

## OPERATING POLICIES OF THE BOARD OF DIRECTORS

**1. Open Board Meetings.** As per *Robert's Rules of Order*, regularly scheduled Board of Directors meetings are open to members in good standing unless confidential business is under discussion.

**2. Member Participation in Board Meetings.** The President of the Board of Directors, per *Robert's Rules of Order*, will entertain the request of a member in good standing who wishes to speak before the Board. Requests to attend meetings should be addressed to the President prior to the meeting to ensure adequate seating. (*For action items, see No. 16 in this document.*)

**3. Conflict of Interest.** No person shall be nominated to the Board, nor accept nomination or election thereto, who has a material conflict of interest because of personal, financial, legal, or other factors, unless the Board waives such conflict after full disclosure. In a case where any Director has a specific potential conflict of interest or involvement in competing activities in a particular matter or otherwise believes his or her interest in a particular matter might affect his or her vote on such a matter whether in committee or Board meetings, the Director shall so notify the President and shall decline to participate in consideration of or action with respect to such matter. At the first Board meeting of each fiscal year, the President will review this conflict of interest policy with the Board. It shall be the responsibility of the President and President-Elect to monitor adherence to this resolution.

**4. Fiduciary Responsibility for Groups/Organizations.** The Board of Directors has a fiduciary responsibility for all activities of the Civic Association, including the organization's groups.

A. **Clarification of 501 (c) (3) Tax Exemption:** The Association is allowed a Federal Tax exemption. The Association is exempt from Florida State sales tax on items purchased for the immediate use of the PGICA and its subsidiary groups when items are purchased in compliance with guidance from the Treasurer, titled "Sales Tax Exemption" dated February 16, 2005. The Association is not exempt from Florida State Sales Tax on items sold to the public, including members, or items purchased out of compliance with the guidance referenced above.

B. **Quarterly Financial Reports to the Treasurer:** All groups/organizations with a banking account and using the tax exempt status of the Association will submit quarterly financial reports as requested by the Treasurer to ensure compliance with our federal tax exempt status.

C. **Year-End Financial Reports to the Board:** To ensure compliance with state and federal laws for non-profit organizations, all groups shall keep appropriate financial records and submit year-end financial reports to the Director of

Members Activities. The Director of Members Activities shall provide the reports to the Treasurer, other Executive Officers, and an Association Auditor upon request. Year-end financial reports will be kept on file with the Association Manager for a period of three (3) years.

**D. Sales Tax Quarterly Reports:** All groups/organizations collecting state sales tax will submit quarterly financial reports to the Treasurer, reflecting monies collected for sales tax that quarter, to ensure compliance with state/county sales tax requirements.

**5. Board Compensation.** Officers and Directors of the Association volunteer their time and expertise to the Association. They receive neither compensation nor financial benefits as a result of their Association office. Potential benefits are returned to members.

**6. Capital Reserves.** The Board will maintain \$200,000 in the Capital Reserves. Should the reserves drop below \$200,000, a plan will be developed to meet the reserve fund requirement.

**7. Volunteer Recognition.** Volunteers will be recognized annually for all their contributions to the Civic Association at a luncheon, dinner or other recognition to be determined by the Board. There will be a budget item for recognition volunteers, with the amount dependent on projected revenues. Implementation of the volunteer recognition program is the responsibility of the President or his/her designee.

**8. Commercial Endorsements.** The Civic Association shall not endorse any commercial enterprise.

**9. Political Endorsements.** The Civic Association shall not endorse any candidate for political office. A federal law prohibits tax-exempt groups from advocating the election or defeat of political candidates.

**10. Contributions or Other Distribution of Funds.** Any distribution of funds to other organizations requires records that show whether they are exempt under 501 (c) (3). If the recipient is not exempt, there must be evidence the funds will be used for Section 501 (c) (3) purposes. Any funds distributed to individuals require case histories showing the recipients name, address, purpose of award, manner of selection and relationship to officers, directors, members or major contributors.

**11. Single Membership.** A "Single" membership may include an unmarried adult, a widow, or a divorced person. A "Single" membership carries one vote. All existing "Single" memberships were grandfathered as of 12/31/02, and no new "Single" memberships are to be established after that date.

