



DRAFT

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The Stewardship Purchasing Process

How every dollar will be bid, checked, decided, published and audited

A COMPANION TO A PLEDGE OF STEWARDSHIP

A promise to spend carefully means little without a process anyone can check. This is the process I will ask the board to adopt, and the one I will follow myself on every vote: written scopes, at least three competing bids, verified references, recorded decisions, published results and a standing audit.

PART ONE

Where this process fits

This process sits on top of two working tools developed for board discussion. The Purchasing Authority Matrix decides who may approve a purchase and at what dollar level. The Capital Project Prioritization Matrix decides which capital projects deserve funding first. This process decides how the work is bid, verified, awarded and audited once a purchase is authorized. It does not expand anyone's authority. Where our governing documents give approval to the master association, to the Campanas Committee's budget process, or to an owner vote, this process produces the recommendation package for that body.

How the process keeps the Pledge of Stewardship

PLEDGE VOW	WHAT THE PLEDGE SAYS	HOW THIS PROCESS ENFORCES IT
Listen first	"I will protect time for residents to speak and ask questions."	Resident input on capital scopes and rankings before bids go out; open comment before any award voted in an open meeting.
Disclose fully	"I will disclose any personal or business tie ... and step aside from that decision."	A signed conflict disclosure from every director and evaluator on every award over \$5,000; recusal rules that meet and exceed Texas Property Code §209.0052(b).
Spend carefully	"I will read every budget, contract and financial report before I vote."	Three-bid minimum, reference and license checks, cost benchmarks, no split purchases and change-order limits.
Explain plainly	"An honest explanation of why a vendor was chosen."	A written award rationale in the minutes, plus a plain-language bid summary posted for residents after each award.
Answer openly	"When something goes wrong, you should hear it from the board first."	Quarterly and annual audits with findings reported in open meeting, and bid files available to owners under §209.005.

The process at a glance

1 Define the need Write one scope of work. Rank capital projects first.	2 Confirm authority Match the amount to the Authority Matrix and a budget line.	3 Solicit bids Invite at least five vendors to get at least three written bids.	4 Verify References, licenses, insurance and a cost benchmark.	5 Evaluate Two people score independently on a published rubric.
6 Clear conflicts Signed disclosures; interested members step aside.	7 Award openly Vote in the right forum, with the reasons recorded.	8 Contract and control Written contract, two signatures, change-order limits.	9 Publish Post the bid summary for residents within 10 business days.	10 Audit Check every file, sample quarterly and report every year.

PART THREE

Bid requirements by spending level

Dollar levels and approvers follow the proposed Purchasing Authority Matrix. The bid standard below tightens the matrix in one place: it requires three written quotes, not two, from \$1,001 to \$5,000. If the board adopts this process, the matrix should be updated to match.

SPENDING LEVEL	APPROVES	BID STANDARD	VERIFICATION AND RECORD
Up to \$1,000 within an approved budget line	Management	No bids required. Use the contracted rate or a documented price check.	Reported to the board monthly. Repeat purchases from one vendor are counted together (see the splitting rule).
\$1,001 – \$5,000 within an approved budget line	President or Treasurer, only if delegated by resolution	Three written quotes on the same scope.	Insurance and license check; short award note filed and listed in the monthly report.
\$5,001 – \$50,000 within an approved budget line	Full board	Three written bids on a written scope, from at least five vendors invited.	Full bid file (Part Five), two reference checks per finalist, evaluation scoresheet, award rationale in the minutes, bid summary posted.
Over \$50,000 contracts for services	Full board	Formal bid process required by §209.0052(c): written request for proposals, pre-bid site walk, a fixed deadline, and bids opened together by two people. At least three bids.	Everything above, plus three references per finalist, a lien and litigation search, and review of contract terms by the association's counsel or manager before signing.
Capital project repair, replacement or new improvement	Full board; open meeting with owner notice for new improvements	Ranked with the Prioritization Matrix before bidding. Then the bid standard for its dollar level applies, with three bids minimum above \$1,000.	Compare bids to the reserve study estimate. Gate B approvals (master association, budget, owner vote) must be in hand before funds are committed.
Emergency imminent threat to safety or property, up to \$10,000	President, or any two officers; full board ratifies	Bids waived only to stop the harm. The permanent repair is bid normally.	Facts, photos and the reason for urgency are documented, and the spending is explained at the next board meeting.
Director-related vendor any amount	Non-interested board majority	Three bids from unrelated vendors in addition to the related bid, which exceeds the statute's two, if reasonably available.	The interested director sees no other bids, joins no discussion and casts no vote. The board certifies compliance by resolution under §209.0052(b).

