

# POLICY

The BOD establishes Corporate Policy Statements for finance, operations, and administration that will formally communicate to Management how the BOD expects the Corporation to be managed and operated.

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# **IMPORTANT**

## **These are the current PPOA policies for OPEN INFORMATION & OPEN MEETINGS**

**Your Board of Directors instituted these policies last year to grant all members reasonable access to information, and to establish a definitive policy for open meetings when conducting the business of the association.**

**If you have any questions regarding these policies do not hesitate to contact any member of your Board of Directors or the General Managers office.**

### **POLICY STATEMENT**

#### **ACCESS TO PPOA INFORMATION**

##### **ACCESS**

It is the policy of Pecan Plantation Owners Association. Inc., (PPOA) to grant members reasonable access to information regarding its records, affairs and transactions. In the interest of preventing interference with an orderly office routine, this policy provides the basis for the method by which PPOA will meet requests for information and documents. The policy also fixes fees for research and examination, photocopying expenses, and any other 3rd party costs expended on behalf of the requesting member in providing the requested information.

##### **CUSTODIAN OF RECORDS**

The Secretary of the Board of Directors (BOD) is the designated Custodian of the Records of PPOA. As such, the Secretary of the BOD is responsible for overseeing compliance with this policy. Any questions regarding this Policy shall be directed to the Secretary of the BOD. A specific request for information shall be directed to the General Manager.

##### **PROCEDURES FOR RESPONDING TO REQUEST FOR INFORMATION**

All requests for information must be in writing to the General Manager. The written request will state the specific information being requested and the purpose for which it is being requested. The General Manager will render a decision as to the appropriateness of the request.

Requests for information will **NOT** be approved when the information regards pending legal issues, unless specifically required by law; information of personnel matters such as individual salaries; information about other members; information that is privileged or confidential; and information that is proprietary to PPOA or might provide a competitive imbalance in PPOA doing business with 3<sup>rd</sup> parties.

##### **COST OF COMPILING INFORMATION AND MAKING COPIES OF RECORDS**

A copying fee \$2.00 per page will be assessed and charged to the requesting member's account. All other requests will be charged at actual cost

If requested to do so by the member requesting the information, the General Manager will provide an estimate of the cost for compiling the requested information and inform the requesting member of those charges prior to acting on the request before providing the information.

##### **DENIAL OF REQUESTED INFORMATION**

If it is decided that a request for information is inappropriate or unapproved, the General Manager will notify the requesting member of that decision and the reason for it in a timely manner. The General Manager will inform the member of their right to appeal to the Secretary of the BOD.

##### **APPROVED BY THE BOARD OF DIRECTORS**

March 6, 2003

Original signed by  
Gerald Winfield, President

Original signed by  
Jan Bergeman, Secretary/PIO

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**AUDIT COMMITTEE**

The Pecan Plantation Owners Association Inc., (PPOA), Board of Directors (BOD) will form and organize the Audit Committee (BAC), whose primary purpose is to monitor the Corporation's audit activities and inquire into the adequacy of the overall system of internal controls. The BAC will be comprised of the four Directors who are not officers of the Corporation. The members of the BAC will select its Chairman.

**FUNCTIONS**

The Audit Committee of the BOD is established to monitor the Corporation's audit activities and to serve the BOD, as requested, in other similar activities. As such the Audit Committee primary functions are to:

- Inquire into the effectiveness of internal controls and general adherence to PPOA policies.
- Recommend to the BOD when internal audits, on an "ad hoc" basis, are deemed appropriate.
- Review the activities of the "ad hoc" internal auditing and the independent public accountants.
- Provide high-level follow-up of audit recommendations by the Controller.
- Assure direct access to the BOD for the internal "ad hoc" auditors and independent public accountants.

Recommend to the BOD the appointment of the independent public accountants.

**REPORTING**

The Controller and the independent public accountants will meet, at least annually, with the Audit Committee of the Board of Directors to review the general scope and direction of their respective audit efforts along with major findings and recommendations, financial safeguards, and internal control matters.