**12. Dues.** According to our Bylaws (Title 3, Section 3.1), the annual dues are set by the Board of Directors, with approval by the membership at an Annual or Special meeting, and shall be due and payable on the first (1<sup>st</sup>) day of the anniversary month in which the member joined the PGICA. As approved during the Annual Membership Meeting on 2/16/02, the following annual dues are effective 1/1/03:

- A. Regular Household Membership (one or two members in the same residence) = \$50.00
- B. Single Membership = \$25.00 (see Item 13)
- C. Associate Membership = \$50.00

Dues are not refundable.

**13. Memorial Program.** When a member dies, an amount of \$20 is donated to the Friends of the Library in the name of the deceased and recorded in the Commentator.

#### **14. Use of Civic Center Facilities**

##### **A. General Policies**

1. All rooms may be reserved on a first come basis, subject to availability
2. Everyone using the facility must be in compliance with the Fire Code
3. Use of facilities must conform to guidelines provided by the Association Manager.

##### **B. Association Groups**

1. The Association facilities are available on a non-interference basis without rental fees to Association Groups and groups in the process of formation for a regular member meeting, a monthly board meeting, and group committee meetings (e.g., Captain's). For different types of activities, the Board may establish such fees it deems appropriate for inspection and clean-up of the premises used.
2. Reservations will be confirmed in accordance with the procedures set by the Association Manager. The Group's monthly member meeting and a monthly board meeting should be scheduled annually; all other meetings may be scheduled as required, subject to availability.
3. There will generally be no charge for any Association Group using the facility for a not-for-profit function, or profit being returned to the PGICA.

##### **C. Association Sponsored Activities**

The Association facilities are available without rental charges for Association sponsored activities approved by the Association Manager and the Center Administration Director. For different types of activities, the Board may establish such fees as it deems appropriate for inspection and clean up of the premises used.

#### **D. Rental of the Facilities**

1. The Association facilities are available for rental on a non-interference basis.
2. The renter must provide a \$500 security deposit and a “Certificate of Insurance” with a minimum coverage of [\$250-\$500K] CSL which shows the Punta Gorda Isles Civic Association as “Additional or Named Insured” for the period of the rental, [date and time] when the rental agreement is signed, and the reservation is confirmed.
3. The renter will be responsible for damages that exceed the \$500 security deposit.
4. The Association projection system is available for a \$25 set-up fee and a \$25 per hour operator fee.
5. A discount of \$10% may be applied for reoccurring rentals [8 or more a year].

#### **E. Rental Fees are as Follows:**

For Commercial or For Profit use:

1. Auditorium including use of kitchen \$500 for the first 4 hours: \$75 for each additional hour.
2. Classrooms \$75 for the first 2 hours; \$15 for each additional hour.

Non Member [Not for Profit] use:

25% discount from Commercial Rates

Member [Not for Profit] use:

40% discount from Commercial Rates (Member must be present)

### **15. Education Policy and Teacher Guidelines**

All classes scheduled for the benefit of PGICA members shall be cleared through the Education Director to be publicized in the Commentator and on the PGICA website. All scheduling of classes must be done through the Association Manager. Classes that are continuous may be scheduled three months in advance. New classes or non-continuous classes may be scheduled monthly, subject to room availability. *All of our classes are open to the public.*

The PGICA does not have funds for paid advertising. Classes will be listed on the master calendar page of the Commentator and a monthly article in the Commentator will feature new classes and list the classes currently being taught. Our Marketing and Sales will contact local newspapers and radio whenever possible. If teachers want an individual advertisement in the Commentator they should contact the Marketing Director for information and prices.

## **Teacher Guidelines and Information**

Teachers are independent contractors. If their income from teaching at the PGICA exceeds the federal limit, the Education Director will give the teacher's social security number to the PGICA Accountants.

Teachers decide on the class size and the fee to be charged. All checks are to be made payable to the PGICA. These checks are given to the Association Manager along with a list of the students, after the first class. 80% of the fees collected will be returned to the teacher and 20% will be retained by the PGICA. If a PGICA Group sponsors a class or seminar in which a fee is charged to its students, then 20% of the fee will be retained by the PGICA.