Rules that apply at every level

- No splitting. Related purchases, or several invoices from one vendor for one need within 90 days, count as one purchase.
- Same scope for every bidder. If the scope changes, every bidder gets the change and the chance to re-price.
- Fewer than three bids. Log every vendor invited and every decline. The approver then decides, on the record, whether to re-solicit or proceed with what was received. That decision is listed in the bid summary.
- Sole source. Allowed only with a written justification (for example, warranty work or a proprietary system), a full-board vote and publication in the bid summary.
- Recurring contracts (landscaping, pool, management, maintenance) are re-bid at least every three years and never renew automatically past their term without a board vote.
- No gifts or favors from any bidder or vendor to any director, committee member or evaluator.

PART FOUR

Sources of reference and verification

A low price is not a good bid until it is verified. Before any award over \$5,000, the finalist must pass these checks, and each check is recorded in the bid file with the date, who checked, and what was found.

CHECK	WHAT IS VERIFIED	SOURCE
Client references	Two references for each finalist, three above \$50,000. They should be comparable clients (an HOA, a commercial property or a similar scope) served within the last three years. Ask about quality, schedule, cost overruns and whether they would hire the vendor again.	Phone call by the evaluator, with notes in the file
Licensing	The license is active, wherever the trade is licensed in Texas: for example electrical and HVAC work, irrigation, and pesticide application.	State online license lookups (such as TDLR, TCEQ and the Texas Department of Agriculture)
Insurance	A certificate of general liability insurance, and workers' compensation where applicable, that names the association as certificate holder and meets the contract minimums.	Certificate from the vendor's insurance agent
Standing and history	The business is registered and in good standing; complaint patterns; liens or lawsuits for work over \$50,000.	Texas business-entity records, Better Business Bureau, county court and lien records
Cost benchmark	The winning price is compared with an independent reference point. A gap of more than 20% is explained in the award rationale.	Reserve study estimate, the association's prior contracts, the manager's market data
Scope compliance	The bid prices the full written scope, with exclusions, warranty, schedule and payment terms stated.	Bid tabulation sheet

How bids are evaluated

Two evaluators score each responsive bid independently, then compare. If their scores on any criterion differ by more than one point, they discuss it and re-score. The default award goes to the highest-scoring responsive, verified bidder. When the lowest price does not win, the minutes say why in plain words.

PRICE	QUALIFICATIONS AND EXPERIENCE	REFERENCES	SCOPE, WARRANTY AND TERMS	SCHEDULE AND RESPONSIVENESS
40% — total cost over the life of the contract, not only the first year	20% — comparable work, crew and equipment	15% — verified reference results	15% — completeness, exclusions and warranty strength	10% — start date, completion time and service response

The bid file: what every award leaves behind

Every purchase over \$5,000 has one bid file. It is the evidence that the process was followed and the record owners may request under Texas Property Code §209.005. The Treasurer and one director who did not sign the contract confirm the file is complete before the first payment is released.

