Heritage Springs Community Association, Inc.

Policies and Procedures

For

The Board of Directors, Management

and Volunteers

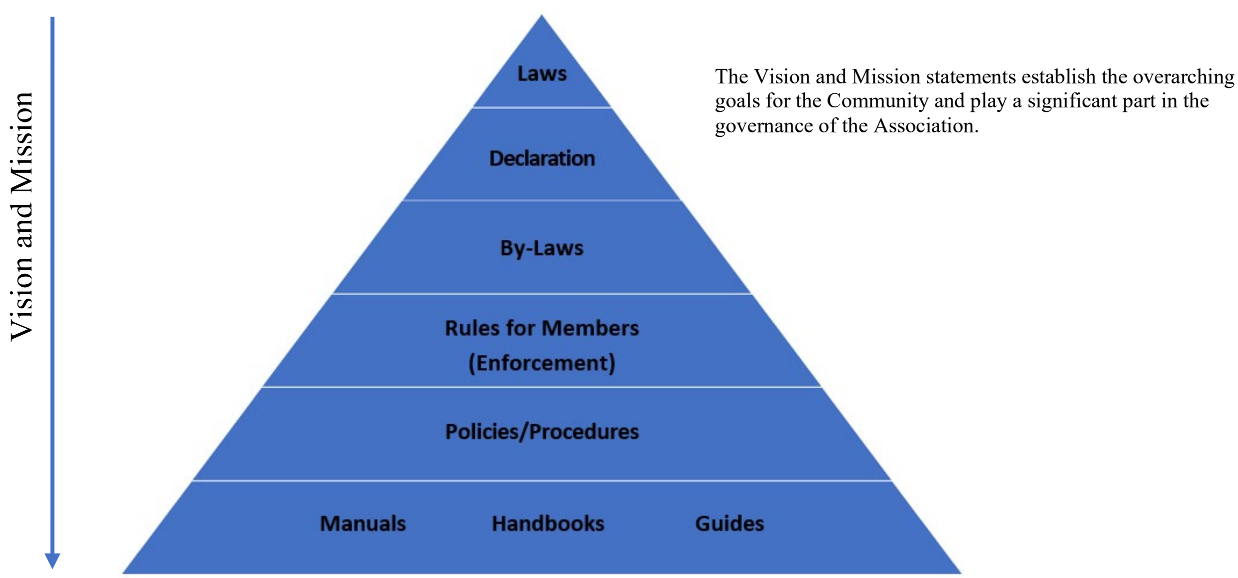
Last Updated February 2026

PREFACE

Heritage Springs Community Association, Inc. ("HSCA" or the "Association") is a deed and age restricted community, governed by Florida Statutes and its Homeowners Association (HOA) governing documents. Each parcel owner in the Heritage Springs Community is a Member of the Heritage Springs Community Association. The Association's governing documents consist of Rules and Regulations which apply to all Members, residents, and their guests; and Policies and Procedures, which apply to the Board of Directors and Management.

The HSCA is governed by a combination of state and county laws, and community-specific rules and policies. With several extensive documents providing a framework, some priority needs to be established. The higher the document is in the hierarchy, the more authority it has over the others. Using this premise, the Association uses a *pyramid of hierarchy* to guide the development and updating of the Rules and Regulations and Polices.

- Federal, state, and local Laws
- Declaration of Covenants, Conditions, and Restrictions
- Association Articles of Incorporation
- Association Bylaws
- Association Member Rules & Regulations
- Association Board and Management Policies & Procedures



Hierarchy of HSCA Governance

By applying the pyramid, it is easy to see how the laws and Declaration complement each other. The hierarchy of governance also reveals that even through the laws and Declaration have stated rules, more lengthy and specific Rules and Regulations created by the Association, are the only instructions that can be enforced and can impose Member and Resident fines and/or suspensions.

To clearly align rules to guide Member, Resident and Guest behavior and provide actionable enforcement, any instruction that impacts Members, Residents and Guests have been designated as “Member Rules”.

To clearly guide the roles and responsibilities of the Board and Management all instruction is provided in this “Board of Director and Management Policies and Procedures” document.

VISION STATEMENT

We aspire to be a community that offers a pleasurable lifestyle, a gratifying quality of life, and a desirable place to live and enjoy the benefits of family, friends, and community.

VALUES

We hold these values to fulfill our vision and achieve our mission. We value:

- Honesty – sincere and truthful in our communications.
- Fairness - applying the standards and rules to all in the same manner.
- Respect – giving respect to ourselves, to our neighbors, volunteers, staff, and environment in all our actions.
- Recognition – of those who serve and contribute.
- Volunteering - participation in our internal and external efforts by donating time and talents to worthy causes and endeavors.
- Charity – giving of time, goods, and/or money to our neighbors and those in need.
- Stewardship – Taking good care of our community’s physical and monetary assets.

MISSION STATEMENT

Our mission of the Heritage Springs Community Association is to preserve and enhance the lifestyle of our community by maintaining the common areas, and upholding our Covenants, By-Laws, Deed Restrictions, and Policies. The Association will serve the Members in accordance with our values. The Association will maintain and improve an active, friendly, and enjoyable place to live for each Member.

We will provide ethical and fiscally responsible solutions to promote a sense of community, enhance our property values, and plan for the future.

Guiding Principles For Association's Volunteers and Employees

- Conduct business with transparency by providing regular financial statements, meeting agendas, and minutes to the homeowners.
- Create a community governance structure that is effective, simple, and fair. Aimed at eliminating favoritism, unnecessary committees and term limits for board members and committee memberships.
- Make and implement responsible decisions regarding the use of funds and assets belonging to the Association.
- Ensure that changes to lots, homes, and property in the community will preserve and/or enhance the value of our properties.
- Take a fair, ethical, and objective approach in representing the interest of members and residents.
- Communicate in a timely manner through appropriate mediums.
- Protect and enhance the value of our neighborhood by maintaining all common areas.
- Treat every issue which comes before the Board with respect.
- Work with members and residents in a professional, objective, ethical manner and resolve or respond to requests in a timely manner.
- Enable opportunities for community activities and committees promoting a neighborly community that works together for the good of all.

For Our Members and Residents

- Be Good Neighbors. Work with each other for the benefit of the community.
- Volunteer. Participation in the Association that extends beyond the normal commitment(s) of being a member/resident.
- Maintain Your Property. Applies to where you live and common areas.

- Maintain a Safe Community. Obey the state and federal laws, our rules, regulations, and policies.
- Respect Community Contributors. Treat volunteers (Board and committee members, Village Representatives) and staff with appreciation and respect for the work they do.

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INTRODUCTION

The Board of Directors of a thriving homeowners' association should have sound governance policies and procedures in place that move the club forward. These serve as the foundation for effective leadership by helping to ensure adherence to a strategic vision, the continuing development of policies and rules that keep pace with the times, and the provision of collaborative support to the General Manager (GM).

Strong governance derives its authority from the Members, and our community has a structure in place that allows the Board to represent the Members and their interests to the fullest. One key element of this structure is this set of governance Policies and Procedures that specifies Board responsibilities and those of the General Manager. To maximize effectiveness and eliminate ambiguity, these Policies clearly state our Association's chain of command together with the authoritative boundaries of the Board and the General Manager.

As our Association operations become increasingly complex, HSCA recognizes the GM's role as more than just the manager of daily operations. The General Manager participates collaboratively with the Board in developing policies and procedures, coordinating committee work, and facilitating strategic planning and risk assessment. The General Manager serves as an intermediary between different groups, including the Board, committees, consultants, and members.

A critical element of the HSCA Policies and Procedures is the Strategic Planning Policy which is the essential framework for any successful Board because it establishes a foundation for proper decision-making and provides benchmarks for new decisions that reflect the wishes of the membership. The GM's duty is to execute and implement the strategic plan with the Board's oversight. To be most effective, the Board's role must be strategic and advisory in nature, and not to be embroiled in the minutia of day-to-day operations, except for any legal obligations placed on it by the Community's Declaration and Florida Statutes.

REFERENCES

- The Heritage Springs Master Declarations of Covenants, Conditions and Restrictions (CC&Rs)
- Articles of Incorporation of HSCA
- Bylaws of HSCA
- HSCA Rules and Regulations
- HSCA Policies and Procedures
- Federal, State and Local laws, as applicable to HOAs, including but not limited to:
  - Florida Statute, Title XL, Chapter 720, Florida Homeowners' Association Act
  - Florida Statute, Title XXXVI, Chapter 617, Florida Corporations Not-For-Profit Act
  - Florida Statute, Chapter 712, Marketable Record Title Act
  - Florida Fair Housing Act (FFHA), Florida Statute, Title XLIV, Civil Rights §760.23
  - Florida Statute, Title XXXIII, Chapter 559, Part VI, Florida Consumer Collection Practices Act (CCPA)
  - Florida Uniform Commercial Code (UCC) Title XXXIX
  - Pasco County laws, ordinances, and codes
  - Federal Americans with Disabilities Act of 1990 (ADA)
  - Federal Fair Housing Act (FHA)
  - Federal Fair Debt Collection Practices Act (FDCPA)
  - Federal Freedom to Display the American Flag Act
  - Federal Over-the-Air Reception Devices Rule
  - United States Bankruptcy Code
  - The Servicemembers Civil Relief Act
  - Title VII- US Equal Employment Opportunity
  - Federal Americans with Disabilities Act of 1990 (ADA)
  - Federal Age Discrimination in Employment Act (ADEA)
  - US Occupational Safety and Health Administration Standards (OSHA)
  - The Florida Civil Rights Act

As an employer, the Association, and its management must also comply with the following Federal, State, and local employment-related Laws:

- Title VII- US Equal Employment Opportunity
- Federal Americans with Disabilities Act of 1990 (ADA)

- Federal Age Discrimination in Employment Act (ADEA)
- US Occupational Safety and Health Administration Standards (OSHA)
- The Florida Civil Rights Act

DEFINITIONS

Acquisition
The process and procedures of soliciting, negotiating, awarding, executing, managing, and administering the Association's purchase of goods, products, services, supplies, and equipment or leasing of goods and equipment. The term "Acquisition" applies to contracts, agreements and leases that commit and obligate Association funds for payment.

Acquisition Planning
The inception of the acquisition and budgeting process in identifying the Association's upcoming needs for goods, products, equipment, materials, supplies, and services through market research, request for information (RFI), studies, audits, inspections, surveys, maintenance, and inventory schedules. Acquisition planning is an integral part in formulating and approval of the Association's Budget.

Architectural Review Committee (ARC)
Is a standing committee of the Board of Directors (Board) of the Heritage Springs Community Association.

Associates
The employees and agents of the Association.

Association
The HERITAGE SPRINGS COMMUNITY ASSOCIATION, INC. (HSCA), a Florida not-for-profit corporation, its successors, and assigns.

Best Value
The goal of selecting for contract award the vendor's proposed goods, products, equipment, materials, supplies and or services that provides the Association with the best value considering both quantitative (e.g., price and quantity) and qualitative (e.g., past performance, responsibility, capability, responsiveness, timeliness, customer reviews, warranties, and quality controls) criteria at reasonable prices. Best value is not necessarily the lowest price proposal, offer or bid. Nor does it mean acquiring high-priced unnecessary features.

Board (The HSCA Board of Directors)

An executive committee that jointly supervises the activities of an organization, which can be either a for-profit or a nonprofit organization such as a Home Owners' Association.

Board Member
An individual elected by the Members to the HSCA Board of Directors.

Board Liaisons
Board Members who are appointed and approved in accordance with the Advisory Committee Policy, to facilitate reciprocal communication between the Board and the Committee served.

CDD
Community Development District. The Heritage Springs Community Development District is a local, special purpose government entity authorized by Chapter 190 of the Florida Statutes, as amended, and created on December 7, 1998 by ordinance of Pasco County with later amendments as an alternative method of planning acquiring, operating and maintaining community-wide improvements in planned communities.

Committee
A group of Members, who are not members of the Board, who are appointed and approved in accordance with the Advisory Committee Policy, to provide oversight and advice to the Board on specific subject matters or interests of the Association.

Common Area
All real property (including any improvements) owner or controlled by the Association for the common use and enjoyment of Members and Residents.

Competition
Required by law, soliciting at least 3 Vendors. For other acquisitions, competition is encouraged and preferred when practical through the effort of soliciting, or contacting more than one vendor to propose, bid, offer or quote on the Association's need to acquire goods, products, materials, supplies, equipment and services or lease goods or equipment.

Confidential Information
Non-public, private, personal, or proprietary Information, whether obtained verbally, in writing, or digitally. Examples include but are not limited to legal, financial, personnel,

medical and management matters or information involving the Association, Association business, Board Members, Committee members, Association Members, residents, management, or staff.

Credit Risk
The risk of investment loss due to the failure of a financial institution or significant impairment or decline in asset value.

Declaration or Master Declaration
The Master Declaration of Covenants, Conditions and Restrictions for Heritage Springs.

Employees
Persons hired to work under the control and supervision of HSCA.

Expense Report
See Expense Report attached to Member Expense Reimbursement Policy.

General Manager (GM)
The person employed to oversee and be responsible for the day-to-day operations of Association Property, management of Employees, and all other duties the Board may delegate.

Green Sheet
A paper or electronic issue, maintenance, or suggestion form. Form can be found at the Concierge Desk or on the Association website.

Guidelines
Guidelines are general, non-mandatory recommendations designed to streamline certain processes according to the best practices. Guidelines, by nature, should be open to interpretation and do not need to be followed to the letter.

Guests
Guests include any person temporarily occupying a residence in Heritage Springs (an 'Overnight Guest') as well as any person not staying overnight in a residence in Heritage Springs but who is authorized by a Member/Resident to utilize the Association facilities. An Overnight Guest's stay will not exceed a cumulative eight (8) weeks in a twelve-month period. Guests shall pay applicable guest fees (e.g.., Pool or Tennis).

HOA
Homeowners Association. Shall mean and refer to the Heritage Springs Community Association, Inc., a Florida not-for-profit corporation.

HOA Related
Those laws, guidelines, etc. that connect to the Association.

HSCA
The HERITAGE SPRINGS COMMUNITY ASSOCIATION, INC., a Florida not-for-profit corporation, its successors, and assigns.

HVAC
Heating, Ventilation, and Air Conditioning.

Interest Rate Risk
Risk of reductions in the interest rate due to market fluctuations.