Forms for class fees and list of students can be found in the class registration book at the Volunteer Desk at the PGICA at 2001 Shreve Street. Fill out the form and give it to the Association Manager who will assign a room and time for the class. Keep a copy of all your forms. After your first class, submit all fees (checks or cash) to the Association Manager. After the class is completed, submit a final list of class participants with your signature and date submitted to the Association Manager. This will be given to the Treasurer of the PGICA who will issue a check in the amount of 80% of the class fee collected.

Teachers are responsible for contacting the Education Director with class information for the Commentator by the 8<sup>th</sup> of the month preceding the Commentator publication. For example: Information for the January issue of the Commentator must be submitted to the Education Director no later than December 8<sup>th</sup>. Please note that the Commentator is not published in the month of August. Rooms should be clean and neat when you arrive. Please make sure they are in a similar condition when your class has ended. Authorization to teach at the PGICA is at the sole discretion of the PGICA Board of Directors.

### **16. PGICA Board of Directors' Policy Guidelines to Address Members' Concerns Regarding Deed Restrictions**

The Board of Directors of the Punta Gorda Isles Civic Association (PGICA) will uphold the laws and regulations of the City of Punta Gorda and the State of Florida. Within the laws and regulations, the PGICA will facilitate the resolution of disputes involving deed restrictions.

The process is as follows:

- a. A written request, by a member in good standing of the PGICA, will be accepted by the Board of Directors regarding the issue(s) of concern. Written requests may be directed to the PGICA President or the Community Standards Governor.

- b. PGICA's President in consultation with the Community Standards Governor will determine the need for Board intercession and will schedule time for Board discussion based on the timeliness of the issue(s).
- c. If approved by the Board, the process may proceed.
- d. A Task Force may be appointed to address the request and obtain clarification of the issue(s) and the parties involved. The President will chair the Task Force.
- e. Based on the recommendations of the Task Force, the Board may facilitate a meeting between the parties to resolve the issue(s).
- f. Based on the recommendations of the Task Force, the Board may involve legal counsel.
  - g. The Board will determine its position and next steps based on the issues, the laws and regulations of the City of Punta Gorda and the State of Florida, and the Task Force's recommendations.

**17. Action Item for Board of Directors' Meetings.** Any individual wishing to bring an action item before the Board of Directors is requested to submit an *Action Item Form* (copy attached to this document). This form can also be obtained from either the Receptionist, the Association Manager or on the PGICA web site. Upon completion, the form should be returned to the Receptionist who will submit the form to the President. The form, which includes a request for the topic/issue to be addressed, the action requested, background/rationale for the issue, and resource/budget implications, should be completed and submitted two weeks prior to the next Board Meeting. (Note: Board meetings are held the third Tuesday of the Month.). The President, at his/her discretion, may bring an action item to the Board that has been received less than two weeks before a Board Meeting.

**18. President's Recognition.** The outgoing President will receive a memento of appreciation (value up to \$100) upon conclusion of his/her term of office as President. The President-Elect will purchase the gift/memento.

**19. Fees.** Education Program Instructors receive 80% and PGICA receives 20% of the revenue received for classes. The Gifted Gator gift shop receives not less than 20%; the consignor receives not more than 80% of revenue generated.

**20. Strategic Plan.** The 2009 PGICA Strategic Plan, adopted by the Board of Directors in March 2009, will guide the organization over the next five years. The Strategic Plan shall be reviewed annually and updated, as needed. The Operational Plan, which accompanies it, may require modification as needed when based on accomplishments and "unknown" factors. The Operational Plan will be used by the Board on a monthly basis to assess progress on the Plan, and to ensure the organization is moving forward to fulfill its mission.

**21. Use of Membership Information.**

- A. Information provided on a Membership Application and Update Form is considered to be PGICA proprietary information. All information received in

this manner shall be used only for the administration and operations of the Punta Gorda Isles Civic Association and in direct support of the “health and welfare” of the community.