The Controller and independent public accountants are authorized and required to promptly report directly to the Audit Committee of the Board of Directors, without interference or censorship by Management, all major irregularities including:

- |  |   |
|--|---|
| Violations of laws or regulations      | Matters relating to conflicts of interest |
| Falsification of records or reports    | Fraud                                     |
| Major violations of Association Policy | Theft                                     |

APPROVED BY THE BOARD OF DIRECTORS

DATE: March 28, 2000

**Original Signed By**  
**Anthony Tull**

\_\_\_\_\_

**Original Signed By**  
**J.C. Wright**

\_\_\_\_\_

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**BEREAVEMENT ACKNOWLEDGEMENT POLICY**

It will be the policy of the Pecan Plantation Owner's Association to recognize the death of a Pecan Plantation member with dignity and swift action. The death of a family member is a stressful time and it is imperative that PPOA employees know this procedure and follow it carefully each time we experience a loss in our community.

It should be the desire of the membership and staff to acknowledge the deceased by the various means available: the flags, the memorial plaque, Channel 28, and the Columns.

The following is the process of this acknowledgment:

1. A representative of the deceased informs PPOA of the death by placing a call to the non-emergency dispatch number (817.573.5239). If any department other than Dispatch receives a call reporting a death, the call should immediately be transferred to the non-emergency dispatch number.
2. Dispatch uses the Bereavement Acknowledgment Notification Form (attached) to gather the necessary information from the deceased's representative and immediately notifies Management.
3. Management returns a call to the deceased's representative and verifies the date, time, and place of the funeral/memorial service. Management asks for the family's permission to post the deceased's name on the memorial plaque in the lobby, and for permission to publish funeral/memorial information.
4. Management takes the following action based on the above gathered information and permissions:
  - a. Notifies Security to lower the PPOA flags to half-staff and of the date that the flags should be raised back to full staff. It is important that the flags are not left at half-staff beyond the day of the funeral/memorial.
  - b. Places a nametag of the deceased's name on the memorial plaque in the lobby (if family permission was given).
  - c. Notifies the Communications Director to create a memorial page for Channel 28 with funeral/memorial information (if family permission was given).
  - d. Notifies the Communication Director that the deceased's name should be published in the "Friends We'll Miss" column (if family permission was given).
5. A note of condolence is sent from the General Manager's office to the family of the deceased. A condolence note should be written on Pecan Plantation social stationery.

Approved by the Board of Directors January 2, 2003

Original signed by  
Ben Edmondson/President

Original signed by  
Sally Baker/Secretary

BEREAVEMENT ACKNOWLEDGMENT POLICY

**NOTIFICATION FORM**

Date Report Received: \_\_\_\_\_ Time: \_\_\_\_\_

Name of Deceased: \_\_\_\_\_

Date of Death: \_\_\_\_\_ Funeral/Memorial Service: Yes  No

Location of Services: \_\_\_\_\_

Date of Service: \_\_\_\_\_ Time of Services: \_\_\_\_\_

Permission to Lower Flags? Yes  No

Permission to Post Name in Clubhouse? Yes  No

Permission to Post in The Columns & Ch 28? Yes  No

Person Reporting the death? \_\_\_\_\_

Additional Contact (if necessary): \_\_\_\_\_

Dispatch Operator: \_\_\_\_\_

Reported to Management: Date: \_\_\_\_\_ Time: \_\_\_\_\_

Manager: \_\_\_\_\_

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**BOARD OF DIRECTORS MEETINGS AND AGENDAS**

**AGENDAS FOR BOD OPEN MEETINGS**

The President and General Manager shall be responsible for preparing the agendas for the PPOA BOD, open meetings. Any request by an association, or management member for a subject to be included on the agenda of a BOD meeting shall be presented in a timely manner to the President or General Manager for consideration. Requests shall be in writing. The approved agendas may only be amended by majority vote of BOD. Any BOD member may present for consideration any item they believe appropriate at any time. The President shall prepare the agendas for all special meetings of the BOD.