Investment
The dedication of an asset to attain an increase in value over a period of time. Investment requires a sacrifice of some present asset, such as time, money, or effort. In finance, the purpose of investing is to generate a return from the invested asset.

IT
Information Technology

Key Performance Indicator (KPI)
A quantifiable measure of performance over time for a specific objective.

LCAM
Licensed Community Association Manager- The licensing of community association managers who are responsible for controlling and disbursing funds, assisting in noticing and conducting meetings, preparing budgets and financial documents, and coordinating maintenance.

Lessee
The person that a lease is granted to (the person paying rent to use the property). This can also be known as the Tenant.

Lot/Parcel/Home

A tangible, deeded plot of land that is located within the boundaries of Heritage Springs, with the exception of the Common Areas, Lots, streets and roads.

Members
Those persons or entities entitled to membership in the Association as provided in the Declaration.

Out-of-Pocket Expense
The direct payment of money that may or may not be later reimbursed from a third-party source.

Owner
The owner of record, whether one or more persons or entities, of fee simple title to any Lot or Parcel which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation such as a lien.

Policy
A defined course of action or procedures adopted and used by the BOD to facilitate standard operating procedures, governance, the Association management, and employees.

Procedures

Procedures are detailed step-by-step instructions that support the implementation of one or more policies. They should adhere to strict change control processes.

Properties
Certain real property described in the Master Declaration of Covenants, Conditions and Restrictions for Heritage Springs, and such additions thereto.

Reasonable Expenses
Travel, lodging, and subsistence expenses incurred the day before through the day after the event.

Reasonable Payment
Means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

Reimbursement
The act of compensating someone for an out-of-pocket expense by giving them an amount of money equal to what was spent.

Reserve Study
A capital planning tool that provides directional guidance and an in-depth analysis of community assets. The study establishes a prioritized schedule of capital improvement projects and a reserve funding plan to pay for them. Updates are maintained annually to provide a forecast of future expenditures and identify needed reserve funds.

Residents
Persons who reside in Heritage Springs and are registered with the Association as non-owner occupants for a period of greater than 8 weeks per year. Residents do not have the same privileges as Members.

Rules and Regulations (Rule, Rules and R&Rs)
Rules and Regulations adopted by the Board and published by the Association governing the use and enjoyment of the Common Areas and the conduct of Members, Residents, Guests, agents, and contractors within Heritage Springs.

Social Media
Computer based technology that facilitate the sharing of ideas, thoughts and information through virtual networks and communities. Social media is internet-based and gives users quick electronic communication of content, such as personal information, documents, videos and photos.

Solicitation
A formal communications phase in seeking proposals, quotes, or bids from Vendors that may be responsive to meeting the Association's needs for goods, products, equipment, materials, supplies and services. Solicitations may take the form of Requests for Proposals (RFP) or Requests for Quotes (RFQ). Solicitations serve as an invitation to negotiate and in forming a Contract. The RFQ solicitation can also be a source in gathering market pricing and product information.

Statement of Work (SOW)
A key legal part of the Solicitation that comprehensively describes the purpose, objectives, goal, scope of the effort, time, place, quantity, quality, delivery schedule,

design, size, dimensions, color, performance procedures, protocols or industry standards that are required to be met. The SOW may include a subpart called the Scope of Work that serves to specify the purpose, objectives, scope of effort and procedures to accomplish the acquisition's requirements and identify applicable site conditions or site requirements. The SOW is generally created for the acquisition of services.

Specifications
Specific descriptors created or provided for the acquisition of products, goods, equipment, supplies or materials. For the combined acquisition of services and goods, or products, or equipment, or materials, or supplies, the SOW should also include or incorporate by reference the Specifications regarding the characteristics of design, size, dimensions, types, grade, weight, color, compatibility, performance parameters, engineering, and industry protocols, or standards or codes associated with the goods, products, supplies, equipment, and materials being acquired.

SWOT
Strengths, Weaknesses, Opportunities and Threats.

Tenants
Another word for lessee.

Timely Manner
Means having been submitted in a timely manner and containing all components established as necessary under this Reimbursement Policy.

TCMA
Trinity Communities Master Association. TCMA's mission is water management control associated with bodies of water such as lakes, ponds, and streams located on TCMA properties, and landscaping maintenance on TCMA properties.

Vendor
A merchant, supplier, bidder, offeror, retailor, wholesaler, company, firm, or contractor. The entity that is proposing to provide, or is providing the goods, products, equipment, materials, supplies and services to the Association.

Village
The villages are designated Association neighborhoods, and the term includes villages and estates.

Working Capital Contribution
That amount of money that is defined in the By-Laws that will be contributed to the Heritage Springs Working Capital upon the sale of a Lot/Parcel/Home by a buyer.

Year-Round Member
A Member who resides in the community year-round.

Governance Policies

BOARD OF DIRECTORS ROLE AND RESPONSIBILITIES

Background
Historically HSCA was managed by a volunteer Board and Committees, each of which assumed many day-to-day management responsibilities. Today the Association's Board responsibilities have evolved to a more strategic and advisory function, moving day-to-day operations to a professional General Manager.

Purpose
The purpose of this policy is:
- To provide continuity from one Board to the next.
- To ensure that the Board emphasizes strategic leadership of the organization.
- To provide clear definition of the Board's roles and responsibilities.

Scope
This policy covers all matters related to the governance of the HSCA including its Vision Statement, Values, Mission Statement, strategic plans, objectives, policies, practices, procedures and all HOA-related laws, rules, regulations.

References
Applicable laws and governing documents, listed in the above References section of this Document.

Policy
The HSCA Board of Directors play a crucial role in strategically guiding the Heritage Springs Community Association. The Board must assure that:

1. The Powers and Duties of the Board are adhered to as outlined in the HSCA governing documents, including the Master Declaration, By-Laws, Articles of Incorporation, as well as applicable Federal, State, and local laws.
2. HSCA Rules and Regulations of HSCA are enforced, and HSCA Policies and Procedures are followed.
3. Orientation/refresher training is provided to each Board member within 30 days after the annual Board election preferably at an offsite planning retreat.
4. HSCA Governance documents are reviewed by the Board members annually to ensure continued relevance, updating them as needed. These include the vision, mission, strategic plans, bylaws, rules and regulations, policies and supporting objectives.

5. The Investment Policy is observed and amended as needed.
6. A Strategic Plan is produced and reviewed on an ongoing basis. It is to include:
   - Financial, operational, and marketing long-term goals requiring more than 12 months to accomplish.
   - Measurable objectives that support the achievement of those goals.
   - Allocated resources through the budget planning process for operational, project and capital needs. (See separate Budget Planning policy).
   - Details of the Reserve Study that is integrated with the budget.
   - An action plan that specifies priorities, sequence, and timing of steps required to meet each objective.
   - Key performance indicators (KPIs) for the overall community.
7. A General Manager is selected, appointed, and delegated the authority to manage all day-to-day operational aspects of the community.
8. The Board provides oversight of the GM based on agreed upon KPIs and the HSCA GM Job Description and GM Role and Responsibilities Policy.
9. The Board should avoid getting involved in the day-to-day operational matters of the Association, except in extraordinary circumstances or in matters that impact the Association as a whole.
10. Communication programs are developed and implemented community wide. These should include updates from the Board on strategic matters and from the General Manager on operational matters.
11. Committees and Board Liaisons are appointed and approved by the Board in accordance with the Advisory Committee Policy.
12. Board Liaisons facilitate reciprocal communication between the Board, management and the committee served. The Liaison shall NOT supplant the role of the Committee Chair by directing committee meetings or otherwise dominating the work of the committee. A Board member should ideally not serve as a Liaison to more than two committees.
13. The Directors observe the provisions of the Board Member Code of Conduct and Conflict of Interest Policy.
14. A Member of the Board or management is assigned the responsibility for staying abreast of all matters of The Trinity Communities Master Association (TCMA).
15. A Member of the Board or management is assigned the responsibility for staying abreast of all matters of the Heritage Springs Community Development District (CDD).

Board Approval: October 27, 2023

BOARD OF DIRECTOR QUALIFICATIONS

Background
The most effective Boards are comprised of individuals with varied backgrounds and experiences Serving on a Homeowners' Association Board of Directors involves a significant contribution of time, effort, and skill. Therefore, it is essential that Board members possess the qualifications and experience necessary to carry out the role and responsibilities of the position effectively and efficiently, as described in the Board of Directors Role and Responsibilities Policy.

Purpose.
The purpose of this Policy is to outline the qualifications needed to be an effective member of the Heritage Springs Community Association Board of Directors.

Scope
This Policy applies to all prospective HSCA Board Members.

References
Amended and Restated Bylaws of HSCA, Inc.

Policy
I. **Mandatory requirements** to become a Member of the HSCA Board:

- Must be a Member of the Association (Required by HSCA Bylaws).
- Must be a Year-Round Resident of the community.
- Must be 50 years of age or older.
- Be a member in "good standing" i.e.
    - Not be in suspension of membership rights and/or privileges because of an infraction of the governing documents.
    - Be current in the payment of all member assessment obligations.
    - Not having ever been in litigation with the Association.
- Not having a familial relationship with another existing Board member.
- Not having a record as a convicted felon.

I. **Skill Qualifications:** Prospective candidates for Board membership should ***ideally*** possess the following skills:

- Expertise and experience in one or more areas of value to the community, such as:
    - service on a previous Board of Directors or HSCA advisory committee

    - financial management, information technology, social media management, general leadership experience, etc.
- At least a basic level of financial knowledge, such as experience in reading a balance sheet, profit & loss statement, cash flow analysis, and budget forecast.
- The ability to communicate effectively by voicing or documenting a knowledgeable opinion to the community membership in an articulate, concise, and diplomatic manner.
- The ability to operate as a respectful and collaborative Board member.
- An understanding of, and respect for, the role of the General Manager and staff, and the ability to refrain from interfering with their roles and responsibilities in support of the management-run organization.
- Ability to be persuasive, decisive, patient, persistent, and realistic.

II. **<u>Desirable attributes:</u>**

- Reside in community for one (1) year.
- Have a basic understanding of HSCA Declaration and Bylaws.
- Understand the fiduciary obligations of being a Board member.
- Have attended several HSCA Board meetings.
- Desire to:
    - help fellow residents
    - solve problems
    - learn
    - meet new people
    - improve rules/policies/procedures
    - have fun
    - contribute your leadership skills
    - demonstrate common sense
    - maintain a sense of humor

Board Approval: October 27, 2023

CODE OF CONDUCT AND CONFLICT OF INTEREST

Background

In their capacity as Directors, the members of the Board of Directors of the HSCA have the authority and responsibility to make decisions that impact the entire community. Therefore, it is essential that the Board and the individual Board Members maintain a high standard of ethical conduct in the performance of the Association's business.

Similarly, HOA Committee members, as well as the General Manager and its management staff must be held to the highest standard of conduct and behavior.

Purpose

The purpose of this Code of Conduct and Conflict of Interest Policy is to provide Board Members, Committee members, and Management staff with rules of conduct, standards of behavior, and ethical guidelines that are applicable to them. It shall also aid in identifying, reporting, and acting on actual or potential conflicts of interest, thereby protecting the Association and its Members.

Scope

The *Code of Conduct Policy* applies to each Board Member, Committee member, and Management staff, and their actions, transactions, votes, or decisions that have or may have an impact on the Board, Management, Members, the Association, Committees, residents, staff, or the Community.

The *Conflict-of-Interest Policy* applies to any Board Member, Committee member, Management or Association action that may present an actual or potential conflict of interest. Examples may include:

- Entering a transaction or arrangement that might benefit the private interest of one or more Board Member, committee member, resident, HSCA management or staff.
- Having a vested interest in an external business, that may provide materials or services to HSCA.
- Being offered services or materials as a result of election or appointment to a Board or Committee position with HSCA.
- Making use of a position with HSCA to solicit services or materials for personal gain.

- Utilizing HSCA equipment, services, or materials for an external business.
- Pursuing personal gain over the well-being of Members of the HSCA community.

Any Board member, Committee member or Management staff member that is found to be in violation of this Code of Conduct or Conflict of Interest Policy may be sanctioned or subject to disciplinary action up to and including removal from the Board, or their position.

References
Previous Policy labeled 'Board Member Conflict of Interest Policy and Disclosure Form', dated November 19, 2018.

Applicable laws and governing documents, listed in the above References section of this Document.

Policy:

I. Code of Conduct

1. Board Members, Committee members and Management staff serve for the benefit of the entire community and shall always strive to do what is in the best interests of the Association and the community. Board Members, Committee members, and Management staff shall not use their positions for private gain; for example, no Board Member, Committee member or Management staff shall:
   - *Solicit or accept*, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking a contractual or other business or financial relationship with the Association.
   - *Seek preferential treatment* by the Board, any of its committees, or any contractors or suppliers.
   - *Accept a gift or favor* made with the intent of influencing a decision or action on any official matter.
   - *Receive any compensation* from the Association for serving on the Board.
   - Willingly *misrepresent facts* to advance a personal cause or influence the community to advance a personal cause.
   - Use his/her position to *enhance his/her financial status* through the use of certain contractors or suppliers.

2. Board Members, Committee members and Management staff shall comply with governing documents and relevant law. Board Members, Committee members and Management staff shall always use their best efforts to make reasonable decisions

that are consistent with the Declaration, Bylaws, and other governing documents of the Association, and to be familiar with all such documents. Board Members, Committee members and Management staff shall likewise comply with and make decisions that are consistent with all applicable laws, including but not limited to, refraining from discriminating against any person on the basis of race, color, religion, national origin, gender, age, family status, sexual orientation, gender identity, or mental or physical disability.

3. Board Members, Committee members and Management staff shall hold themselves to the highest standards and shall in all ways comply with the provisions of the Association's governing documents.

4. Board Members, Committee members, and Management staff shall always work within the Association's framework, abide by the system of management established by the Association's governing documents and the Board, and refrain from unilateral action. The Board, Committees and Management staff shall conduct business in accordance with state law and the Association's governing documents, and shall act upon decisions duly made, and no Board Member, Committee member or Management staff shall act unilaterally or contrary to such decisions. Toward that end, no Board member, Committee member, or Manager shall seek to have a contract implemented that has not been duly approved by the Board, nor promise anything not approved by the Board to any contractor, supplier, or otherwise.