- B. Membership lists shall be provided to general members through the use of a printed directory issued once a year and amended by addendums as deemed necessary. Members may request that their information not be published in the Annual Directory by noting this request on an Application or Update Form. Unless noted otherwise on the form, all information excepting Alternate Mailing Address and Groups/Interests may be included in the annual Membership Directory.
- C. Providing an email address to PGICA is not a requirement of membership. If an email address is given, PGICA assumes authorization to use this email address in a broadcast message for the purpose of providing information where time is of the essence, such as threats to the safety and welfare of the community, a local or state governmental meeting where items of significant impact to PGI are to be discussed or decided, and reminders of important events; e.g. Town Meetings, Annual Membership Meeting. Email messages broadcast to the membership will always be of a non-commercial nature. Authorization for any email broadcast message to the PGICA membership will require the consent of two or more current Officers of Punta Gorda Isles Civic Association. **The names of the Officers authorizing the message will be included in the email message.**

## **22. *The Commentator* Articles and Association Reports on the PGICA Web Site.**

Articles published in *The Commentator* are suitable for posting on the PGICA Web Site without notification to the author or Board of Directors. Reports written for Board members and meetings may be posted on the PGICA Web Site if the posting is approved by the author and the PGICA President or designee.

## **23. PGICA Van Policy**

A. **Purpose:** To ensure that there is clear understanding between the PGICA Board of Directors and the Isles Gals and Guys Sales for the use of the van and for the driver requirements.

B. **Van Usage:**

1. The van will only be used for PGICA business. It will be used primarily for the transportation and storage of equipment for the Isles Gals and Guys Sales, however, there may be other occasional use permitted as designated by the Board of Directors of the PGICA. The van must be returned after any special use fully fueled and in usable condition for the Isles Gals and Guys.

2. The van is restricted to the low mileage requirement as indicated in the insurance policy.
3. The van usage is restricted to Charlotte County, except for van maintenance needs. It will be the responsibility of the Isles Gals & Guys Sales to transport the van for maintenance.
4. Each authorized driver shall have a key to the van.
5. Following use of the van, it must be returned fully fueled and in usable condition for Isles Gals & Guys Sales.
6. All logs will be subject to periodic review by the Treasurer and Board.
7. A usage log must be maintained in the office maintained by the Association Manager.
8. A log must be maintained and kept in the van to account for all mileage.
9. All maintenance and operating expenses are the responsibility of the Punta Gorda Isles Civic Association. If possible, maintenance will be done at the Charlotte Technical Center that charges for parts, not labor, to reduce costs.
10. The van should be parked at the Punta Gorda Isles Civic Association unless it is being used for Association business.

**C. Driver Requirements:**

1. Up to five (5) drivers may be authorized at one time. The names of these drivers with the information shown below will be maintained in the "Office Log of Drivers" kept in the office of the Association Manager.
2. The following information must be recorded in the "Office Log of Drivers" by each authorized driver:

Name

Florida Driver's License Number

Address

No driving violations, each driver is to be investigated by the insurance carrier.

Emergency contact person

Birth Date

3. Each authorized driver must have a driving record without any violations. Should a driver incur a violation, he or she would be deleted from the driver list.

**24. Non-Profit Mailing:** Use of the PGICA non-profit bulk-mailing permit will comply with the USPS Publication 417, as stated below:

The Punta Gorda Isles Civic Association has received Non-Profit bulk mailing permission. This status may be used in addition to our standard bulk-mailing permit and is limited as to its privilege. It does offer *significant* postal savings to the association but has limited application.

The most common use will be in the mailing of the *Commentator* newsletter. To mail under the non-profit rate, certain format and content restrictions must be observed.

**A. Format Requirements:**

1. Must have a title clearly recognizable from other content on first page.
2. Must be printed
3. Must contain an identification statement on one of first five pages that includes the following:
  - a. Title
  - b. Issue date (may be omitted if on first or cover page).
  - c. Statement of frequency showing when issues are published (daily, monthly, monthly except August etc – must be published at least quarterly to qualify)
  - d. Name and address of authorized organization including street number, street name, and ZIP + four or five-digit ZIP code.
  - e. Issue number. Every issue must be numbered consecutively in a series which may not be broken by assigning numbers to issues omitted. The issue number may be printed on the front cover or cover page instead of the identification statement.
4. Must contain at least 25% non-advertising matter in each issue.

