

COG PURCHASING AND PAYMENT POLICY

101. Purchases

- A. The COG will make every effort to purchase supplies, materials, equipment, and services, from the lowest responsible qualified vendor.
- B. The Board of Directors has expressly authorized the following limits for purchases without prior Board approval:
 - 1. Purchases \$1,500 and less Require Management Team Approval
 - 2. Purchases from \$1,501-\$2,500 Require Treasurer Approval Only
 - 3. Purchases over \$2,500 Require Approval of the Full Board
- C. Purchases of supplies, materials, equipment, and services over **\$1,500** will be made in the open market by obtaining competitive, qualified telephonic or internet quotes.
- D. Purchases of supplies, materials, and equipment, under **\$1,500** will be made at the discretion of the management team by obtaining verbal or internet qualified quotes.
- E. The following payments for goods and services can be made without prior authorization of the Board:
 - 1. Payments for principal and interest on bonds and notes representing the Board-authorized indebtedness of COG, when said principal and/or interest is due and presented for payment.
 - 2. All bills for water, electricity, gas, telecommunications, and similar utility services are billed and paid on a regular basis.
 - 3. Fixed charges including but not limited to postage, software and professional services, advertising, internet technology, hardware and other contracted services.
 - 4. Annual premiums for insurance coverage, including, but not limited to general liability and directors' and officers' insurance.
 - 5. Contractual payments for items previously approved by the Board.
 - 6. Reimbursements to employees and Board members for budgeted purchases, including, but not limited to , travel, lodging, and other pre-authorized expenses.

102. PAYMENT OF FUNDS

- A. The management team will prepare a monthly Treasurer's Packet to be reviewed by the Treasurer and submitted via email to the Board.
- B. The Treasurer's Packet will include:
 - 1. Cover/signature page

2. Balance sheet
 3. Budget versus actual report
 4. Bank reconciliations for all accounts
 5. Detailed transaction report
 6. List of bills – paid and unpaid
 7. Other relevant financial documents
- C. The Treasurer will review the Treasurer’s Packet, sign, and date the cover sheet prior to submission to the Board of Directors. The signed Packet will be downloaded and saved to the COG’s cloud-based document files for storage.
- D. No payment of any funds will be made unless explicitly included in the annual budget and approved by the Board, excepting for routine and necessary expenditures as set forth in Section 101(E) above.
- E. Hard copy checks will be held and secured by the management team.
- F. Upon approval of bills subject to the spending limits in Section 101(B), hard copy checks will be prepared by the management team for appropriate signatures.
- G. All checks or drafts drawn against COG accounts will be signed and counter-signed by two Board members as follows:
1. Board Chairperson (or Vice-Chairperson)
 2. Board Treasurer (or other Board member)
- H. Where invoices are paid directly to the vendor by either bank e-check or ACH transaction, the management team will document said expenditures and they will be included in the bill list and expenditure detail report.
- I. All checks (including bank e-checks) and invoices will be scanned, downloaded, and attached to Quick Book files and saved to the COG cloud-based document files for audit purposes.

103. INDEPENDENT AUDIT

- A. At its discretion, the COG Board of Directors may hire an independent CPA or CPA firm to conduct an annual audit of COG accounts.
- B. The Board will determine the compensation of the appointed CPA or CPA firm.
- C. The independent CPA or CPA firm must have no personal interest, direct or indirect, in the fiscal affairs of COG or of any of its appointed officers.
- D. The independent CPA or CPA firm must present the annual audited financial statements including a management letter addressing internal controls, to the Board no later than June 30th following the end of the fiscal year.