5. Board Members, Committee members and Management staff shall conduct themselves at all meetings, including board meetings, annual meetings of the Members, and committee meetings, in a professional and businesslike manner. Personal attacks against other Board Members, Committee members, Management staff, Association Members, residents, officers, or guests are not consistent with the best interests of the community and will not be tolerated. Language at meetings shall be kept professional. Though differences of opinion are inevitable, they must be expressed in a professional and businesslike manner.

6. Board Members, Committee members, and Management staff shall maintain the confidentiality of all "Confidential Information", as defined herein, including but not limited to legal, personnel, and management matters involving the Association, as well as any personal information of other Board members, Committee members, Association members, residents, and management staff, obtained while performing their role on the Board. This duty of confidentiality remains in effect even after the

Board Member, Committee member and management ceases to be on the Board, or committee, or Manager leaves their position.

7. Board Members, Committee members and Management staff shall not engage in defamation, by any means, of any other Board Member, Committee member, Manager, Association member, resident, or staff member.

8. Board Members, Committee members and Management staff shall not in any way harass, threaten, or otherwise attempt to intimidate any other Board Member, Manager, Association member, or resident.

9. Board Members shall refrain from interfering with the duties of management, staff or any contractor executing a contract in progress. All communications with Contractors must go through one designated Board Member or management or must otherwise be in accordance with Board policy.

II. Conflict of Interest

1. In their capacity as Board members, HSCA Directors and Committee members have a fiduciary duty to conduct themselves without conflict and must subordinate personal, individual business, third-party, and other interests to the welfare and best interests of HSCA and its Members.

2. Likewise, Managers have a fiduciary duty to act in the best interests of the Association and its Members and must avoid all conflicts of interest.

3. HSCA Board, Committee members, Management and all staff shall immediately disclose to the Board any actual, perceived, or potential conflict of interest regarding any aspect of the financial or business operations of the Association.

4. A conflict of interest is a transaction or relationship which may present a conflict between the Board, a Board Member, Committee member, Manager or staff member's financial business or legal obligations to the HSCA, and said member's personal, business, or other vested interests. Such interests include those relating to personal, business, or other vested interests of immediate family.

5. All conflicts of interest are not necessarily prohibited by or harmful to HSCA. However, full disclosure of all actual and potential conflicts, and a review and

determination of their impact by independent Board Members, are required. Board or Committee members, or Management staff, determined to be in conflict shall be recused from participating in decisions, debates and voting on any related matters.

6. All actual and potential conflicts of interests shall be disclosed annually by Board, Committee members, Managers and all HSCA staff to the HSCA Board through the attached Disclosure Form (see below), or whenever a conflict arises. The independent Directors of the HSCA Board shall decide as to whether a conflict exists and what subsequent action is appropriate (if any). The Board shall retain the right to modify or reverse any determination and action and shall retain the ultimate enforcement authority with respect to the interpretation and application of this policy.

7. Minutes of Board meetings shall reflect when a Board or Committee member, or Management staff member discloses a conflict of interest and how the conflict was managed.

8. On an annual basis, all Board and Committee members, Management and HSCA staff shall be provided with a copy of this policy and required to complete and sign the acknowledgment and disclosure form below. A list of current financial institutions and key vendors shall be provided by the General Manager. All completed forms and any other conflict information shall be provided to and reviewed by the General Manager.

Board Approval Date: October 27, 2023

HSCA CONFLICT OF INTEREST DISCLOSURE FORM

I have read the HSCA Code of Conduct and Conflict of Interest Policy Dated October 27, 2023 and agree to comply fully with its terms and conditions at all times during my term on the HSCA Board, an HSCA Committee or employment with the Association. If at any time I become aware of any actual or potential conflicts of interest, or if the information provided below becomes inaccurate or incomplete, I will promptly notify the HSCA Board President and General Manager in writing.

Disclosure of Actual or Potential Conflicts of Interest:

____

____

____

____

____

____

Signature ____

Printed Name____

Date: ____

GENERAL MANAGER ROLE AND RESPONSIBILITIES

Background

Our Association operations are complex; therefore, the General Manager's role is more than a manager of daily operations. The GM oversees all staff of the Association. The GM also participates collaboratively with the Board in developing policies and procedures, coordinating committee work, and facilitating strategic planning and risk assessment. The General Manager also serves as an intermediary between different groups, including the Board, committees, consultants, and members.

Purpose

The purpose of this Policy is to provide a framework for the General Manager to lead the Association to help achieve its objectives and comply with Federal and State laws.

Scope

The scope of the policy includes the responsibilities of the GM and covers the laws, rules, regulations, and policies that govern the Association as well as its vision, mission, values, strategic plans, objectives, policies, practices, and procedures.

References

- Florida Community Association Manager License (LCAM).
- Applicable laws and governing documents, listed in the above References section of this Document, including:
  - The Heritage Springs Master Declarations of Covenants, Conditions and Restrictions (CC&Rs)
  - Bylaws of HSCA
  - HSCA Rules and Regulations
  - HSCA Policies and Procedures
  - Florida Statute, Title XL, Chapter 720, Florida Homeowners' Association Act
  - Florida Statute, Title XXXVI, Chapter 617, Florida Non-Profit Corporation Act
  - Other applicable State and County laws and ordinances.

Policy

The General Manager must possess a Florida Community Association Manager License (LCAM).

The GM reports to the Board of Directors, with designated authority to oversee and manage all day-to-day operations, property, and staff of the community, to meet the Association's mission and goals.

Responsibilities
General Manager responsibilities are contained in the GM job description and cover the following areas:

- Responsibilities to the Board and Members
- Strategic and Financial
- Operational
- Staff management
- Policies and Laws
- Technology and Equipment
- Communications

Process and Procedures:
The above responsibilities should be carried out as follows, while keeping compliance with local, state and federal laws in mind:

Responsibilities to Board and Members
1. Foster and maintain relationships with the Board, Members, guests, employees, the local community, and local government.
2. Communicate with the President of the Board and with other Board members, as appropriate on operational issues.
3. Assure that Board Members are educated on their responsibilities and the law through an orientation/refresher training, to be conducted annually for all Board members within 30 days after the annual Board election, at a Board retreat, where training is given on:
    i. The provisions of the Federal laws, State statutes and Pasco County laws by which the Association is governed.
    ii. HSCA Governance documents, including the Master Declaration, Articles of Incorporation, Bylaws, Rules and Regulations, Policies and Procedures, as well as the association's mission and values statements.
    iii. All aspects of the business and financial affairs of the Association, including Business and Financial plans.

iv. Strategic plans, annual and long-range community and management goals and objectives and the status of each.
v. Processes for assessing and monitoring the Association's performance and progress.
vi. Code of Conduct and Conflict of Interest Policy.
vii. Report to the Board on legal matters.
viii. Other topics as appropriate.

4. Arrange for posting notice and agenda of Board meetings and participate, as requested. Assure that Board Meeting agendas address appropriate topics, per Florida Statute720.

5. Interface with Advisory Committees, as follows:
   a. Work with Board Liaison to bring recommendations, questions, tasks, or projects to the Committees, as needed.
   b. Attend (or assign designee to attend) Committee meetings.
   c. Participate in Committee projects, as needed.
   d. Review any committee recommendations with Board Liaison and committee and provide feedback or request additional information, clarification, or adjustments.
   e. Have the committee provide resolution to GM and Liasson's concerns or requested changes before presenting the committee recommendations to the Board.
   f. The General Manager is responsible for ensuring that committee recommendations are aligned with the HOA's mission, goals, financial objectives, policies, and relevant laws before submitting them to the Board for approval.
   g. In exceptional circumstances, the General Manager may grant an expedited review process for urgent recommendations. In such cases, the committee must provide a compelling justification for the expedited review.
   h. The GM will verify that confidential or sensitive information is appropriately handled in accordance with legal requirements.
   i. Provide sign-off on committee recommendations within one week of receiving the submission. (Committees should plan their work to allow for this review period).

<u>Strategic and Financial Management</u>

1. Participate in and coordinate the development of the Association's long-term goals, business plans, annual objectives, Strategic Plan, and annual Budget.

2. Assure that an Annual Plan is produced and reviewed in concert with the Strategic Plan on an ongoing basis, to include Financial, Operational and Marketing objectives. Key Performance Indicators (KPIs) will be created based on this plan. These KPIs should cover the **community, including social activities,** food and beverage and golf amenities.
3. Ensure annual maintenance of the Reserve Study.
4. Review income and expenses relative to the Annual and Strategic Plans; implement corrective measures as needed; report status on a periodic basis including financial metrics.
5. Control and disburse funds in accordance with the Budget and Plans.
6. Oversee all financial management activities; coordinate the development of operating, cash flow and capital budgets while monitoring the accuracy of financial statements.
7. Establish and maintain controls to safeguard funds and assets and provide support on annual financial audits.
8. Maintain assessments of the community's performance relative other similar communities.
9. Keep apprised of the actions of the Trinity Communities Master Association (TCMA) and the Community Development District (CCD), and interface as needed.

Operational

1. Oversee administrative and departmental activities, monitor performance of all daily operations.
2. Report on Departmental goals, objectives, and accomplishments.
3. Oversee all procurement and vendor contract activities.
4. Provide recommendations for capital improvements, supplies, and equipment.
5. Review and negotiate Insurance coverages.
6. Provide and execute fire/safety regulations and compliance procedures, health and safety standards, contractors' safety obligations and compliance.

Staff Management

1. Create and maintain a positive culture.
2. Oversee all staff and Human Resources functions; ensure proper hiring, training, supervision practices and professional development.
3. Comply with fair labor and safety standards and established policies.
4. Create and maintain job descriptions and qualifications for each position.
5. Maintain appropriate fringe benefit and health programs.
6. Establish annual performance standards for all employees.
7. Delegate responsibilities and accountability to department managers.

8. Develop and report on departmental annual goals and objectives.

Policies and Laws

1. Comply with all Florida HOA laws, and other State and County rules, regulations, and HSCA governance documents, listed in the Resources section of this document; ensure that the Board and Administrative staff practices are sound and in compliance at all times.
2. Implement policies established by the Board and develop and execute supporting procedures.
3. Diplomatically enforce all Association Rules and Regulations.
4. Plan, develop and administer department-specific policies, programs, and procedures.
5. Comply with the Code of Conduct and Conflict of Interest Policy.

Technology and IT Equipment

1. Ensure information technology (IT) assets (hardware, operating systems, and application software) are properly maintained, updated, documented, and secured.
2. Develop & maintain policies and procedures for the management of IT functions.
3. Assure that annual information security testing is performed.
4. Ensure that key staff have necessary hardware and software.
5. Recommend and implement new technologies with cost savings results.

Communications

1. Develop and implement communications programs addressing the community's operations or other items, as requested by the Board.
2. Oversee, contribute to, and coordinate all communications to Members, including reports, newsletters, managers letters, etc.
3. Establish a communication program that provides an avenue for gathering input from the community's Members and residents, which is then passed on to the Board and Committee Chairs, as appropriate.
4. Organize and oversee formal and/or informal meetings with Members to foster relationships with Members and the Community as a whole.
5. Establish and implement marketing and communication standards as well as an ongoing marketing program aimed at promoting the club's amenities and informing members.

Performance Review

The General Manager's performance expectations will be established by the Board and evaluated regularly, no less than annually, by the President of the Board, against this Roles and Responsibilities document, the GM Job Description, the employment contract, if any, and other tasks assigned, including KPIs, to determine whether they are fulfilling the GM responsibilities and meeting the needs of the Association. This review and any performance evaluation or resulting employment decisions will be documented and treated as confidential in accordance with the Code of Conduct and Conflict of Interest Policy.

Board Approval: January 24, 2024

ADVISORY COMMITTEE ROLES AND RESPONSIBILITIES

Background
Article IX of the HSCA Bylaws, as amended, permits the Board to create Advisory Committees ("Committees") that are either permanent or ad-hoc to assist the Board and management in fulfilling its obligations and responsibilities.

Participation in Committees provides members with an opportunity to develop a working knowledge of the Association, creates a pipeline for future leadership and provides members with an opportunity to contribute as an ambassador to the community in which they live.

Purpose and Scope
The purpose and scope of this policy is to:

a. provide a framework for the creation of Advisory Committees to support the Board and management
b. establish the criteria and procedure for appointment to a committee, and
c. outline the authority, roles and responsibilities of the Committees, their members and Chairperson, as well as the Board and management liaisons of the Committees.

References
- HSCA Bylaws
- Personal Conduct Rule set forth in the HSCA Rules and Regulations
- Code of Conduct Policy set forth in the HSCA Policies and Procedures booklet

Policy
The Board of Directors will create standing and ad-hoc Advisory Committees to support the functions of the Association. Ad-hoc committees are temporary committees created for a particular purpose, as needed. The components of these committees shall include:

Charter: Each Committee will create a Committee Charter authorizing and outlining its responsibilities in the format approved by the Board and attached here as Addendum A.

Board Liaison: Each committee will have one Board Liaison, as determined by the Board.

Management Liaison: Each Committee will have at least one Management Liaison appointed by the GM.

Committee members: Committee members will be selected by the Board Liaison and approved by the Board in accordance with the Procedures below.

Committee Chairperson, Vice-Chair and Secretary: Each committee shall select a chairperson, vice-chairperson and secretary for their committee.

Roles and Responsibilities:

A. Committees:
   a. Are a resource to the Board and management by providing advice, input and recommendations on matters that impact the Association and the community, in implementing the Association' Strategic Plan.
   b. Are not authorized to act operationally or carry out the functions of the Association, exercise authority over management, employees or vendors of the Association or incur any expenses, unless specifically authorized by the Board.

B. Board Liaison:
   a. Facilitates communication between the committee and the Board.
   b. Ensures that the Committee operates within the parameters of:
      i. their Charter
      ii. the Association's Strategic Plan
      iii. the Association Budget
      iv. their assigned projects and tasks

C. Management Liaison:
   a. Facilitates communication between the committee and the GM
   b. Provides agenda input to the Chairperson
   c. Identifies when assistance is needed from the committee
   d. Reviews recommendations made by the committee
   e. Facilitates execution of work product recommended by the committee, once approved by the Board

D. Committee Chairperson:
   a. Establishes objectives and agendas in collaboration with the Management Liaison
   b. Assures committee meetings are scheduled
   c. Facilitates committee meetings
   d. Assigns roles and responsibilities to committee members as appropriate to fulfill objectives
   e. Communicate with both management and the Board on committee topics
   f. Reports committee updates and recommendations to management and the Board at Board meetings, when appropriate.
   g. Provides meeting Agendas to management for posting.