**B. Content Restrictions:**

1. No advertising for credit, debit, charge cards or similar financial instruments or accounts.
2. Restricts advertising for insurance policies.
3. Restricts advertising for travel arrangements.

Prohibitions on credit, insurance and travel arrangements are very broad and go beyond the normal advertising definition of publishing for payment. This restriction includes mention of commercial programs or destinations in articles as well as formal advertisements.

Examples of restricted wording:

“Enjoyed stay at South Seas”, “Will be cruising to several marinas including South Seas and Fort Myers City Marina”,

“Will be traveling to Europe with XYZ travel”, “Use our new PGICA VISA Card”.

Probably acceptable:

“Cruise will include Sanibel and Captiva stops – see website or call for details”, “Enjoyed stops on way to Tampa”, “See website or call for travel programs to Europe”.

Credit card, insurance and travel may be advertised without restriction if the issue is mailed “presorted” instead of “Non-profit” on the permit imprint, associated paperwork for Mailing reflects change, and verbal notification is made to Postal Clerk at time of mailing.

Note: It was pointed out that while we may refer to ourselves as “PGI Civic Association” in mailings, if we do we must be identified as:

Punta Gorda Isles Civic Association  
(Return Address)

Sample identification statement:

The Commentator  
June 2005  
Published monthly except August  
Punta Gorda Isles Civic Association  
1800 W. Marion Ave  
Punta Gorda, FL 33950  
Vol. 20, No. 6

***The non-profit mailing permit must never be used by anyone except the permit holder.***

25.

**Board of Directors  
Action Item Form**

Name:  
Phone Number:  
E-Mail Address:

Date:

Request Time on the Agenda? \_\_\_\_\_ Yes \_\_\_\_\_ No

Amount of Time Requested: \_\_\_\_\_

(Note: The Board requests all presentations be limited to 15 minutes maximum.)

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**TOPIC/ ISSUE:**

**ACTION REQUESTED:**

**BACKGROUND/RATIONALE** (Use additional pages as necessary):

**RESOURCE/BUDGET IMPLICATIONS:**

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Date Approved for Presentation to the Board of Directors: \_\_\_\_\_

(Date)

Board Decision/Action:

Signed: \_\_\_\_\_ Date:

\_\_\_\_\_

26.

## **Purchasing Policy and Procedures**

**(Adopted October 17, 2006)**

From time to time, PGI Civic Association staff (Center Administrator and/or Association Manager) will need to make purchases for the Association. All purchases will be made using the Association's tax-exempt status to keep from having to pay sales taxes. A purchase order, credit card, or check can be used to make a purchase, with a receipt obtained detailing the items and amounts purchased.

If the item being purchased is a specific line item in the budget, the Association Manager is authorized to spend up to \$1000 or 5%, which ever is less, over the amount listed in the budget. The Center Administrator is authorized to spend up to \$1500 or 10%, which ever is less, over the amount listed in the budget. Any amounts exceeding the \$1500 or 10% must be approved by a majority of the members of the Executive Committee of the Board of Directors. (An e-mail vote is acceptable.)

If the item being purchased is not a specific line item in the budget, the Association Manager is authorized to spend up to \$1000 and the Center Administrator is authorized to spend up to \$1500. Any amounts exceeding the \$1500 must be approved by a majority of the members of the Executive Committee of the Board of Directors. (An e-mail vote is acceptable.)

The procedures which the Punta Gorda Isles Civic Association Center Director and/or Association Manager (hereafter called staff) must follow when it wants to purchase goods or services will depend on the value of the purchase. The value of the purchase is the total amount of the purchase. For example, if the contract is for a period of 12 months the purchase value of the contract is based on the total annual cost of the services, not the weekly or monthly costs.

Purchase values must not be split to avoid thresholds.

Based on the total value of the contract or arrangement, the following process should be followed as a minimum requirement:

### **Process to be followed – Based on the Value of the Purchase**

#### **Value of Purchase: Under \$2,000**

- Obtain at least 1 verbal quote.
- Where a decision is made to obtain more than one quote, document verbal offers received and the reasons for selecting a particular quote.

