

**DURANGO MUNICIPAL RECREATION, INC.**  
**dba HILLCREST GOLF CLUB**

**FINANCIAL POLICIES**

Established April 9, 2019

**These Financial Policies establish guidelines which shall govern all purchases of inventory, equipment, goods and/or services made on behalf of Durango Municipal Recreation, Inc., dba Hillcrest Golf Club (Club).**

**POLICY STATEMENT**

These Financial Policies have been enacted to ensure compliance, accountability and transparency in spending to its Members, Employees and Board of Directors of the Club.

**ANNUAL BUDGET EXPENDITURES**

The Finance and Budget Committee is charged each year to submit to the Board of Directors a proposed budget for operations of the Club for the following year. All expenses should fall within the budget approved by the Board of Directors, unless the Board approves expenditures in excess of the established budget.

**MANAGER RESPONSIBILITIES**

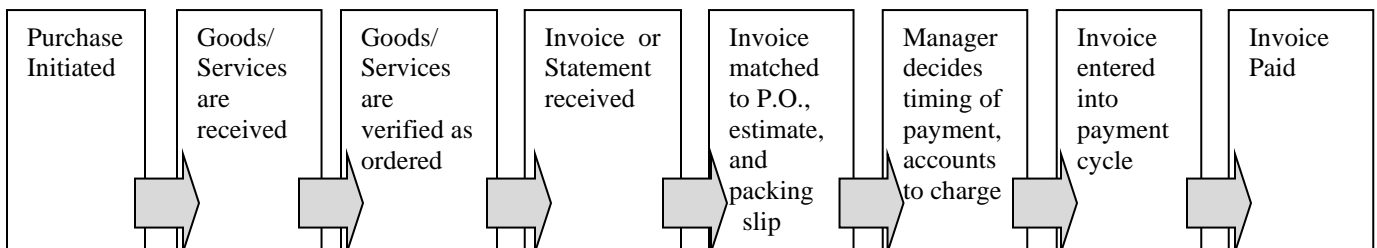
Managers reporting directly to the Board of Directors (including, but not limited to the Course Superintendent, Golf Professional, and Office Manager) are responsible for following financial policies and procedures set forth herein and working within the scope of the budget(s) they manage. Each Manager owns the budget that funds their individual department of Club operations.

Managers may proceed with purchasing inventory, equipment, goods and services as prescribed herein, not to exceed their current annual budget. Purchasing over the approved annual budget requires justification and approval.

**PURCHASING GUIDELINES**

Managers are required to seek the best pricing available for equipment, goods, and services on behalf of the Club, while also considering product quality, maintenance costs, availability of parts and service, our previous experience with the product, and other factors that contribute to overall value. The choice of vendors and contractors must always represent the best interests of the Club and may not necessarily be the lowest bid. All purchases, prior to payment, are to be documented with original invoices, signature of receipt of goods or services, and packing slip, if available.

**Purchasing Cycle.**



**Vendor/Contractor Eligibility.**

Vendor set up must be approved by the Board’s Treasurer. In order to do business with the Club, the vendor or contractor must:

- Supply all requested necessary information in connection with the purchase/project, including delivery dates or project schedule
- Provide a signed W-9 and/or a certificate of liability insurance when requested
- Be able to demonstrate that it has the appropriate equipment, experience, and expertise to perform the work or supply the purchased materials or supplies required
- Have a satisfactory record of performance and integrity
- Have the legal capacity to contract with the Club.

**Local Preference.**

The purchase of goods and services by the Club shall include consideration of local businesses and apply a 5% bid preference. Local businesses shall be defined as firms or sole proprietorships having physical addresses in La Plata County, Archuleta County, or Montezuma County, Colorado.

**Sole Source Bids.**

Department heads are responsible to justify to the Board’s Treasurer any sole source procurement, including detailed description of products or services, why the requested vendor is the only practical source for the products or services, and why alternates are not in the best interests of the Club.

**Payments.**

Each Manager shall determine the timing of payment and the expense account to be charged prior to submitting invoices for payment. Payments for inventory, equipment, goods, and services should generally be withheld until their due dates, although consideration should be given to terms most advantageous to the Club. Advantage should be taken to obtain discounts and/or not to incur penalties.