NOTE: Neither the Board or Management Liaison shall supplant the role of the Committee Chair by directing committee meetings or otherwise dominating the work of the committee.

E. Vice-Chair
   a. Acts as a back-up to the Chairperson, and performs other tasks as requested by the Chair.

F. Secretary
   a. Takes Minutes of the meetings and assures that Minutes are posted on the Association website.

G. Committee Members:
   a. Serve at the discretion of the Board.
   b. Serve to benefit the entire community and not their own interests

c. Are bound by the Personal Conduct Rule set forth in the HSCA Rules and Regulations, and the Code of Conduct Policy set forth in the HSCA Policies booklet
d. Must refrain from unilateral action but, rather, will abide by and defer to the management authority established by the Board
e. Shall not interfere with the duties of management or any employee or vendor
f. Shall not receive compensation or special consideration or benefit of any kind for serving on a committee.
g. Are not authorized to speak on behalf of the Association; only the Board and Management may do so. When approached by a member on an issue, committee Members must direct the Member to submit their comment or question to management through the established notification process ("Green Sheet"), so it can be documented and resolved by management.

Procedures:

Committee Charter
Each Committee will create, maintain and update a Committee Charter authorizing and outlining its responsibilities in the format approved by the Board and attached here as an Addendum. Charters shall be reviewed at the beginning of each Committee term and updated at least every two years. Updated Charters must be submitted to the Board for approval. Prior to submission to the Board, the Charter and any changes thereto must be reviewed by the Rule and Policy Committee, for consistency and compliance with this Policy.

Committee Selection Procedure

a. On or about February 1st of each year, all Members of the community will be invited to register their interest in being selected for standing committees by self-nomination on a "sign-up" sheet, no later than March 1 of each year.
b. Registration for Ad-hoc committees will be requested when needed.
c. Both current and noncurrent committee members must sign up each year.
d. Committee candidates should review the following before expressing interest in a committee:
    a. Available Committee Charters for the Committees of interest
    b. This Advisory Committee Role and Responsibilities Policy
    c. The Personal Conduct Rule
    d. The Code of Conduct Policy
e. It is preferred, but not required, that candidates possess qualifications and/or experience relevant to the purpose of the committee. Qualifications may be derived from professional education, training, work, or other experience or activities that will enable the candidate to contribute to the purpose of the committee.
f. All Committee candidates must be Members in good standing, as define in the Policy booklet.
g. Following the Annual election of the Board of Directors each Board Member will be assigned as a Liaison to at least one Committee and will be provided with the list of candidates for their respective Committees.
h. The Board Liaison will interview all Committee candidates and consult with the management liaison and previous Board Liaison prior to making final selections for submission to the Board.

i. Prior to submission to the Board for approval, all Board Liaisons will review all proposed candidate selections to assure that candidates are not selected for more than two (2) committees, unless approved by the Board, and subject to the term limits set forth below.
j. Once finalized, selected candidates will be notified that their name is being submitted for approval at the next regular Board. Those who are not selected will be notified by the Board Liaison.
k. At the next regular Board Meeting, the Board Liaison shall nominate members for each committee, and the Board shall vote whether to approve the appointment of each committee member, for a one-year term.

Chairperson Selection

a. A Chairperson shall be elected/selected for a one-year term, by the committee members, at the first committee meeting following appointment of the committee members by the Board.
b. The Board's Liaison shall chair the meeting until the committee members elect a new Chairperson.
c. Once elected, the new Chairperson will then chair the meeting, and the committee will elect a Vice-Chairperson and a Secretary to serve for one-year terms.
d. Once officers are selected, their first order of business shall be to create/review/update the Committee Charter, as discussed above in the Committee Charter section.

Committee Member Replacement

a. A Committee may recommend to the Board the replacement of any Committee member at any time and specifically when a committee member has missed three consecutive meetings.
b. The Board reserves the right to remove or replace a committee member at any time. In the event of any vacancy or replacement of any member, the Board shall fill the positions, as it deems appropriate, until the next election/posting period.

Committee Structure and Term

a. All standing committees shall be comprised of no more than seven (7) members, unless approved by the Board. However, the Golf Committee may have up to 11 members, because it will include the presidents of the Heritage Springs Men's Golf Associations (both 9 and 18 hole) and the Heritage Springs Ladies' Golf Associations (both 9 and 18 hole) as *non-voting* members.
b. A spouse, significant other, or member of the same household of a sitting member of the Board may not serve on the Disputes and Resolution Committee.
c. A spouse, significant other, or member of the same household may not serve on the same Advisory Committee, including Board Liaisons.
d. Committee members may serve on only two (2) committees per year, unless approved by the Board.
e. Committee members may serve only three (3) consecutive years on the same committee, unless approved by the Board.
f. Committee Chairpersons may serve only two (2) consecutive years as Chair, unless approved by the Board.
g. Each Committee Member shall be appointed to serve a one-year term, commencing upon ratification by the Board at the March Board meeting following the annual election, and terminating upon the Board's appointment of the replacement committee in the following year.

h. Ad Hoc Committees shall serve until the subject of the committee's assignment has been completed and a report made to the Board. At that time the Ad Hoc Committee will be disbanded by the Board.
i. Association-sponsored Special Projects and Task Forces shall not exist except as an ad hoc committee, approved by Board.

Committee Meeting Requirements

a. Notice and Agenda. Notice of each Committee meeting and its Agenda shall be posted prior to each meeting.
b. All Committee meetings are open to all Association Members and shall be conducted in accordance with applicable Florida Statutes.
c. Committee meetings shall be conducted in the clubhouse and scheduled with the Association manager or his designated employee.
d. Member participation may be permitted at the end of the meeting or at another time at the discretion of the Chairperson.
e. Each Committee will meet as often as the committee deems necessary unless a different schedule is specified in the committee's Charter. All quorum and voting requirements must be met.
f. Written Minutes of each meeting will be prepared In substantially the format attached here as Addendum B, and submitted to the committee for approval through a vote at the next Committee meeting. Once approved by the committee, the Minutes will be forwarded to the GM or its designee, for posting on the Association website.
g. The Chairperson shall provide the Board of Directors with an update of their Committee's activities at Monthly Board Meetings, as appropriate.
h. All Committee recommendations shall be by majority vote of the committee members, present, excluding the Board Liaison and Management Liaison. Minutes will reflect the votes of all committee members. A quorum on no less than a simple majority is necessary for recommendation of any action.

Other Committee Responsibilities:

a. Each Committee may develop, maintain, carry out the terms of any Manual necessary to provide guidance and direction to the Committee in fulfilling its purpose. Prior to submission to the Board for approval, all manuals and any changes thereto must be reviewed by the Rule and Policy Committee, for consistency and compliance with this policy.
b. Committees may make recommendations to the GM that are within the Committee's Charter and that address the needs of the Community.
    - Recommendations should be submitted to the GM with adequate time for review and approval before the Board meeting at which the recommendations will be presented.
    - Management will ensure the soundness of the recommendations without re-doing the work of the committees.
c. Committees may be assigned special projects or tasks by the Board of Directors or requested by Management.

INDEMNIFICATION:

Any member of a Board-approved Committee determined by the Board of Directors to be acting within the authority defined in their Charter, shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon them in connection with any proceeding brought by a homeowner of the Association by reason of being a member of the Committee.

Board Approval: January 29, 2025

ADDENDUM A
Heritage Springs Community Association, Inc.

________________Advisory Committee Charter

The [committee name] Committee is a standing Advisory Committee of the Heritage Springs Community Association, Inc. (HSCA or the Association) Board of Directors (Board).

Purpose
The Committee's primary purpose is to support the Board and management in matters related to:______________.

Authority
This Committee operates under the authority of this Charter, the HSCA Bylaws, the Master Declaration of Covenants, Conditions and Restrictions for HSCA (Declaration), and FL Statute 720._______.(if applicable)

The Committee is also guided by the HSCA Rules & Regulations (Rules), the HSCA Policy governing Advisory Committee Roles and Responsibilities and the ________________ Manual [if any].

Roles and Responsibilities
In fulfilling its Purpose, the Committee will:

1. If applicable, develop, maintain and promulgate a Manual, subject to the approval of the Board, to provide guidance to the Committee, members, management and the Board on matters related to its Purpose.
2. Other specific functions include:
3. Consult and coordinate with other committees as necessary to fulfill the purpose and responsibilities of the committee.

Carry out other special projects or tasks as assigned by the Board or requested by management.

4. Meet on a regular basis, as necessary to fulfil its Purpose.

Committee Structure and Term
The Committee structure, term and qualifications shall be consistent with the Advisory Committee Role and Responsibility Policy and Procedure document found on the HSCA website.

Indemnification:
Any member of this Committee determined by the Board of Directors to be acting within the authority defined in this charter, shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon them in connection with any proceeding brought by a homeowner of the Association by reason of being a member of this Committee.

This Charter replaces any prior Charter, signed by any officer or Director of the Association, Inc.

Approved by Board Resolution this the _____ day of __________ , 202__

____
President, HSCA Board of Directors

ADDENDUM B
HERITAGE SPRINGS COMMUNITY ASSOCIATION
_____________________- COMMITTEE
MINUTES

Date:
Time:
Location:

Committee Members Present:
Committee Members Absent:
Guests:
Chairperson:
Secretary:
Board Liaison:
Management Liaison:

Call to Order: Time:

Quorum recognized: ____yes ______no.

Approval of prior meeting Minutes
The Minutes of the ___________ meeting were approved for posting.

Board Liaison Report:

Management Liasson Report:

Chairperson Report:

Old Business:

New Business:

Motions (if any):

Member comments/questions:

Meeting adjourned: Time:

Approved by Committee on____________________.

Submitted by: _______________. Secretary

POLICY AND RULE DEVELOPMENT

Background

The Board of Directors has determined that there is a need for a formal approach to the creation of Policies and Procedures which govern the Board and Management, and the Rules that govern the Members, Residents and their guests, along with a procedure for their regular review.

Purpose

The purpose of this Policy is to establish a formal approach for the creation and regular review of Policies, Procedures and Rules, and to ensure that they are adopted by the Board and adhere to the requirements of this Policy.

Scope

This Policy applies to the Rules and Policy Committee that is assigned responsibility for the creation and review of all HSCA Rules and Policies for submission, review, and approval by the Board.

References

- Applicable laws and governing documents, listed in the above References section of this Document, specifically including:
  - HSCA Charter, By-Laws and Declaration
  - HSCA Policies and Rules & Regulations

Policy

HSCA Rules, Policies and Procedures must be submitted to the Board for approval and adoption at a Board meeting.

Rules, Policies and Procedures should cover topics which generally apply to Members, the Board, management, and employees. The Rules, Policies and Procedures cannot contemplate all possible situations. They should be written broadly but with enough clarity to apply to varying circumstances.

Rules, Policies and Procedures will not be created for "one-off" incidents or events, or in response to a specific problem or set of circumstances, unless such reaction has a long-term effect which then merits the establishment of a Rule or Policy.

Procedures

Rules and Policies should be reviewed by the Rule and Policy Committee no less than every three (3) years, or if requested sooner by the Board.

All new or updated Rules and Policies shall be reviewed with the Board and management, as appropriate, and approved by the Board.

Each Rule or Policy must be drafted using the same format set out in this Policy on Rule and Policy Development.

- Rules and Policies should be written in plain language.
- The Rule or Policy must reference applicable laws.
- The Rules must be enforceable, i.e., have practical consequences.
- A **Rule** should clearly state:
    - Why it exists
    - Who it affects
    - What the expectations are
    - When and under what circumstances it applies
    - How it will be executed and or enforced

- A **Policy** should clearly state:
    - Why it exists
    - The roles and responsibilities of the Board, Management, and administration.

- A **Procedure** should clearly state the process by which the policy is carried out.

Board Approval: October 27, 2023

TEMPLATE FOR POLICY AND RULE DEVELOPMENT

Background
One or two sentences providing an overview of the background or history giving rise to the Rule or Policy.

Purpose
One or two sentences describing the intent or goal of the Rule or Policy. i.e., Why does this Rule or Policy exist.

Scope
A summary of the Rule or Policy and to whom it applies.

References

- List specific Laws, governing documents or rules that apply to this specific Rule or Policy. Do not include the general list of references cited in the introduction to this manual.

Rule/Policy
A detailed discussion of the Rule or Policy.

- Should be written in plain language.
- The Rules must clearly state:
    - When and under what circumstances it applies.
    - The expectations of those to whom it applies.
    - Who is responsible for enforcing the rule or carrying out the Policy.
    - How the Rule will be enforced/ practical consequences.
    - How a Policy will be executed.
    -

Procedures

- Include a brief outline of Procedures. More detailed procedures should be inserted in the Procedure section of this manual.

Board Approval: October 27, 2023

STRATEGIC PLANNING POLICY

Background
Strategic planning is the cornerstone of any well-managed organization. Without a strategic plan, the community will never know where it is going much less know if it ever got there. HSCA has a Strategic Plan in place which determines where the Association wants to be in the next five years.

Purpose
The purpose of this Policy is to provide a systematic process for maintaining a Strategic Plan.

Scope
The policy applies to and encompasses every aspect of the community, including its vision; mission; operating values; strengths, weaknesses, opportunities, and threats (SWOT), and is the basis for the Strategic Plan.

Definitions
SWOT – Strengths, Weaknesses, Opportunities and Threats

References
- Community Associations Institute - Best Practices Reports #2 and #3
- National Club Association - Club Governance Standards
- Club Management Association of America Strategic Planning Guidelines

Policy
The General Manager will work with the Board to maintain a rolling 5-year Strategic Plan with 1-year prioritized action plans, including defining the necessary funding through the Annual Budget process.

The Strategic Plan will:
- Serve as a tool for the education of and communication to all Members, Residents, Managers, and Employees.

- Be used by the Board, its Committees and Association management to guide operational and capital budget planning decisions, including implementation.

- Act as a living document that is viewed as an indispensable part of a continuous planning process.

The General Manager will ensure that all Board Members, and the management team, participate in the maintenance of the Strategic Plan, which should include:

- An assessment of the association's history and significant accomplishments.