**Value of Purchase: \$2,000 - \$5,000**

- Obtain at least 3 verbal quotes from local suppliers.
- Document verbal offers received and the reason for selecting a particular quote

**Value of Purchase: \$5,000 - \$20,000**

- Obtain at least 3 written quotes from genuine competitors (unless it is not possible to obtain 3 quotes after genuine effort has been made to obtain 3 quotes).
- The PGI Civic Association staff must evaluate the offers and document the reason for selecting the successful offer.
- The PGI Civic Association staff must give written notice to the successful bidder/vendor via letter or purchase order.

**Value of Purchase: \$20,000+**

- Develop tender documentation suitable for obtaining written quotes from potential suppliers.
- Contact known local suppliers, and the Association's existing supplier (if applicable), to inform them of the opportunity.
- For purchases over \$100,000, place a notice in the appropriate local and regional newspaper to ensure adequate opportunity for potential suppliers.
- Obtain at least 3 written quotes from genuine competitors (unless it is not possible to obtain 3 quotes after genuine effort has been made to obtain 3 quotes).
- The PGI Civic Association staff must evaluate offers and document the reasons for selecting the successful offer. The Board of Directors will review the documentation prior to the actual purchase being made.
- The PGI Civic Association staff must give written notice to the successful bidder/vendor via letter of purchase order.

**Purchasing Process****Specification**

Before the PGI Civic Association embarks on any tender process (including simply telephoning a supplier to obtain a quote) it must prepare a purchase specification which outlines and describes what the PGI Civic Association wants to purchase. The specification should state in some detail the PGI Civic Association's requirements and what the supplier is therefore expected to provide. Specifications can be simple or complex depending on the need.

The success of the purchasing activity relies on the specification being a true and accurate statement of the buyer's requirements.

Apart from being a means of identifying the goods or services required, a specification will form part of any future contract that might result from offers received.

## **Evaluation**

Evaluation is the process that enables the selection of the most appropriate offer. It is important for the PGI Civic Association to consider the value and significance of the purchase. For example, if the purchase is for the supply of tablecloths for the building for a long period of time (i.e. 2 years), no doubt the value of the purchase will be significant and the evaluation process should be more detailed.

Even for a simple purchase which is not of great value, the PGI Civic Association should consider:

- Is the product or service suitable?
- Will the product or service be delivered in the appropriate time?
- Does the product or service meet the specifications?
- Is the price within budget?
- Has the supplier agreed with the conditions of contract?

## **Negotiating with Suppliers**

The PGI Civic Association may negotiate with bidder/suppliers, if required.

However, it is important to remember that negotiation is *not* haggling, “horse-trading” or “Dutch auctions”. For example: “The ABC Suppliers said I could buy it for \$500 less than your offer, can you beat that?” It is unethical to discuss the pricing and other conditions of supplier’s goods and services with their competitors.

Information regarding one supplier’s offer *must not* be disclosed to a third party (including other suppliers).

It is important to keep written records of all negotiation meetings. Negotiations can move along at a very fast pace and it is easy to lose track of what concessions were offered by whom and what follow up actions need to be taken.

## **Debriefing with Unsuccessful Bidders/Vendors**

It is often helpful to offer feedback to unsuccessful bidders/vendors explaining why the bidder/vendor was unsuccessful. It is important to make it clear to the bidders/vendors that it is an information session only to provide assistance to bidders/vendors in respect to future tenders/quotes.

Details of other offers should never be given out. The PGI Civic Association should not enter a debate on the process or compare the unsuccessful offer with other offers.

## **Development and Use of Tender Documentation**

### **Standard Documentation**

The PGI Civic Association will need to develop documentation for use as part of the procurement process.

### **Documentation Retention**

PGI Civic Association must keep a record of the purchasing process which it undertakes, together with the purchasing decisions it makes. These records should be kept for 3 years from the date of the actual purchase.

PGI Civic Association should keep copies of:

- How offers were invited
- Quotations and/or offers received
- The reasons for choosing the successful offeror, particularly if the quotation accepted is not the lowest price
- Records of discussions with offerors (if appropriate)
- Evaluation records
- Records of negotiations (if any) with tenderers
- The final decision
- Records of efforts made to obtain quotes from bidders/vendors in a situation when the minimum number of quotes may not be obtained.