☐ Written scope of work, with any addenda sent to all bidders

☐ Authority tier, budget line and funding source (operating or reserve)

☐ Prioritization Matrix worksheet (capital projects)

☐ Invitation log: vendors invited, dates and declines

☐ All bids received, unaltered

☐ Reference, license, insurance and standing checks

☐ Cost benchmark comparison

☐ Independent evaluation scoresheets and the agreed tabulation

☐ Signed conflict disclosures from directors and evaluators

☐ Minutes excerpt: vote, bids received, prices, winner and rationale

☐ Signed contract (the signature carries out the vote; it does not replace it)

☐ Change orders, each approved at the right level

☐ Invoices matched to the contract; payments with two signatures above \$5,000

☐ Copy of the published resident bid summary

Contract controls after the award

- Change orders that add more than 10% of the contract value or \$5,000, whichever is less, go back to the authority that approved the original award. Cumulative change orders that push the total into a higher tier require that tier's approval.
- Payments follow the contract milestones, require two signatures above \$5,000, and never go to an approver who would benefit from them. Final payment waits for an inspection and lien releases where applicable.
- Vendor performance is rated at the close of each contract. The rating becomes a reference source the next time the work is bid.

What residents will see

Within 10 business days after any award over \$5,000, the board posts a plain-language bid summary: the scope, the vendors invited, the bids received and their totals, the winner, the reason for the choice, and the funding source. Owners who want the full file may request it under §209.005, and the association must respond within 10 business days or give a date no later than 15 business days after its notice. Information the law protects stays protected, such as owners' personal financial information, employee and personnel files, and attorney-client communications. When something is withheld, residents are told why.

The audit

An audit is how residents know the process is real and not just written down. It works at three levels, and its results are reported to owners, not filed away.

LEVEL	WHO	WHAT IS CHECKED
Every award	The Treasurer and one director who did not sign the contract	The bid file checklist is complete before the first payment, and the invoice matches the contract.
Quarterly	A finance committee member or director with no role in the purchases reviewed	A random sample of at least five purchases, or 10%, whichever is more, drawn from each spending level. Checks: three bids were obtained, approval was at the right level, purchases were not split (same vendor below a limit within 90 days), change orders were approved, and payments match invoices. Emergency spending is checked for ratification. The report goes to the next open board meeting.

Annually	An independent CPA, under an engagement the board selects in open meeting	An audit or review of the association's financial statements, with a request that the CPA test the purchasing controls. It is paired with a resident-facing annual purchasing report: every contract over \$5,000, the bids received, change orders, and actual versus budgeted cost.
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How audit findings are handled

FINDING	EXAMPLES	RESPONSE
Likely	Paperwork gaps: a missing scoresheet, a late bid summary, an unsigned disclosure later confirmed.	Corrected within 30 days and noted in the quarterly report.
Dangerous	Fewer than three bids without a documented reason; approval at the wrong level; a pattern of split purchases; unapproved change orders.	Reported at the next open meeting with a written corrective plan, a named owner and a deadline. Repeat findings trigger a full review of that spending level.
Deadly	An undisclosed conflict of interest, payment without any authority, altered bids, or suspected fraud.	The full board is notified at once and related payments are suspended. Counsel and the association's insurer are contacted, involved individuals step aside, and owners are informed as soon as counsel allows.

Draft. These are just my thoughts as a candidate. They must be reconciled with the bylaws, rules and regulations of the board. — Mindy

Adoption. This is a candidate's proposal, not association policy. It takes effect only if the board adopts it by resolution in an open meeting, and only to the extent our declaration, bylaws, the master association's requirements, the management agreement and Texas law allow. Where any of those set a stricter rule, the stricter rule controls. This document is not legal or accounting advice; it should be reviewed by association counsel before adoption.

Mindy Flinn

CANDIDATE, CAMPANAS RESIDENTIAL COMMUNITY, INC BOARD OF DIRECTORS · OCTOBER 2026

Listen first. Serve every neighbor.

Sources. Texas Property Code §209.0052, Association Contracts: law.justia.com/codes/texas/property-code/title-11/chapter-209/section-209-0052/ · Texas Property Code §209.005, Association Records: codes.findlaw.com/tx/property-code/prop-sect-209-005/ · Texas Property Code §209.0051, Open Board Meetings: codes.findlaw.com/tx/property-code/prop-sect-209-0051/ · Companion documents: A Pledge of Stewardship; HOA Purchasing Authority Matrix (proposed limits); HOA Capital Project Prioritization Matrix. mindyforcampanas.com · A personal proposal from a candidate; not an official communication of the association.