- An organizational situation analysis that identifies the community's strengths, weaknesses, opportunities, and potential threats (SWOT) that is conducted at least every 3 years.

- Assurance that the separation of duties between management and the Association's Board is maintained.

- Quantifiable goals and objectives for the General Manager, to include long-term strategic objectives that require 12 months or more to be accomplished, and how they will be achieved.

- Identification and allocation of financial responsibility and resources for each goal and objective through a long-term budget that includes capital and operations budgeting, which should be incorporated into the Reserve Study.

- Annual maintenance of the Reserve Study.

- A communication strategy of the Plan to all association members and employees.

- The establishment of an action plan that shows the priority sequence and timing of steps.

Board Approval: January 24, 2024

Operations Policies

ACQUISITION POLICY

Background

The acquisition process and procedures are an operational function, and as such, the responsibility of soliciting, negotiating, managing, administering, and record keeping of all contracts, agreements, and leases resides with the Heritage Springs Community Association's (Association) General Manager (GM), with assistance from Department Managers, Staff, Committee Members, and when authorized, by consultants.

Purpose

The purpose of this Policy is to specify the responsibilities for:

- Maintaining financial control over the expenditures of Association funds by obtaining the best value and quality at reasonable prices when purchasing goods, products, materials, equipment, supplies, and services.
- Applying standardized practices and simplified procedures for the Association's purchase or leasing of goods, products, equipment, materials, supplies, and services.
- Ensuring a fair, consistent, and transparent method for the comparison of vendor proposals or quotes, and selection of qualified vendors thereby avoiding the appearance of any inappropriate bias towards any one vendor and helping to eliminate problems such as:
    - inferior materials,
    - shoddy work practices,
    - work content disputes.
- Complying with the contracting provisions of the Florida laws and HSCA governing documents.

Scope

This Policy and its related Acquisition Procedures (found in the Procedures section of this document) govern acquisitions for the purchase of all goods, products, supplies, materials, equipment, and services, or lease of goods and equipment that are obtained by and for the Association by the GM and his designees. This Policy excludes emergency contracting and Association Human Resource agreements.

Definitions

<u>Acquisition</u> - The process and procedures of soliciting, negotiating, awarding, executing, managing, and administering contracts, agreements and leases that commit Association's funds for the purchase of goods, products, services, supplies, and equipment or leasing of goods and equipment.

Acquisition Planning - The process for identifying the Association's upcoming needs for goods, products, equipment, materials, supplies, and services through market research, request for information (RFI), studies, audits, inspections, surveys, maintenance, and inventory schedules.

Association - The HERITAGE SPRINGS COMMUNITY ASSOCIATION, INC. (HSCA), a Florida not-for-profit corporation, its successors, and assigns.

Best Value - The most advantageous combination of cost, quality, availability, and sustainability to meet Association requirements for proposed goods, products, equipment, materials, supplies and or services considering both quantitative (e.g., prices and quantity) and qualitative (e.g., past performance, responsibility, capability, responsiveness, timeliness, customer reviews, warranties, and quality controls) criteria at reasonable prices. Best value is not necessarily the lowest price proposal, offer or bid; nor does it mean acquiring high-priced unnecessary features.

Board or BOD - Board of Directors.

CAP - Capital Acquisition Proposal.

Competition - Soliciting at least 3 Vendors when the cost is greater than 10% of the annual budget, including reserves, is required by Florida Statute 720.3055. For other acquisitions, competition is encouraged and preferred when practical through the effort of soliciting, or contacting more than one vendor to propose, bid, offer, or quote on the Association's needs.

Contract administration - Scheduling, monitoring, reviewing, and inspecting a vendor's deliverables and performance to ensure that a contract's requirements and warranties have or are being met.

Preferred Vendor – A Vendor who is chosen by the General Manager and approved by the Board, who maintains the Vendor background requirements, is in good standing with the Association by having provided services and supplies in previous acquisitions according to contract, has knowledge of the community and has fulfilled the needs of and is seen as a partner to the Association. These Vendors are maintained on an administrative list and are vetted at least annually.

RFI- Request for information. This may include a Statement of Work, or a list of goods or services the Association is seeking to acquire.

RFP- Request for proposal. This must include a Statement of Work, or a list of goods or services the Association is seeking to acquire.

RFQ - Request for quote. This must include a Statement of Work, or a list of goods or services the Association is seeking to acquire.

Solicitation - The process of seeking proposals, quotes, or bids from Vendors that meet the Association's needs for goods, products, equipment, materials, supplies, and services. Solicitations may take the form of an RFI, RFP or RFQ. Solicitations may serve as a basis for negotiation as well as for forming a Contract. The solicitation is also a source in gathering market pricing and product information.

Statement of Work (SOW) - A description of a project's purpose, objective, goal, scope of the effort, time, place, applicable site conditions or site requirements, quantity, quality, delivery schedule, and Specifications of the products and services.

Specifications - The characteristics of design, size, dimensions, types, grade, weight, color, compatibility, performance parameters, engineering, and industry protocols, or standards or codes associated with the goods, products, supplies, equipment, and materials or services to be acquired.

Vendor - The entity that is proposing to provide, or is providing the goods, products, equipment, materials, supplies, and services to the Association.

References

- Florida HOA Act, Chapter 720.3055
- Florida UCC, Chapter 672 on Sales, and UCC Chapter 680 on Leases
- HSCA By-Laws, Article VII §1(e) and VIII §8 (a)
- Other applicable laws and governing documents
- Prior Policies named 'Capital Acquisition Proposals Guidelines for Preparation' and the 'Capital Acquisition Proposal Form' both last amened October 27, 2014; and the 'Vendor Selection Policy' and 'Vendor Selection Evaluation Procedure', both dated April 24, 2017.

Policy

This Policy establishes the authority, responsibilities, purchasing practices and contract administration related to the acquisition of goods, products, services, supplies, and equipment, or the leasing of goods or equipment, by the GM and his designees, for the Association.

Authority and Responsibilities

The Board has the responsibility and authority to establish an annual budget, which should include operating expenses, and capital expenses.

The Board delegates the management of the operating budget to the General Manager (GM) and may also delegate signing authority to the GM of up to $25,000 per acquisition. The Board will oversee the GM's acquisitions in accordance with the Acquisition Procedures.

The GM has the responsibility for planning, soliciting, negotiating, managing, administering and record keeping of the Association's acquisitions. The GM may obtain assistance, review, and support from the Department Managers, Staff, Committee Members, the Association's HOA Attorney, and when needed, from consultants.

Those involved in acquiring goods, products, services, supplies, equipment, or the leasing of goods or equipment must comply with the Association's Code of Conduct and Conflict of Interest Policy.

Note: The President of the Board has the authority under the Association's By-Laws to execute (sign) all Association contractual instruments such as contracts, agreements, and leases.

Purchasing Practices

The GM and his designees should follow the detailed Acquisition Procedures set out in the Procedures section of this manual. At a minimum, the following steps must be included:

1. Solicitations must be documented with a written quote or estimate, or by use of an RFI, RFP or RFQ.

2. Vendor Qualifications must be verified for the work, products, or service to be provided. In addition, the following must be obtained:

- proof of appropriate Insurance coverage that meets current Heritage Springs insurance and third-party bonding requirements.
- a current State and/or County business, professional or trade license in good standing.

Note: Exceptions to the insurance requirements are permitted with approval of the General Manager with sign-off from the Chair of the Insurance Committee once risks have been assessed.

3. Proposal Evaluation and Selection. The GM will oversee the vendor evaluation and selection process as set out in the Procedures, including submission of the evaluation to the Board for its approval, if necessary.

4. The selection process should include a consultation with the Controller to review the Association's Preferred Vendor list and evaluations, as well as identifying other potential vendors or suppliers.

5. The evaluation and selection process will be conducted with the parameters of the operating budget and/or the capital reserves in mind. The budget should be used as a part of the basis for recommending a vendor's proposal or quote for contract award.

6. The vendor evaluation and selection process should be used for capital and deferred maintenance project solicitations that are likely to exceed $10,000, including competitive bid acquisitions required by law; best value acquisitions where an RFP solicitation is being issued; significant infrastructure, buildings, grounds, roads, and bridges projects; and for high-value or complex acquisitions.

The results of the proposal reviews should include an analysis explaining the strengths, weaknesses, advantages, and disadvantages between the leading proposals, and a recommended based on that analysis. (See Acquisition Procedures - CAP).

Contract Administration.

1. Once the Board has approved an acquisition and a vendor, the GM will be responsible for contract award, project transition, and contract performance. The GM may designate employees, committee members and/or consultants for assistance.

2. Any proposed modification to a contract must be documented in writing. If the proposed modification would result in a price increase that exceeds the Board's approved amount by more than 5%, the proposed modification must be approved by the Board.

3. Vendor's invoices or request for payments must be reviewed by the GM or his designees to confirm that the delivered goods, equipment, products, materials, supplies, or services were received and compliant with the contract or purchase order.

Maintenance

Following completion of the project, the GM must ensure that maintenance of the project or purchase is put in place.

Board Approval: July 12, 2023

DISASTER PLAN POLICY

Background

Heritage Springs, like other Florida communities, is susceptible to natural disasters such as hurricanes, tornadoes, sinkholes, wildfires, and flooding, as well as other emergencies and business-disrupting events. As a multimillion-dollar organization it is prudent for Heritage Springs to adopt a plan for addressing these potential events that affect the common assets of the community.

Purpose

The purpose of this policy is to ensure that the HSCA Management and Board take reasonable steps to develop and maintain an HSCA Disaster Plan (the Plan) and an Emergency Management Team (the EMT) to protect the Association's common assets for the benefit of the Association and its Members.

Scope

This policy applies to Management and the EMT in its development and implementation of the Plan.

Definitions

Emergency Management Team (the EMT) - a group comprised of the General manager or his designee and each HSCA department head, or designee, tasked with carrying out the directives of the EMT Coordinator.

Emergency Management Team Coordinator (the EMT Coordinator) – The General Manager, or the individual assigned by the General Manager and/or the President of the Board, to oversee the DPT and implementation of the Plan.

Reference/Source

- FL House Bill HB 293 (2024): Hurricane Protections for Homeowners' Associations
- FEMA: Federal Emergency Management
- Florida Division of Emergency Management: https://www.floridadisaster.org
- Florida Health Department: www.Floridahealth.gov
- The Pasco County Disaster Preparedness Guide: https://www.pascocountyfl.net/services/emergency_management/index.php

- The HSCA Hurricane/Disaster Preparedness Plan https://www.heritagespringscommunity.com/Site_Data/Documents/Hurricane_Disaster_Preparedness/HS_Hurricane_and_Disaster_Prepardness_for_Staff.aspx
- The HSCA Hurricane Preparedness Kit for Members and Residents https://www.heritagespringscommunity.com/Site_Data/Documents/Hurricane_Disaster_Preparedness/Heritage_Springs_Hurricane_Kit_For_Members_and_Res.aspx

Policy

The Association must develop and maintain a Heritage Springs Community Association Disaster Plan (the Plan). The Association must also assure that an Emergency Management Team (the EMT) is instituted to administer the Plan to protect the Association's common assets for the benefit of the Association and its Members.

The Plan must be approved by the HSCA Board.

The Association currently maintains an HSCA Hurricane/Disaster Preparedness Plan for EMT use, which is an actively maintained document containing procedures and information needed to prevent, mitigate, prepare for, respond to, and recover from Hurricanes. The HSCA Hurricane/Disaster Plan should be expanded to include other emergencies and disasters.

The Plan shall cover the common assets in the community, including but not limited to the roads and bridges, cart paths, sidewalks, common areas, common landscaped areas, retention ponds and their embankments, clubhouse buildings, IT systems, fitness center, swimming pool, tennis courts, workshop, pro-shop and all associated equipment, maintenance, storage facilities and the essential Association records and documents. The Plan should include a checklist of steps, procedures, and supplies necessary to address an emergency.

The Plan shall specifically **exclude** all individually owned properties, which are the sole responsibility of the Members/Residents. However, Members and Residents can find the "HSCA Hurricane Preparedness Kit for Members and Residents", as well as the Pasco County Disaster Preparedness Guide, on the HSCA Member website.

The EMT will include the HSCA General Manager or their designee, and at least one member of the HSCA Board. The Team should also enlist the help of residents with expertise in areas such as: disaster recovery planning, business continuity, medical, police, fire, insurance, legal, electric, plumbing, HVAC, and general contracting. In addition, the CDD Board input will be solicited, as appropriate.

The EMT will be provided with appropriate training. They will also participate in the development and maintenance of the Plan.

The Plan should be reviewed by the EMT annually, prior to hurricane season. In addition, there should be an annual exercise to review the implementation of the Disaster Plan by the EMT.

Other Responsibilities of the Disaster Plan Team

The EMT may explore grant and funding opportunities through the Catalog of Federal Domestic Assistance Numbers (CFDA); CERT (Community Emergency Response Training); and other similar programs for pre-disaster mitigation grants, as well as post-disaster relief funds, as appropriate. In addition, coverage may be available under the Association's insurance policies for post-disaster damage to the HSCA common area or structures.

Board Approval: September 18, 2024

RECORDS MANAGEMENT POLICY

Background
Florida Statute 720.303 requires Homeowner Associations to maintain Official Records of the association.

Official Records are defined in Florida Statute 720.303(4), and includes those records listed below.

Retention of Official Records creates a history of the documentation of the Association to aid current and future Boards and Management. In addition, it assures that Official Records are available for inspection and copying by lot/parcel owners, as provided for in the Florida Statute 720.303(5) and the HSCA Record Request and Copying Rule found in the Association Rules and Regulations document.

Purpose
The purpose of this Policy is to establish guidance regarding:

1. Maintenance, retention, and destruction of Official Records;
2. Creation and maintenance of a *document retention spreadsheet* listing the Official Records and their retention and destruction status and location; and
3. The Association's obligation to make certain Official Records available for inspection and copying when properly requested by lot/parcel owners.

Scope
This Policy applies to all Official Records and the individuals who create, collect, maintain, destroy or have other responsibilities for those records.

Policy

- All Official Records shall be:
    - created, collected, and maintained in a secure fashion, in digital or hard-copy format
    - retained for the period required by Federal and State Laws, or the Retention Schedule set forth in this Policy, whichever is longer
    - destroyed at the conclusion of the retention periods.
- A list of all Official Records shall be maintained on a document retention spreadsheet which sets out their retention period and destruction date, status and location.

