative budget is prepared in advance of each fiscal year;
 - f. that significant deviations from the budget are discussed and approved by the board;
 - g. that accurate and timely financial information is prepared and disseminated;
 - h. that other board members are informed timely of important information (e.g., informing the welcome specialist when transfers have occurred); and,
 - i. that the budget during any fiscal period does not deviate materially from the board's goals and priorities, risk fiscal jeopardy, or fail to show a generally acceptable level of foresight.

iv. Secretary Position Description:

- To ensure:
 - a. that accurate and complete minutes are taken at every board meeting;
 - b. that unapproved minutes are presented to the board for their approval and/or augmentation;
 - c. that board-approved minutes are made available to neighborhood homeowners (either via the website or distributed in some other manner);
 - d. that mail is collected from the neighborhood mailbox on at least a weekly basis. The Secretary distributes the mail accordingly to the appropriate board members.
 - e. that, if the Secretary cannot fulfill his/her duties fully, an adequate administrative staff is utilized (see Administrative Staff position below).

f. Other Board Position Descriptions

i. At-Large Board Member Position Description:

- To regularly attend board and committee meetings as outlined in the bylaws.

- To read minutes, advance information, e-mails in preparation for decision making at meetings.
- To fulfill duties assigned by the President or the board.
- To volunteer for various projects to enhance the neighborhood.
- To volunteer to host at least one monthly meeting per year.
- To understand the budget, current financial situation of the association, and the basic financial controls practiced by the board.
- To offer insight and input that is fair and unbiased.
- To vote on issues in an objective manner.
- To support board and committee decisions that are adopted by a majority vote.
- To have an awareness of appropriate and professional meeting procedure and conduct.
- To assist in planning and implementation of the annual meeting.
- To uphold and have an understanding of the bylaws and protective covenants of the association.

ii. Administrative Staff / Executive Director Position Description:

- It may be deemed necessary to employ a paid administrative staff member for purposes of board activities. Please note that this individual is not officially a member of the board, but is privy to all board activities. Some of these duties may supplement or replace the Secretary's duties.
- Job duties include, but are not limited to, the following:
 - a. The Administrative staff's attendance is required at every monthly HOA board meeting. The Administrative staff is responsible for taking copious notes (meeting minutes) (if the Secretary is not doing so already), then distributing the minutes electronically within 5 business days to the board members for approval. Once the meeting minutes are approved, the administrative staff emails the finalized meeting minutes to the webmaster.
 - b. The administrative staff drafts, edits, and distributes the neighborhood's quarterly newsletter. Newsletter responsibilities also include coordinating advertising and article content contributions from various individuals in the neighborhood.
 - c. As needed, the administrative staff drafts letters to specific homeowners on behalf of the board or the Architectural Review Committee.

- d. The administrative staff assists the webmaster with updating information on the HOA website.
- e. As needed, the administrative staff assists the Treasurer with preparation of annual dues invoices, and in collection of those dues.
- f. As needed, the administrative staff assists the Treasurer with bookkeeping activities, updating of resident data, researching resident account balances for real estate sales transactions, performing banking transactions, and preparing bank reconciliations.
- g. The administrative staff emails RSVPs to and collects RSVPs from the board members a week prior to each board meeting.
- h. The administrative staff is occasionally called upon to obtain updated current events information and to help coordinate events sponsored by the HOA subcommittees (e.g., the Social Committee).
- i. The administrative staff collects mail from the neighborhood mailbox on at least a weekly basis. The administrative staff distributes the mail accordingly to the appropriate board members.
- j. The administrative staff prepares and posts signs and notices at the neighborhood entrances when requested by the board or subcommittees.
- k. The administrative staff regularly checks the HOA's voicemail box, then communicates any pertinent messages to the appropriate board members.
- Required Skills / Experience:
 - a. Good organizational skills.
 - b. Good command of the English language, including reading, writing, grammar, and spelling skills.
 - c. Good working knowledge of email communications.
 - d. Knowledge of Microsoft Office products, including MS Word, MS Excel.
 - e. Knowledge of MS Publisher or other publishing software is preferred, but not mandatory.
 - f. Knowledge of Quickbooks is preferred, but not mandatory.
 - g. Accounting knowledge is preferred, but not mandatory.
- Expenses Incurred while Performing Job Duties:
 - a. All expenses incurred with this position will be reimbursed, or the administrative staff may choose instead to account for unreimbursed expenses as charitable contributions on their tax returns. The

Cherry Creek Village North Civic Association is a non-profit, 501(c) organization.