## **Probity and Accountability**

### **Advice to Bidders/Vendors**

When the PGI Civic Association invites offers for the supply of goods or services, the PGI Civic Association may provide clarification or confirmation of details contained in the tender documentation to potential bidders/vendors, before the closing date for the submission of offers. If the information included in the tender is unclear or incomplete, the clarification must be provided to all potential bidders/vendors, to ensure that no bidder/vendors are disadvantaged.

### **Confidentiality**

All information received from any bidders/vendors must be kept confidential (except the name of the successful bidders/vendors).

### **Regular Review of Market**

It is recommended that a testing and analysis of the supply market be undertaken at least every two years for all contracts to ensure that value for money is being achieved and that appropriate opportunities are being given to other potential suppliers.

**Gifts**

All persons from the PGI Civic Association who are involved in the purchasing process must not accept gifts or favors from bidders/vendors.

**Conflicts of Interest**

All persons representing the PGI Civic Association who are involved in the purchasing process must avoid any conflict of interest.

## PGICA Group Sales Tax Policy

### 1. Use of Exemption Certificate for Purchases

The exemption certificate may be used only when making purchases for the benefit of the group.

#### a) Supplies and Items Used for Group Activities:

This would include supplies used for meetings and other items used within the group for the purpose the group was formed. For example, tennis balls purchased by the tennis club for use only at the Civic Association could be purchased tax exempt. However, tennis balls purchased by individual members for their own use, to keep in their possession, is not an exempt transaction.

#### b) Pooling of Funds for Purchases vs. Reselling of Items:

If the members are pooling funds to get a lower price on an item they should pay the sales tax at the time of purchase. If the group is purchasing items to resell to members (for example, shirts ordered and kept in inventory for the members to purchase later) the group may use the exemption certificate and must charge the sales tax to the member.

#### c) Items Included in the Membership Fee and/or Given as Gifts or Prizes to Members:

If a group is purchasing the item and “giving” it to the member, such as a name tag as part of the membership, then this could be considered an exempt transaction and the use of the exemption certificate is permitted.

### 2. Collection of Sales Tax

When selling items such as shirts, hats, etc. to group members, sales tax must be charged and collected as a separate item. ***Each group must report sales information to the PGICA Treasurer by the 10<sup>th</sup> day of each month for the prior month’s sales in the following format:***

Sales	xxx.xx
Sales Tax Collected	<u>xx.xx</u>
Total Collected	xxx.xx

The Treasurer will include these amounts in the monthly sales tax report for the Association and remit the tax to the State of Florida. Each club will reimburse the Association for the sales tax remitted on their behalf. ***It is the group’s responsibility to provide this information to the Treasurer in a timely manner so it can be correctly included in the monthly sales tax report.***

### 3. Abuse of exemption Certificate

Groups may **not** abuse the exemption certificate. If an item is purchased to be reimbursed by a member of a group or to be purchased by a member of a group, then sales tax must be paid at some point in the process; it is not an exempt transaction. Each group falls under the PGICA umbrella for sales tax liability and must conform to the Florida State Department of Revenue rules and regulations. ***Failure to do so may compromise not only our status as a tax exempt organization for sales tax purposes, but also our tax exempt status with the Internal Revenue Service.***

28.

## **Partnership and Collaboration Policy**

The PGICA is a 501 (c) (3) non profit entity whose mission is “to enhance the quality of life in Punta Gorda Isles as a leading waterfront community”. To achieve that end, the PGICA will collaborate and partner with organizations and agencies within our community that support efforts to enhance the quality of life in Punta Gorda, working within the requirements of our 501 (c) (3) tax exempt status.

When a partnership is proposed that will advance our mission either directly or indirectly, the Board of Directors must approve the action and ensure that proper monitoring is in place to insure the intent of the partnership. A liaison from the PGICA will be appointed to report the status of the partnership to the Board on at least a quarterly basis. The PGICA liaison will also recommend an action plan if the partnership deviates from its original purpose.