- Official Records shall be available to Members on the Association's Member website, or otherwise will be made available for inspection and copying when properly requested by lot/parcel owner, as required by statute.

Record Retention Schedule:

A. 7 years:

1. Minutes of all Board and Member meetings
2. Rules and Regulations
3. Roster of all Members and their designated mailing and email addresses and parcel identification
4. All Association Insurance Policies
5. Financial and accounting records
6. Disclosure Summary
7. Documents pertaining to liens
8. All affirmative acknowledgments by parcel owners of their understanding that the association will change its method of delivery of the invoice for assessments or the statement of the account per FL statute 720.3085(3)(c)3.
9. All contracts and addenda, including management agreements and leases
10. Architectural Review Committee Minutes
11. Dispute and Resolution Committee Minutes
12. All other written or electronic records of the Association not specifically included in 720.303(4) which are related to the operation of the Association.

B. **Indefinitely**:

1. Bylaws, Articles of Incorporation, Master Declaration of Covenants, Conditions and Restrictions, and each amendment
2. Plans, specifications, permits, and warranties related to improvements
3. Document retention spreadsheet

C. **1 year**:

1. Employment applications for non-hires
2. Bids for work performed
3. Ballots, sign-in sheets, voting proxies, and all other papers and electronic records relating to voting by lot/parcel owners

D. **3 years**:

- Personnel Records and other employee related records other than medical and benefits records. (while employed and 3 years after separation)

E. **6 years** after the plan date:
    1. Employee Medical and Benefits Records

F. Audio or Video Tapes of Board Meeting shall be held **until the approved Minutes of the Board meeting are posted** on the website.

G. **Other**:
    1. The OSHA 300 Log, the annual summary, and the OSHA Incident Report forms must be retained by employers for **5 years** following the end of the calendar year that these records cover. Exposure records must be maintained for **30 years**. Related medical records must be maintained for the duration of employment plus **30 years**.
    2. Material Safety Data Sheets (MSDS) sheets must be maintained for **30 years**.

Procedure

1. The General Manager, or their designee, is the official custodian of records, and shall administer this Policy by creating a *document retention spreadsheet* listing all documents subject to retention and destruction, and establishing a regular schedule, no less than annually to review and collect all paper and electronic records to be destroyed.
2. Records no longer requiring retention shall be destroyed at the end of the maximum retention period stated in the above Policy.
3. Destruction of paper records shall occur by shredding either directly in-house, or by contracting with a reputable certified shredding vendor who will provide a shredding bin for deposit of records at the appropriate time.
4. Destruction of electronic records shall be destroyed in coordination with the custodian of records for proper deletion and purging of those records.
5. Records ready for destruction shall be boxed with labels describing the contents and the scheduled destruction date in a general nature i.e. 2023 payroll records; 2023 Board correspondence, etc. The *document retention spreadsheet* shall be maintained indefinitely.
6. Destruction schedules shall be suspended in the event the Association has been served a “Litigation Hold” or similar notice in connection with a lawsuit against the Association, Board of Directors, Manager, or staff. In such event, destruction of **all** records scheduled for destruction under this policy shall immediately cease, whether records appear to be related to the suit or not, until the Association counsel

has advised otherwise. In addition, the IT Manager must suspend all automatic deletion of emails for individuals covered by the litigation hold.

7. No individual shall be liable for the destruction of any documents so long as the destruction is in compliance with this Policy.
8. Inspection and Copying of Records shall conform to:
    - Florida Statute 720.303(5)
    - Record Request and Copying Rule found in the HSCA Association Rules and Regulations document.

Board Approval: September 18, 2024

SOCIAL MEDIA, EMAIL AND WEBSITE POLICY

Background

Heritage Springs Community Association recognizes that its Board of Directors (Directors), committee members and other Association volunteers may elect to use social media as a form of self-expression and communication regarding their personal views concerning our community.

Although personal social media communications do not represent the *official* communications of the Association, Board Directors, committee members and other Association volunteers still represent the Association and may be perceived as speaking for the Association- even when posting on their personal accounts. As such, any social media activity, even from a personal account, reflects on the Association and may result in the Association being subject to defamation, discrimination, harassment, privacy, copyright or trademark infringement lawsuits based on social media content posted by a Board Director, committee member or volunteer. Careless posts may also pose risks to the Association's confidential and proprietary information, reputation and brand.

In addition, such communications may carry individual risks of legal liability. Therefore, it's important that all Directors, committee members and volunteers be aware of the implications of their online comments and conversations that reference Association matters.

Remember, "personal" does not mean "private". Anything posted on a personal social media account could be viewed by another Member, potential future resident, competitor, vendor, supplier or a subversive person or organization, impacting the reputation of our community, affecting our property values, and jeopardizing the Association's compliance with business rules and laws.

Purpose

This Policy will identify the type of content that is permitted and not permitted when Directors, committee members and other Association volunteers post information on social media pages that relates to Association-related information. Posting of content that is not permitted may constitute a violation of this Policy as well as the HSCA Code of Conduct Policy, HSCA Social Media Rule, HSCA Communication Restraint Rule and the HSCA Personal Conduct Rule.

Scope

This Policy applies to all Directors of the Board, committee members and other Association volunteers in their use of social media as it relates to the posting of Association-related information.

Directors, committee members and other volunteers are also subject to the HSCA Social Media Rule, found in the HSCA Rules and Regulations document on the Member website.

Management and staff are subject to the *Employee* Social Media Policy found in the Employee Handbook.

This Policy does not apply to Members' personal use of social media where no reference is made to the Association or Association-related information.

Definitions

Association-related information
Includes, but is not limited to, any content about Association events, including photos taken at association events or of other Members at such events; comments about services or staff, employees, management or other members; confidential or personal information about members, employees or vendors; company-owned materials such as presentations or documents, videos, blogs, and other related content.

Social Media
Interactive technology that facilitates creation, sharing and aggregation of content amongst virtual communities and networks. Examples include personal websites, social or professional networking sites, blogs, chat rooms, discussion platforms, video-sharing networks, review platforms, and other online platforms, whether affiliated with the Association or not.

Members
Those persons or entities entitled to membership in the Association as provided in the HSCA Declaration of Covenants, Conditions and Restrictions.

Residents
Persons who reside in Heritage Springs and are registered with the Association as non-Owner occupants for a period of greater than 8 weeks per year. Resident do not have the same privileges as Members.

Social Media Manager
An individual trusted with monitoring, contributing to, filtering, measuring and otherwise guiding the social media presence of a brand, product, individual or corporation. Executes and manages social media content, including videos for Social Media sites.

1 References

- Section 720.303(1) of the Florida Homeowners' Association Act
- Digital Millennium Copyright Act (DMCA) of 1998 - a federal law that protect s copyright holders from online theft or unlawful reproduction or distribution of their works.
- Federal Communications Decency Act, Section 230, protects most sites from liability because of a user's post.
- First Amendment of the US Constitution - protects free speech of individuals from government interference, but not from interference by private companies like Facebook. This means they and other social media sites can moderate, modify and edit the content people post on their websites without violating those users' First Amendment rights. Additionally, if a user engages in expression on social media that is unprotected by the First Amendment (e.g., harassment, true threats, incitement to imminent lawless action), that user could face personal liability.
- HSCA Code of Conduct Policy
- HSCA Social Media Rule
- HSCA Communication Restraint Rule
- HSCA Personal Conduct Rule

Policy

Subject to applicable law, Directors of the Board, committee members and other Association volunteers, when posting any Association-related content on any Social Media platform, are required to adhere to the following:

- No Director, committee member or other Association volunteer has authority to act or speak on behalf of the Association unless approved by the General Manager or President of the Board of Directors. (See Section 720.303(1) of the Florida Homeowners' Association Act which specifically provides that a Member does not have the authority to act or speak for the association by virtue of being a Member).

- All media inquiries for official Association responses shall be directed to the General Manager or President of the Board.

- No Director, committee member or other Association volunteer shall post content that:
  - is maliciously false or defamatory
  - is inappropriate, threatening, harassing or discriminatory
  - poses a risk to the Association's confidential and proprietary information, intellectual property, trade secrets, reputation or brand

- No Director, committee member or other Association volunteer shall:
  - violate privacy, copyright or trademark rights of the Association or a third party
  - link any personal social media account to the Association as an official source
  - use the Association's name in any way as a part of or wholly as the title for a social media page that may cause confusion as to whether the Association is the host of the page and/or its contents. In such event, the HSCA Social Media Manager may request that the poster or Administrator of that site remove the Association name or clarify that its content is not that of the Association or the Association's Board of Directors
  - post personal opinions about individual Board Members, or specific Board decisions. Nor shall they post negative remarks about Management, staff, other Members, or the Association in general, on any social media platform. Such comments are not appropriate and may be in contravention of their fiduciary duty to avoid harm to the Association. The Green Sheet process shall be utilized to officially register any concerns or complaints relating to the Association
  - post any confidential, attorney-client privileged, or other privileged information relating to Association litigation, collections, or employee issue, on any social media site
  - use social media to conduct disputes
  - use the Association's email addresses to register on social media platforms for personal use
  - avoid posting controversial or polarizing political content on their social media channels that may adversely impact the association.

- Any Director, committee member or other Association volunteer who identifies themselves as such on any Social Media site, and posts about the Association, must make it clear that their views are their own and that they are not speaking on behalf of the Association.

Association Websites and Email:

The Association operates two websites/domains (including Members only and Public) and utilizes electronic marketing software. In order to effectively communicate with Members, the Association also collects and stores member email addresses. These email addresses are available in the Member Directory, which is located on the Member website.

- No Director, committee member or other Association Volunteer will use Member email addresses for business solicitation or advertising without the express permission of the General Manager or the President of the Board of Directors.

- No Director, committee member or other Association Volunteer will use the Association websites, domain or official Social Media site to advertise, promote or disseminate any information which advertises or promotes a private business or business function without the express permission of the General Manager or President Board of Directors.

Violations

- Violations may result in sanctions or removal from your position.
- Violations of this policy may also result in violations of the HSCA Social Media Rule, the HSCA Personal Conduct Rule, the HSCA Communication Restraint Rule and the HSCA Code of Conduct Policy.

Board Approval: September 18, 2024

Finance Policies

FINANCE POLICY

Background: Heritage Springs Community Association (HSCA) finances are overseen in-house by the Finance Team. The Finance Team is comprised of the General manager (GM), Controller, their designees and staff, the Treasurer of the Board and the HSCA Finance Advisory Committee.

Key responsibilities of the Finance Team include:

1. Accounts payable and accounts receivable
2. Budgeting
3. Financial Reporting/Annual Reports
4. Reserves and Reserve Studies
5. Aspirational Capital
6. Investments
7. Financial Controls
8. Tax Audits
9. Risk Management/Insurance
10. Member Financial information

Attention to each of these components of financial management is critical for the smooth functioning, financial stability and long-term success of the Association. Proper accounting practices ensure that the Association can effectively manage its resources, plan for future needs, and maintain a high level of service for its' Members.

Purpose: The purpose of this Policy is to provide guidance to the Finance Team in managing all financially related aspects of the Association.

Scope: This Policy applies to the Finance Team and their functions.

References

- Florida Statute Title XL, Chapter 720.305
- HSCA Master Declaration of Covenants, Conditions and Restrictions
- HSCA Bylaws
- HSCA Rules and Regulations
- Financial Policies in this Booklet

Policy

I. The GM, Controller and the Treasurer, with the assistance of the Finance Committee, as requested, will manage the finances of the Association in an accurate, transparent, timely and legally compliant manner, in accordance with Generally Accepted Accounting Principles (GAAP), HOA accounting best practices, HSCA Finance Policies and procedures, and other tools, to include, at a minimum:

1. Accounts receivables and payables: Managing the collection of member fees, dues, assessments, account balances and other payments owed to the association, as well as the payment of bills and expenses incurred by the association, in accordance with the HSCA accounting procedures.
2. Budgeting: The process of creating a budget for the Association, including estimating income and expenses for the upcoming year, including determining the amount of the monthly HOA fee or assessment to be owed by each Member, in accordance with the HSCA Budget Policy.
3. Financial Reporting/Annual Reports: Regularly providing accurate financial reports to the Board and Members of the Association, derived from the general ledger, which typically includes an income statement, balance sheet, and cash report, in accordance with the HSCA financial reporting procedures. Such reports should reflect the financial status and health of the Association.
4. Reserves and Reserve studies: Conduct regular reserve studies to assess the long-term financial needs of the association and ensure that adequate reserve funds are available for major future repairs or replacement costs of *existing assets*.
5. Aspirational Capital: Establish a plan for major purchases or expenses of *new assets* or facilities, in line with the Association's Strategic Plan.
6. Investments: Investing the Association's operating and reserve funds, with a focus on risk management and maximizing returns while preserving capital, in accordance with the HSCA Investment Policy.
7. Financial controls: Implement internal controls to prevent fraud and mismanagement of the Association's funds. This may include segregation of duties, dual approval of expenses, and regular audits, to minimize the risk of errors or fraud, identify discrepancies and address any issues promptly.
8. Tax Audits: Ensure annual external tax audits of the Association to ensure accuracy and compliance with applicable laws, regulations and tax obligations.

9. Insurance/Risk Management: Establish a risk management plan that includes insurance coverage, reserve funding, and contingency planning.
10. Member financial bookkeeping: To assure that Member financial records are accurate, updated and available, as required by law.

Last Board Approval: February 11, 2026

ANNUAL BUDGET POLICY

Background

The Heritage Springs Community Association, Inc. (HSCA) is a Homeowners Association (HOA) under Florida law. An HOA is required by Statute to have an annual budget. The annual budget allows the Association to measure and manage its financial progress during the year. It is also a critical tool in determining Member dues, which are the association's primary source of income.

There are three legal and procedural layers that dictate and guide the generation of the HSCA annual budget:

I. Florida Statute 720.303 (6) requires that the association prepare an annual budget that sets out the estimated annual operating expenses, reflects the estimated revenue, and the resultant estimated surplus or deficit. The budget may also include reserve accounts for capital expenditures and deferred maintenance.

II. Heritage Springs Governing Documents:

- The Master Declaration of Covenants, Conditions and Restrictions for Heritage Springs, Article IV grants the Board the authority to set an annual assessment rate.