Recommendations for BOD action shall be submitted on the approved recommendation form, available at the General Manager's office, and include a description of the recommendation to be considered. Recommendations shall be submitted to the General Manager's office no later than noon Friday prior to a scheduled BOD meeting. Recommendations will only be considered at the regular monthly meeting unless waived by the President, BOD.

Reports, recommendations, or proposals shall be considered by the appropriate committee first and presented to the BOD and Organization Committee Work session for consideration by the Chairman of the appropriate committee or their designee.

**POST ELECTION REQUIREMENTS**

At the first meeting of the BOD after the annual member meeting, the new directors will take the oath of office and new corporate officers will be elected. As soon as practicable the BOD will review the existing Corporate Policies and the Committee Functions and Responsibilities for the ensuing year. The presiding BOD shall also review the budget and operations and establish goals for the ensuing year.

**EXTRAORDINARY MEETINGS**

A committee consisting of the President, one other Director who will have been selected by the BOD in an Open Meeting, and the General Manager will handle all extraordinary meetings such as those with the Developer or any other outside entities concerning PPOA business. The committee shall be authorized to discuss any subject that may arise unless specific items are excluded for consideration by majority of the full BOD. Minutes of all meetings with outside entities will be taken and distributed to all members of the BOD as soon as practical. Those minutes of extraordinary meeting will be included in the next Open Meeting and included in the minutes of that Open Meeting for future reference. The LENMO committee is to be utilized for all items of business relating to the Developer for matters relating to the LENMO agreement.

Extraordinary meetings exclude authorized meetings with outside entities where potential business can be discussed as long as those discussions do not obligate the corporation.

## APPEALS PROCESS FOR BOD HEARINGS

Personal appeals of citations, fines, or suspensions of privileges must be made to the BOD using the approved appeal form available in the General Manager's office. The appeal packet must include a copy of the citation and any backup reports. The form will include any applicable correspondence and the recommendation of the appropriate committee. The appeal form must be turned into the General Manager's office no later than noon Friday before the BOD meeting to be placed on the BOD meeting agenda. Appeals will be heard at the regular monthly meeting. Any special or emergency meetings requested for an appeal must be presented to the General Manager's office and be approved by a documented BOD majority consensus.

The Chairman of the Committee or designee, that cited the violation being appealed will present the appeal(s). Appeal presentations made to the BOD will usually be limited to ten (10) minutes and only three (3) presentations covering the same subject by different parties will be considered at the same meeting unless waived by a majority vote of the BOD members who are present at that meeting.

APPROVED BY THE BOARD OF DIRECTORS

March 6, 2002

Original signed by  
Ben Edmondson/President

Original signed by  
Sally Baker/Secretary

## **OPEN MEETINGS POLICY**

Unless public notice is otherwise given, the Pecan Plantation Owners Association, Inc., (PPOA), Board of Directors (BOD) will hold monthly board meetings at 9:00 AM in the clubhouse on the first Thursday of each month. If it is necessary to have a Special Board meeting where a vote will be taken, advance public notice of at least 72 hours will be given. Public notice with an agenda will be posted in the PPOA clubhouse in a conspicuous place. The 72-hour public notice will not apply in the event that an emergency requiring immediate Board action is required.

It shall be the policy of PPOA that the BOD shall not adopt any rule, regulation, order, or directive, except at meetings that are open to the full membership and then only at regularly scheduled meetings of the BOD, the date of which will be fixed by rule, or at special meetings of which a minimum of 72 hours notice has been given to the membership. Any action taken at meetings failing to comply with the provisions of this policy shall be considered null and void.

It shall not be a violation of this policy for a majority of the members of the BOD to gather for purposes other than a regular meeting or special meetings as these terms are used in this policy provided no action as defined in this policy is adopted. This policy expressly permits the members of the BOD to engage in other activity so long as they do not take action that is binding on PPOA.