**The following table identifies the approval procedure and bid requirements related to procuring goods and services:**

<b>Task</b>	<b>Bids Required</b>	<b>Manager approval required</b>	<b>Board Treasurer approval required</b>	<b>Board Approval required</b>
Purchases included in budget	Yes	Yes	No	No
Purchases that exceed dept. budget by less than 5%	Yes	Yes	Yes	No
Purchases that exceed dept. budget by 5% or more	Yes	Yes	No	Yes
Multiple Year Purchases, Contracts, and Leases	Yes	Yes	Yes	Yes
New Debt, Re-financing, and Paying Down Debt	Yes	N/A	Yes	Yes
Insurance	Yes	N/A	No	Yes
Electronic Fund Transfers (EFT’s)	N/A	N/A	Yes	No

**Exceptions:** The provisions of this approval procedure and bid requirements may be suspended for emergency needs, upon approval by the Treasurer and/or President of the Board of Directors.

## CREDIT CARD USE

Hillcrest Golf Club may issue a corporate credit card to eligible employees for business-related expenses. The Treasurer authorizes the use of corporate credit cards and assigns the credit limit, if applicable and credit card limits shall be increased only upon the approval of the Treasurer. Club credit cards shall not be allowed to carry a month-to-month balance but shall be paid in full at each billing cycle. Use of corporate credit cards are subject to the following rules and restrictions:

- Employees shall use their corporate credit cards to charge only business-related expenses. Expenses must be for approved budget items only. Any items not budgeted must be authorized by the Treasurer.
- Personal purchases of any type are strictly prohibited.
- No alcoholic beverages or recreational drugs may be purchased with the corporate credit card.
- Employees may not take cash advances on credit cards.
- The employee shall not permit his/her card to be used by any other party.
- The employee is responsible for all charges made to the card and will be held liable for any unauthorized items appearing on the credit card statement.
- The employee must obtain receipts for all purchases and include a brief description of the business purpose and the budget account code on each receipt. In the case of meals, each receipt should include the names of all persons attending the meal, in accordance with Internal Revenue Service regulations.
- The receipt is to be submitted within one week of card use or immediately upon return from a business trip, unless other arrangements are approved by the Treasurer.
- Any items that do not have a receipt will be the personal responsibility of the cardholder.
- The employee must notify the Treasurer immediately in the event a card is lost or stolen.
- The corporate credit card is the property of Hillcrest Golf Club. An employee leaving the employment of Hillcrest Golf Club must surrender the credit card to the Treasurer.

## TRAVEL POLICIES

When an employee is authorized to travel on behalf of the Club, The following policies and procedures shall be followed:

**Most Economical Transportation:** The Club will pay for the most economical transportation on all legs of any approved trip. Mileage for an employee's use of their personal vehicle for travel will be paid at the current IRS mileage rate.

### **Overnight Accommodations:**

The Club will pay for a single room at the designated conference hotel as outlined on the registration form or at a hotel of a like or lesser rate. Where there is no designated conference hotel, the Club will pay the GSA Per Diem rate (\$94 in 2019). Additional hotel charges such as in-room videos and mini-bar shall not be charged to the Club under any circumstances. Charges above the current GSA Per Diem rate (\$94 in 2019) require advance approval by the Treasurer and/or President of the Board of Directors.

**Meal Expenses:** The per diem for meal expenses will be paid using the current GSA Per Diem rate (\$55 in 2019). The per diem rate for meals does include tips for same. The employee may choose to use the conference meal ticket **or** receive the per diem rate for meals, but cannot receive both.

**Registration Fees:** The Club will pay registration fees and associated materials for employees and other authorized Club representatives only.

### **Expenses:**

Whenever practical, the employee will use their club-issued credit card for travel expenses, retaining receipts for all charges. Incidental expenses related to travel, for example, tips, will be reimbursed upon verification of receipts, and approval of the Office Manager, on the next payment cycle.

**DISPOSAL OF CLUB PROPERTY (SURPLUS)**

Disposition of any capital equipment or goods shall be approved by the Treasurer. Where possible, disposition of equipment or goods shall be used to reduce the purchase or lease payment of replacement equipment, or to provide income to the Club from the sale. If equipment is offered for sale, the sale must be publically advertised and fair market value be sought. A Bill of Sale, or receipt, must document the transaction for accounting purposes and updating of the Asset Report.