- Amended and Restated Bylaws of HSCA, Inc., Article VII (2)(c)(1) requires the Board to fix the amount of the annual assessment at least thirty (30) days in advance of each annual assessment period.

- Amended and Restated Bylaws of HSCA, Inc., Article VIII (8) (d) requires the Treasurer to prepare an annual budget to be presented at the regular annual meeting and deliver a copy to each Member.

III. HSCA-Specific Budget Development Policy and Procedures
See Policy section below, and Budget Procedures in the Procedure section of this document.

Purpose: This Policy is intended to provide a framework for the Board to ensure that an annual budget is prepared that meets the requirements of Florida law.

Scope: This Policy applies to the Board and to those who assist or guide the Board in the preparation of the annual budget, including the Controller, Board Treasurer, other Board Directors, and General Manager (GM), as well as Department Heads and Committee participants.

Definitions

Annual Assessment – the amount the owner of each lot must pay the Association annually and is collected on a monthly basis.

Annual Budget – The calendar-year plan for the Association's projected revenue and expenditures.

Association -The HERITAGE SPRINGS COMMUNITY ASSOCIATION, INC. (HSCA), a Florida not-for-profit corporation, and its successors and assignees.

Board - Board of Directors of Heritage Springs Community Association, Inc.

Capital Contributions - monies that are collected from the buyer of a lot or parcel within Heritage Springs and allocated to the Associations Reserve Funds.

Declarations (Master Declarations) - The Master Declarations of Covenants, Conditions and Restrictions for Heritage Springs.

Member – an HSCA parcel owner.

Reserves (Capital Reserves) - monies specifically collected, held in reserve, and allocated to fund planned capital and deferred maintenance projects/expenditures.

TCMA - Trinity Community Master Association.

Zero-based Model - A budgeting technique in which all expenses must be justified for a new period or year starting from zero, versus starting with the previous budget and adjusting it as needed.

References

- Florida HOA Act, Chapter 720.303 (6)
- HSCA Bylaws, Articles VII and VIII
- HSCA Policy regarding Role and Responsibility of Board of Directors
- HSCA Policy regarding Role and Responsibility of the General Manager
- HSCA Strategic Planning Policy
- Other applicable laws and governing documents

Policy: The HSCA operating budget is typically developed by the Staff, including input from committees, and with the involvement and oversight of the Association's Treasurer and approved by the Association's Board each financial year.

The following will guide the development of the annual budget:

- The budget will include projected revenues (operating income, member fees, capital contributions, and investment income), and expenses (operating, TCMA fees, and Capital Project expenditures, including facility improvements,) for that year and the estimated operating and capital account fund balances as well as the aggregate surplus/deficit as of the end of the budget year.
- Additionally, the annual budget will include ongoing monthly operating expenses, and reserves for planned and unanticipated capital expenditures, emergencies, long-term property maintenance and upkeep.
- The annual budget establishes the annual member assessment amount and monthly fees. It also identifies as revenue any fees or charges paid to the Association for the use of its amenities.
- A Zero-base budgeting model will be used as the basis for anticipated revenue and expenses as submitted by the GM and the Department Heads.
- Ongoing communication will be maintained between the GM, Committees, and the Board regarding significant year to year changes in the budget. The communications will provide a mechanism for recording budget review questions, issues, or requests, and for addressing them.
- A meeting will be held for the Membership to review and provide comments on a draft of the proposed budget.
- The annual budget will be approved no less than 30 days prior to the beginning of the new assessment period, which typically begins on January 1st.
- The Board will notify Membership of the approved budget and its availability, as well as of the annual assessment fee, no less than thirty (30) days in advance of the effective date.

- If for any reason the Board is unable to approve a new annual budget, the prior budget (including fees and assessments) will remain in place until a new budget is approved.
- The timeline detail will be decided each year by the General Manager and agreed upon by the Board based on the following target dates:
  - August of each year - Department Heads will submit their annual month-to-month budget information to the Controller. The information will include needed long-term repairs, replacement, and improvements.
  - September of each year - The Treasurer will present a draft budget to the Finance Committee and the Board.
  - October of each year - The Finance Committee and the Board will review and provide comments to the Controller, Treasurer and General Manager on the annual, month-to-month budget.
  - Prior to the end of October - The Controller, Treasurer and General Manager will submit to the Board the recommended annual, month-to-month budget for the coming year. Significant changes from the prior budget will be pointed out.
  - Prior to the last November Board Meeting - A meeting with Membership will be scheduled for review and feedback on the draft budget.
  - The last Board meeting of November - The Board will vote on whether to adopt the budget.
  - Following Board approval - The approved budget will be available to Members.

NOTE: The process and *procedures* for development of the annual budget are set forth in the Procedures section of this document.

Board Approval: June 28, 2023

VENDOR SELECTION POLICY

The purpose of this policy is to establish a standardized process for use by the Heritage Springs Community Association Incorporated (HSCA) Board, Committees and Managers in selecting a vendor for projects in excess of $10,000. Projects include all capital projects as well as contracts for goods and services.

This policy has the following objectives:

- To provide clear, unbiased and consistent guidelines which incorporate basic principles of sound management to be followed by the Board of Directors, Committees, Managers and/or other designated parties.
- To avoid the appearance of any inappropriate bias towards any one vendor
- To obtain the best value for the Community by purchasing quality goods and services in the most effective manner.
- To help ensure that all purchases comply with applicable laws, covenants and declarations
- To establish a sound basis for a vendor contract.
- To help eliminate problems such as inferior materials, shoddy work practices, work content disputes, site access problems, questionable pricing tactics and “bait-and-switch” sub- contractors (if specified).

The policy is intended to establish a transparent method for the comparison of vendor proposals and thereby minimize subjective discussion. The underlying premise is that it’s preferable to have a calm, meaningful discussion about the criteria used to arrive at a particular selection rather than a possibly heated, uninformed debate about the selection itself.

Scope: The policy governs all bids solicited by the HCSA Board of Directors, Managers, Committees and/or other designated parties.

Policy Statement

1. **Description.** Prior to soliciting competitive proposals/bids, a clear description of the desired goods or service known as the “SCOPE OF WORK” must be established.

2. **Request for Proposal (RFP).** All solicitations for competitive proposals made on behalf of HSCA shall be based on an RFP which must include: A description of the purchase or project, the estimated or required time frame for accomplishments applicable insurance, bonding and licensing requirements, a clear, unambiguous statement about the use of sub-contractors, when applicable and a request for references.

   The RFP may, when appropriate, have any other details or specifications applicable to the particular project or purchase for which it is written.

3. **Proposals (Bids).** Three (3) or more bids should be solicited whenever possible for a project involving goods or services over $10,000 in total annual value. If, after diligent effort, multiple bids are not received, the Board of Directors may accept a single bid for the project. However, if a contract for the purchase, lease, or renting of materials or equipment, or for the provision of services, requires payment by the association that exceeds 10 percent of the total annual budget of the association, including reserves; the association **<u>must</u>** obtain competitive bids.

   Contracts for goods or services less than $10,000 in total value require only one bid unless resolved otherwise by the relevant Committee or Department Manager.

   The above requirements may be waived, by the Board, if the business entity with which the association wishes to contract is the sole source of supply within the region serving the Association.

   Soliciting bids from community residents or their relatives should be discouraged however is allowed and homeowners may provide the Board with the names of quality vendors provided in all cases they are subject to the same vendor evaluation criteria as that applied to other vendors. Great care must be taken to avoid potential conflicts of interest or the appearance of impropriety.

   The above bid requirements may be waived by the Board if any products and services are needed in an emergency such as a major flooding event. See also section 6. Capital Acquisition Proposal.

4. **Vendor Qualifications.** All vendors doing business with the community must be reputable and be able to supply at least three positive references for similar work completed. Additionally, vendors must provide current evidence of all required State licensing and bonding certifications. Insurance coverage must be in accord with the current Heritage Springs requirements.

5. **Vendor Selection.** After the selected vendors have submitted their bids (which may be sealed if so desired by the evaluating Committee), the relevant Committee must decide which vendor is to be selected for recommendation to the Board. This may be based on price but careful consideration should be given to the longer-term implications of a particular selection. It may prove to be false economy to select a cheap bid that is short-lived rather than a more expensive bid that offers a more durable solution and is likely to be less expensive over time.

   The points system is a procedure to be used by the appropriate Committee as a guide for selection. The recommended selection may be approved by a simple majority decision by the Board.

6. **Capital Acquisition Proposal.** Once a vendor has been selected, the Chairperson (or designee) of the relevant committee or Department Manager is responsible for completing a Capital Acquisition Proposal (CAP) Form and submitting it with all supporting documentation to the Finance Committee and Treasurer for review. The Treasurer will then forward it on to the Board of Directors with a recommendation for action. The CAP should address the impact on operations, return on investment and budgetary implications, as pertinent to the request

   Depending on the urgency of the situation, emergency requests may not require the CAP form but supporting information and documents should be supplied to the Finance Committee as soon as practical according to the financial criteria described above under Section 3. Proposals (Bids). (See existing policy guidelines).

7. **The Vendor Selection Procedure** should be used by the Committee submitting projects for consideration by the Board.

Note: Once approved by the Board the General Manager is responsible for preparing and executing the contract with the selected vendor**.**

Responsibility: The HCSA Board of Directors is responsible for ensuring that the policy requirements are met.

Board Approval: April 24, 2017

REQUEST FOR PROPOSAL

FOR

(PROJECT NAME)

(DATE)

REQUEST FOR PROPOSAL	**RFP #**

Scope of Work	
Detailed Requirements (use additional sheets as needed)	
Special cost considerations (if any)	**Proposal Expiry Date:**
Required Time Frame (Maintenance Contracts)	
Signed:	**Date**

To be Completed by Vendor	
BID – Requirements from Request for Proposal (Use additional sheets as needed)	
Item	
1. Item	**$**
2. Item	**$**

3. Item	**$**
4. Item	**$**
5. Item	**$**
6. Item	**$**
TOTAL COST	**$**

COMPANY INFORMATION			
Name and address of your Company			
Contact Person and Title			
Telephone Number		**Email**	
Number of years in business		**# of employees**	
References from three existing or former customers			
Name			
Address			
Contact Phone #			
Contact Email			
Name			
Address			
Contact Phone #			
Contact Email			
Name			
Address			
Contact Phone #			
Contact Email			

Insurances carried					
General Liability	**$**	**Workers' Comp**	**$**	**Other**	**$**
State of Florida and/or County Business License(s):					

Project Start Date:		**# of weeks to complete project/deliver product**		
Signed:		***Title***	***Date***	***# Days Quote Valid***

2

3

4

5

VENDOR SELECTION EVALUATION PROCEDURES

(To be completed by the Committee Chairperson)

Purpose: To quantify the perceived value proposed by the vendor so as to compare proposals objectively,

Definitions: The evaluation criteria contain the following considerations. For the purpose of this evaluation, the following definitions apply:

<u>Consideration</u>:
Defines each of several areas of concern to the Association.

<u>Points</u>:
Quantify the perceived value proposed by the vendor, using a scale from 1 to 10, one (1) scoring a low value and ten (10) scoring the highest.

<u>Weight</u>:
Quantifies the relative importance of the consideration using a scale from 1 to 5, one (1) scoring a low value and five (5) scoring the highest.

<u>Value</u>:
The product of the number of Points multiplied by the Weight so as to arrive at a score which can be used to compare proposals objectively.

Point Categories - Suggested guidelines (Add qualitative factors as necessary)	Description	Points	Weight	Value (points *weight)
Quantitative factors				
1. Price (indicate if one bid is an outlier and assess the condition)	Lowest bid received	10 points	5	
	Highest bid	1 point		
	Example Low bid = $2,500 Intermediate bid = $4,280 (1-(4280 / 9670)) * 10 High bid = $9,670	10 points 6 points 1 point		
2. Business proximity - local capacity to implement the project and ability to provide timely after-sales support	Within 10 miles Greater Tampa area Outside greater Tampa area	10 points 5 points 1 point	2	
3. Company size (number of employees)	More than 10 employees Between 1 and 9 Single owner/operator	10 points 5 points 1 point.	3	
4. Business/Occupational licenses and Bonding	State/County licensed Not licensed	10 points 0 points	5	
5. Number of years in business	More than 5 years Between 1 and 5 years Less than 1 year	10 points 5 points 1 point.	3	
6. Quality of References (which should be checked for authenticity)	<u>All</u> references are positive <u>Some</u> references are positive <u>No</u>	10 points 5 points 0 points	5	

	references are positive.			
7 Insurances (General Liability, Auto, Workers Compensation)	All basic insurances carried Some basic insurances carried No basic insurances carried	10 points 5 points 0 points	5	
Qualitative Factors				
8. Technical capability and solution approach e.g. understanding of project requirements & ability to meet timelines.	Highly qualified technically Minimal understanding Reasonable understanding	10 points 0 points 5 points	5	
9. Professionalism of key personnel and management reports that will be provided during the life of the contract (if applicable)	Highly professional Acts totally unprofessionally Somewhere in between	10 points 0 points 5 points	4	
10. Perceived level of responsiveness including presentation of the Proposal which should be in a clear, logical and well-organized manner	Highly responsive Totally unresponsive Somewhere in between	10 points 0 points 5 points	5	
11. Managerial and staff capability such as past performance (experience)	Strong capability Weak capability Somewhere in between	10 points 0 points 5 points	5	

VENDOR COMPARISON MATRIX

PROJECT #XXXX-XX PROJECT NAME: Date:

Criteria	Points (0-10)	Weight (1-5)	Value (points *weight)	Points (0-10)	Weight (1-5)	Value (points *weight)	Points (0-10)	Weight (1-5)	Value (points *weight)
Quantitative Factors									
1. Price • Item1 • Item2 • Item3 • Item4 • Item5 etc.		5			5			5	
2. Business proximity		2			2			2	
3. Company size (# of employees)		3			3			3	
4. Business/ occupational license(s)		5			5			5	
5. Number years in business		3			3			3	
6. Quality of References		5			5			5	
7. Insurances		5			5			5	
Qualitative Factors									
8. Technical Capability		5			5			5	
9. Professionalism		4			4			4	
10. Perceived level of responsiveness		5			5			5	
11. Managerial/staff capability		5			5			5	
Grand Totals									

Board Approval: April 24, 2017

CAPITAL ACQUISITION PROPOSAL

GUIDELINES FOR PREPARATION

Goals

Implement guidelines and a standardized process for use by HSCA Committees and Managers for the development of Capital and Deferred Maintenance project proposals (valued over $10,000) that will be submitted to the Treasurer and the Board of Directors for approval.