- Hours and Working Environment:
 - a. Expected 5-25 hours per week, depending upon current events and needs of the board.
 - b. The administrative staff may work from home (or any other location conducive to productivity).
 - c. Administrative staff must have the ability to connect to the internet (at least via analog dialup).
 - d. Administrative staff must have an email account.
 - e. If the administrative staff does not have a computer, one will be provided.
 - f. All necessary software will be provided.
- Pay Rate and Terms:
 - a. This is a 1099 position, with no tax withholding occurring.
 - b. The administrative staff shall submit itemized invoices to the President or Treasurer on a regular and timely basis for actual hours worked and for any expense reimbursement (if applicable).

3. Board Meetings

a. Scheduling of Monthly Board Meetings

- i. Board meetings are normally held on the second Tuesday of each month. The scheduling of meetings should not be changed except under extraordinary circumstances.
- ii. Board meetings will be scheduled at least three (3) months in advance. The HOA website shall reflect the next board meeting date, time, and location.
- iii. The HOA voicemail shall also communicate the date, time, and location of the next upcoming board meeting.

b. Quorums

- i. Board members are to show up for the scheduled meetings, even when they believe there won't be enough members for a quorum. Refer to the bylaws for quorum definition. If there is not a quorum, the members can choose to adjourn the meeting if they wish. Meeting minutes will simply show that a quorum was not met for the meeting.

c. Conducting the Monthly Board Meeting

- i. If a board member is not available for an upcoming board meeting, he/she should notify either the President or Administrative staff in advance of the meeting. This constitutes an excused absence.
- ii. If a board member is not available for an upcoming board meeting but wishes to attend remotely, the board shall take measures to allow the individual to dial in via phone / conference call.
- iii. The Secretary or other Administrative staff shall bring to the meeting sufficient copies of the prior meeting's minutes, as well as an agenda for the current meeting. Past agendas have included items such as:
 - Call to order
 - Approval of prior meeting's minutes
 - Financial statement review / Treasurer's report
 - Architectural review committee update
 - Social committee update
 - Neighborhood watch / safety update
 - Centennial Airport minutes / notification of next Centennial meeting
 - Other new business
 - Guest presenters
 - Scheduling of future board meetings
 - Adjourn

d. Minutes

- i. The board Secretary or other administrative staff shall record meeting minutes for the duration of each monthly and annual meeting. Meeting minutes should include:
 - date, time and location of the meeting,
 - meeting attendees,
 - pertinent details discussed,
 - motions proposed as well as voting outcomes,
 - duration of meeting.
- ii. Minutes shall be prepared and sent electronically to each board member within five (5) business days after the meeting.
- iii. Meeting minutes shall be posted on the CCVN website within 30 days of the meeting.

e. Privacy of Information

- i. All information discussed during the board meeting shall be considered sensitive information. While meeting minutes documents are public information, there may be nuances or other issues discussed in passing or “off the record” that are inappropriate for board members to share with non-board members (this includes spouses of board members and prior board members).

f. Annual Meeting – Planning

- i. The annual meeting is to be scheduled no later than 4 months in advance (around October 1st of each year). The Annual meeting is held in December each year.
- ii. It is typical to schedule a December monthly board meeting around a week in advance of the annual meeting. This earlier meeting permits board members to: plan for the annual meeting, finalize the upcoming year’s budget, and discuss / finalize logistics for the annual meeting.
- iii. The annual meeting shall be communicated at least 60 days advance to all CCVN homeowners. Communication of the meeting date, time, and place shall occur via as many methods as possible (neighborhood newsletter, entrance signage, blast emails, website home page, etc.).
- iv. The board shall provide snacks for meeting attendees: (coffee boxes from Starbucks work well), cookies, hors d’oeuvres, etc.
- v. The board shall bring nametags for meeting attendees.
- vi. The board shall prepare an agenda for the meeting. Past agendas have included items such as:
 - Introduction of current board members, city council members, legal representation present
 - Introduction of attendees (asking them to briefly stand up and state their name, address, and how long they’ve lived in the neighborhood)
 - CCVN accomplishments over the past 12 months
 - Election of new officers
 - Budget for the upcoming year and financial highlights for the year ended
 - Architectural review committee update
 - Social committee update
 - Housekeeping (e.g., directory updates, art submissions for directory, door prizes)

- New Business & Q&A
- Other timely topics
- Adjourn

g. Conducting the Annual Meeting

- i. Each meeting attendee should be strongly encouraged to sign in (name and address). Each attendee should also be encouraged to wear a nametag during the meeting (including the board members).
- ii. Board members should sit at the front of the room together at a table facing the audience.

h. Board Appointed Committees

- i. The board may appoint committees when deemed appropriate. Committees may be formed on a permanent basis, or on a temporary basis to complete a specific task (e.g., performing a study and making a recommendation to the board). Committee members will be appointed by the board.

4. Records Retention (minimum durations)

- a. Bank statements – 7 years
- b. Tax returns – 7 years
- c. Check payment (payables) backup – 7 years
- d. Architectural review committee submissions – at least 5 years
- e. Transfer information – at least 3 years

These sensitive documents shall be maintained in a secured location.