Guidelines – for Committee's and Department Managers

- Typical steps for creating a proposal:
- Identify need and interact with Department Manager and/or Committee
- Address the impact on operations
- Address the financial impact – return on the investment, within budget?
- Research – round 1
- Create a proposed solution
- List the attributes for new capital asset (independent of vendor)
- Create specification
- Solicit bids for specification, 3 bids should be obtained as time permits
- Modify (upgrade) specification, as needed
- Finalize vendor bids
- Prepare a Capital Acquisition Proposal to Treasurer/BOD (via the GM)
- Assist the BOD in making the decision, as needed
- the BOD and Manager in making the purchase, as needed Assist in the oversight of implementing the project, as needed.

Capital Acquisition Proposal Form (see Exhibit A – for template)

The Capital Acquisition Proposal Form should be completed and submitted with appropriate supporting documentation to the Treasurer (via the General Manager) for all Capital and Deferred Maintenance project requests in excess of $10,000. Following a review, the Treasurer will forward the proposal package to the Board of Directors with a recommendation for action.

1. Use of the form is not mandatory, but highly recommended, for requests for amounts greater than $2,500 and less than $10,000. Supporting information and documents should accompany the request to the extent they are available.

2. Depending on the urgency of the situation, emergency requests do not require the form, but supporting information and documents should be supplied to the Finance Committee as soon as practical according to the financial criteria above.

3. “SCOPE OF WORK” (Project Specifications) – In an effort to ensure all vendors bidding a project are bidding on the same work that is to be performed with the expectations of the final product having the same outcome, a “Scope of Work” needs to be presented to all bidders.

   The “Scope of Work” should include the proposed schedule, required services, specifications of materials to be used, the quality of the materials expected, the quantity of the materials involved, and the finishes that our expected (samples may be required).

   HCSA or other special requirements must be defined in the “Scope of Work” so all vendors are aware of the expectations. E. G. Contractor must pull all permits, contractor must supply a “Certificate of Insurance”, contractor must ensure ADA compliancy, and contractor will meet all Pasco County building codes.

   a. Scope of Work ensures the following;
      1. It provides clear, unbiased and consistent guidelines to each bidder.
      2. It avoids the appearance of any inappropriate bias towards any one vendor
      3. It allows the best value for the Community by purchasing quality goods and services in the most effective manner.
      4. It helps ensure that all purchases comply with applicable laws, covenants and declarations.
      5. It establishes a sound basis for a vendor contract.

6. This policy is intended to establish a transparent method for the comparison of vendor proposals and thereby minimizing subjective decisions.

Board Approval: October 27, 2014

CAPITAL ACQUISITION PROPOSAL FORM

Notes:

(1) The Capital Acquisition Proposal Form should be completed and submitted with appropriate supporting documentation to the Treasurer (via the General Manager) for all Capital and Deferred Maintenance project requests in excess of $10,000. Following a review, the Treasurer will forward the proposal package to the Board of Directors with a recommendation for action.

(2) Use of the form is not mandatory, but highly recommended, for requests for amounts greater than $2,500 and less than $10,000. Supporting information and documents should accompany the request to the extent they are available.

(3) Depending on the urgency of the situation, emergency requests do not require the form, but supporting information and documents should be supplied to the Finance Committee as soon as practical according to the financial criteria above.

Submitted By: ________________________ __________________________

Printed Name Signature

Committee Affiliation (if any): ______________________________

Date Submitted: ________________

<u>Summary Description of the Proposal</u>:

(Example: Replace and/or repair bar code readers, exit gates and operating mechanisms, and associated hardware and systems for the resident gates.)

Using additional sheets of paper please provide the following information:

Describe the problem or conditions which necessitate this expenditure, including an indication of the urgency.

What is the impact on operations?

Describe the alternatives, e.g. repairs vs. replacement, existing vs. new technology, short term vs. long term solution, etc.

When should the project be started?

Provide a copy of the Project Specification "SCOPE OF WORK". List the vendors who have been consulted about the project, including their qualifications. Three bid proposals should be obtained, as time permits. Describe in concise terms their proposals, price, timing and advantages or disadvantages. If less than three vendors, please explain.

What is the cost of the project? Is any part of it in the budget for the current year?

What are the annual operating costs for the project? Compare to prior operating costs (if applicable).

Describe the basis for choosing the recommended supplier and product (price, technology, service, reputation, prior experience, warranties, etc.).

Include any financial analysis you have done. Consider payback, return on investment, cost of not proceeding, etc.

Any other information you consider useful in analyzing the project

Recommendation of the Treasurer

Recommended ________ Not Recommended ____ Date:_____________

Discussion:

____
Signature

Approval by Board of Directors

Approved ____________ Not Approved __________ Date:

____
Signature (for Board of Directors)

Board Approval: October 27, 2014

INVESTMENT POLICY

Background
The Investment Policy is designed to provide guidance for investing Heritage Springs Community Association, Inc. (HSCA or Association) funds.

Purpose
The purpose of this policy is to guide the Treasurer of the HSCA Board of Directors and the other members of the Finance Team in:
a. The ongoing management of the Association's investments.
b. Ensuring the safety of Association funds at a reasonable rate of return.
c. Conducting of regular audits of HSCA investments.
d. Instructing investment institutions to effect specific transactions.
e. Reporting of the Finances of the Association.

This ensures that investments are thoroughly vetted, while maintaining transparency, safety, and alignment with the HOA's financial goals.

Scope
The Policy encompasses all investments made by and for the Association.

Definitions
Finance Team - the General Manager (GM), Controller, their designees and staff, the Treasurer of the Board and the HSCA Finance Advisory Committee.

References
- Florida Statute 720.303
- HSCA Master Declaration of Covenants, Conditions and Restrictions
- HSCA Bylaws
- HSCA Rules and Regulations
- Financial Policies in this Booklet
- Code of Conduct Policy

Policy:

Investment Objectives: All funds shall be deposited and invested in the following recommended order of priority: (A) Safety of Funds; (B) Liquidity of Funds; (C) Rate of Return.

Safety of Funds*:* Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital with the objective of mitigating risk, particularly Credit Risk and Interest Rate Risk.

Credit Risk**:** The Association will minimize credit risk, the risk of loss due to the failure of the financial institution by:

a. Pre-qualifying the financial institutions with which the Association does business, which must be:
   - domiciled in the United States
   - approved in the State of Florida
   - a member of FDIC or other government insured agency
   - approved by the Board.

   NOTE: Banks failing to meet the minimum criteria, or, in the judgement of the Treasurer or Board of Directors, no longer offering adequate safety to the Association's funds, shall not be approved.

b. Limiting the amount of deposit accounts in any one institution to the Federally Insured amount.

c. Limiting investments to the safest types of investments as provided for in the Investment Portfolio Guidance set out below .

d. Diversifying the investment portfolio so that potential risk will be minimized.

Interest Rate Risk**:** The Association will minimize the risk of the market value of investments in the portfolio due to changes in general interest rates by:

a. Structuring the investment portfolio so that investments mature sufficiently close to cash requirements for ongoing operations, thereby minimizing the potential need to sell investments prior to maturity.

b. Investing all funds primarily in short to intermediate term investments and approved money market funds.

Liquidity of Funds**:** The investment portfolio shall remain sufficiently liquid to meet all current year operating expenditures as well as planned maintenance and capital expenditures for current and future years.

Rate of Return/Yield*:* The investment portfolio shall be managed with the objective of attaining a competitive rate of return given the constraints of the safety and liquidity objectives, including whether the rate is fixed or variable.

Treasurer Investment Responsibilities:
Responsibility for managing the Association's investment portfolio resides with the Board Treasurer, who will consult with the other members of the Finance Team.

The President and Vice President of the Association, or any person authorized by the Board, such as the Finance Committee or HSCA management staff, may assist the Treasurer in performing investment management, cash management, or treasury functions.

The Treasurer may engage the support services of outside professionals, subject to the availability of budgeted funds and approval from the Board of Directors.

The Treasurer will monitor ongoing investment activities and provide a report on the status of those activities, including current valuation and earnings, to the Board at least quarterly at a regularly scheduled Board Meeting. The Treasurer's Investment Report will be included as part of the Minutes posted for that Board meeting.

Board Investment Responsibilities: The Board shall ensure that the above investment objectives are followed. Board approval is required for any investment other than roll-over domestic CD's or Money Market accounts, such as equity or foreign investments.

Board approval is required for the opening or closing of any bank or investment accounts.

Ethics and conflicts of interest: The Finance Team and Board members involved in the investment process shall act as fiduciaries of the Association, by:

- Managing the Association's investments with reasonable care, skill, and caution
- Refraining from personal business activity that could:
    - create an appearance of impropriety
    - conflict with proper execution of the investment program
    - impair their ability to make impartial investment decisions

Finance Team members are bound by the Code of Conduct Policy and shall disclose to the Board any conflicts of interest in accordance with that Policy.

Investment Portfolio Guidance:

The Association shall limit financial investments to the following *Eligible Investments*:
1. Savings accounts (FDIC or NCUA insured)
2. Money market funds (FDIC or NCUA insured)
3. Certificate of deposits (CDs – FDIC or NCUA insured)
4. Insured Cash Sweeps (ICS) accounts (FDIC insured)
5. Treasury bills (Individual bills – U.S. Government guaranteed)
6. Treasury notes (Individual notes – U.S. Government guaranteed)

Eligible investments shall be insured or guaranteed to ensure the safety of the funds.

The Association shall NOT invest in the following:
1. Individual stocks
2. Equity mutual funds
3. Mutual funds consisting of bonds or mortgages and/or derivatives
4. Options on equities, debt or commodities
5. Floating rate securities
6. U.S. Government Agency securities (Principal is NOT guaranteed)
7. Bank investments in a single institution in excess of FDIC insurance limits
8. Not included in the list of Eligible Investments above

Any investment opportunity that arises and does not align with the specific guidelines set forth in this Policy shall require a review and recommendation from the Finance team and the Finance Committee, based on the investment objectives in this Policy, before being submitted to the Board of Directors for a vote.

Board Approval: February 11, 2026

EXPENSE REIMBURSEMENT POLICY

FOR DIRECTORS AND VOLUNTEERS

Background
This policy addresses reimbursement of expenses incurred by Board Members and other Association Volunteers on behalf of the Association.

It does not address reimbursement of expenses incurred by Management or staff of the Association, which is addressed in the HSCA Employee Handbook.

IRS guidance provides that reasonable, business-related expenses properly incurred by unpaid volunteers or Directors of a nonprofit (or not-for-profit) Board are eligible for reimbursement. Such reimbursements must be made in accordance with the IRS "Accountable Plan" requirements to avoid being reported or taxed as wages or income.

An "Accountable Plan" requires that:
- All expenses incurred are for a nonprofit business purpose.
- The director or member adequately accounts for the expenses no more than 60 days after the expense was incurred; and
- The director or member returns any amounts received in excess of the actual expenses incurred no more than 120 days after receipt of the excess money.

Purpose
The purpose of this Policy is to ensure that approved HSCA-related expenses, incurred by a Director or Association Volunteer are accounted for, submitted for reimbursement and reimbursed in a timely fashion.

Scope
The policy applies to all Directors of the Board and other Association Volunteers who pay for legitimate Association expenses with their own funds and seek reimbursement.

Definitions
Association - Heritage Springs Community Association, Inc, also known as, HSCA.

Board of Directors - The Board of the HSCA HOA.

Expense Report – the HSCA-approved form used for submission of an expense reimbursement request. See attached Exhibit 1.

GM- The Association's General Manager

Out-of-Pocket Expense - The direct payment of money paid by the Director or volunteer, that may or may not be reimbursed by the Association.

Reasonable Expenses – an expense in an amount that is consistent with the amount normally paid for such services in the private sector.

Reasonable Payment - a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

Reimbursement - The act of compensating someone for an out-of-pocket expense by giving them an amount of money equal to what was spent.

Reference/Source

- See I.R.S. guidance for "Accountable Plan" reimbursements
- See I.R.S. publications for current mileage rate allowed.

Policy

Any Director of the Board or other Association Volunteer who incurs an authorized business-related expense on behalf of the Association is eligible for reimbursement by the Association subject to the GM's approval of such expense and the timely submission of supporting documentation for such expenses.

Appropriate expenses may include:

- Travel
- Meals
- Supplies and materials
- Gas – for Association equipment and vehicles
- Mileage – for personal vehicles to be reimbursed at the current published IRS Mileage Rate
- Parking and tolls

The following expenses will NOT be reimbursed by the Association (this list is not all-inclusive and is subject to change):

- Expenses incurred by spouses, significant others or other non-volunteers who accompany Directors or Association Volunteers during Association-related travel
- Unauthorized service upgrades and fees (business class upgrade, late room check-out, etc.)
- Personal services (massages, laundry service, etc.)
- Personal purchases (gifts, clothes, etc.)
- Alcoholic beverages independent of meals or approved events

Process:
Expenses will be reimbursed by completion and timely submission of the approved HSCA Expense Reimbursement Form, attached as Exhibit 1, accompanied by itemized receipts or invoices detailing purchases made or services rendered.

Board Approval: September 18, 2024

Exhibit 1

HERITAGE SPRINGS
Active Adult Country Club Living
At Trinity

Expense Report

Date Submitted ____________________

Reason for Reimbursement ____________________

Name ____________________

Department ____________________

0.655

Date	Description	Miles Driven	Miles @ $0.655	Supplies	Misc.	G/L Code	Total
			$0.00				$0.00
			$0.00				$0.00
			$0.00				$0.00
			$0.00				$0.00
			$0.00				$0.00
			$0.00				$0.00
			$0.00				$0.00
			$0.00				$0.00
			$0.00				$0.00
							$0.00
Total			$0.00	$0.00	$0.00		$0.00

TOTAL $0.00

Date	Reimbursement Description	Location	Attendees

Signature: ____________________ Date: __________

Manager Approval: ____________________ Date: __________

Approval: ____________________ Date: __________

Submit completed form and supporting receipts to Administration for processing before month ends.