5. Mail Handling – CCVN Mailbox

- a. The HOA mailbox resides at the neighborhood’s Tufts Avenue entrance. The mailbox shall be checked at least once per week for mail by the Secretary or other administrative staff.
- b. The mailbox is secured by a locking mechanism. To mitigate loss of entry into the mailbox, one mailbox key should be maintained by the Secretary (or other administrative staff), while other backup keys should be held for safe keeping by other board members.
- c. Although the HOA uses electronic banking, any bank correspondence should be promptly opened, reviewed, then hand-delivered to the Treasurer. Mail that appears to be invoice payments, bills, transfers, legal correspondence or other transactions should be promptly delivered to the Treasurer for handling (the Secretary may open these items in advance if

he/she please). Items that appear to be architectural requests should be delivered promptly to a member of the Architectural Review committee.

d.

Appendix:

Risk assessment as of September 1, 2013

Risk ID	Risk	Control ID	Control Name	Type	Procedure
R-T1	What ensures that unauthorized financial transactions or adjustments are not made in the AIS?	C1	Entry into the AIS requires a password	Preventive	A password is required to open the HOA's AIS (QuickBooks). Only the Treasurer and specific board members know the password. The password is changed every 360 days or as needed more frequently.
		C2	Financial transactions are reviewed by other board members	Detective	Each month, the board reviews the financial transactions occurring for the month, quarter, and year. The Treasurer is responsible for preparing Income Statements and Balance Sheets each month for review. Other financial schedules may be prepared as needed or requested.
		C6	Bank reconciliations are performed monthly	Detective	Each month, the Treasurer prepares a bank reconciliation for all cash accounts. Any unexplained discrepancies are immediately discussed with the board. Any necessary adjustments to book are made in a timely manner.
		C7	Bank reconciliations are reviewed by other board members	Detective	Prepared bank reconciliations are reviewed regularly by other board members. Supporting backup information (e.g., bank statements and ledger balances) is attached to the bank reconciliation.

R-T2	What ensures that financial data is not lost due to hardware or software failure?	C3	Financial data is backed up regularly	Preventive	A full backup of all HOA AIS data is taken annually, or as needed more frequently. Backups are stored in a location off of the primary computer that runs the AIS.
R-T3	What ensures that cash is not inappropriately spent?	C12	Software updates are maintained	Preventive	Software updates for the AIS are made in a timely manner to help prevent any loss of data and to assist in supportability.
		C2	Financial transactions are reviewed by other board members	Detective	Each month, the board reviews the financial transactions occurring for the month, quarter, and year. The Treasurer is responsible for preparing Income Statements and Balance Sheets each month for review. Other financial schedules may be prepared as needed or requested.
		C4	Check stock is physically controlled	Preventive	Check stock is physically guarded and only one person maintains control of checks (the Treasurer). No "presigned" checks are ever disbursed to other board members.
		C5	2-way matching occurs between check backup and check	Preventive / Detective	Valid and appropriate receipts must be provided before a check is prepared for reimbursement. Invoices are reviewed by the Treasurer for reasonableness. All check backup information (receipts, etc.) are maintained in perpetuity by the Treasurer.
		C6	Bank reconciliations are performed monthly	Detective	Each month, the Treasurer prepares a bank reconciliation for all cash accounts. Any unexplained discrepancies are immediately discussed with the board. Any necessary adjustments to book are made in a timely manner.
		C7	Bank reconciliations are reviewed by other board members	Detective	Prepared bank reconciliations are reviewed regularly by other board members. Supporting backup information (e.g., bank statements and ledger balances) is attached to the bank reconciliation.

R-T4	What ensures that the board is protected from lawsuits?	C8	Two signatures are required for large disbursements	Preventive	Disbursements over \$5,000 require the signature of two board members.
		C9	Check images are available online	Detective	Cleared check images (front and back) are available online via KeyBank's website.
		C10	Online bank transactions are reviewed	Preventive	The Treasurer reviews the online transactions history each month to ensure that no unauthorized or inappropriate bank transactions or errors have occurred in the account
		C11	Access to online banking is controlled	Preventive	Access to KeyBank's online banking is password protected. Only the Treasurer and select board members have access to the HOA accounts online.
		C13	D&O insurance policy is held	Preventive	A directors & officers (D&O) insurance policy is held through Peliton Insurance. The policy protects the HOA and board members (past, present, and future) in the event of a lawsuit regarding a decision that the board has made on behalf of the association.
R-T5	What ensures that non-cash assets are protected?	C14	Property insurance policy is held for any material common property owned by the HOA	Preventive	General property & liability insurance policy is held through Peliton Insurance.