Meetings will be conducted for the purpose of discussing business issues of the PPOA. Participants and visitors will conduct themselves in a civil and orderly manner at all times. Members not adhering to this policy are subject to disciplinary actions by the BOD as described in the Rules and Regulations relating to personal conduct.

**Action** means a collective positive or negative decision, or an actual vote by a majority of the members of the BOD when sitting as a body or entity, upon a motion, proposal, resolution, or order.

"Secret" votes are prohibited and any votes taken in violation of the policy will be null and void. The members of the BOD are required to publicly announce their vote at the time it is taken, and that vote will be recorded in the minutes of the meeting for future reference.

The minutes of an open meeting will be public record and must be made available to the public upon proper request.

Approved by the BOD June 5, 2003

Original signed by  
Gerald Winfield/President

Original Signed by  
Jan Bergeman/Secretary/PIO



## POLICY STATEMENT

### **BUDGETS, CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

The Corporation by-laws state:

**Contracts** "...The Board of Directors may authorize any officer or officers agent or agents of the Corporation, in addition to the officers so authorized by the by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances..."

**Checks** "...All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such a manner as shall from time to time be determined by resolution of the Board of Directors..."

**Deposits** "...All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select and designate by appropriate resolution..."

### **POLICY**

The General Manager shall present to the BOD, at its regular July meeting, a schedule for preparing an operating and capital budget for the next fiscal year. This schedule shall provide for final approval of those budgets no later than the last regular meeting in October.

The Board of Directors must approve any expenditure of funds that is not included in the budget or knowingly exceeds the approved budget.

The Board of Directors must also approve any transfer of budgeted funds between line items or between departments.

The General Manager and his designee shall have the authority to spend or commit funds up to \$1,000. The Board of Directors must approve all expenditures exceeding \$1,000.

The General Manager and his designee shall have the authority to sign checks up to and including \$1,000. The President, Treasurer or other officer of the Corporation, must co-sign all checks exceeding \$1,000.

All contracts or agreements with cumulative costs exceeding \$1,000 must be approved by the Board of Directors and signed by the President, Treasurer or other officer of the Corporation. All contracts or agreements with cumulative costs up to \$1,000 must be approved and can be signed by the General Manager.

The terms and conditions of all personnel contracts or agreements must be in writing and approved by the Board of Directors.

The Board of Directors must approve all purchases, rentals, leases or disposals of capital assets valued in excess of \$1,000.

No Director of the Board of Directors, Committee Chairperson, or Committee member may spend or commit to spend any budgeted or unbudgeted funds of the Corporation without the approval of the Board of Directors.

APPROVED BY THE BOARD OF DIRECTORS

DATE:

**Original Signed By  
Sally Baker**

\_\_\_\_\_  
Secretary

**Original Signed By  
Bob Cote**

\_\_\_\_\_  
President

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**BUSINESS ETHICS AND CONFLICT OF INTEREST**

It will be the policy of the Pecan Plantation Owner's Association Inc., to maintain the highest ethical and legal standards in the conduct of its business, to be scrupulously honest and straightforward in all of its dealings and to avoid situations which might give even the appearance of being unethical or illegal.

All officers and employees, to include Management personnel, of the Corporation are expected to conduct their accountabilities and operations, and discharge their duties and responsibilities in a manner consistent with this policy or any other PPOA policy and with all applicable state and federal laws. Any activity in violation of this policy or the applicable laws will subject an employee to disciplinary action up to and including termination of employment.

The officers and managers of the Corporation are to set an example of the highest ethical conduct. The Corporation expects complete candor and total honesty of all its officers, managers and employees to assure compliance with this policy.

Management is expected to bring to the attention of the Corporation's Board of Directors any situation, which suggests the possibility of violations of any law or regulation applicable to the Corporation operations falsification of records or reports, violations of corporate policies, and any other irregularities, including fraud, theft and matters relating to conflicts of interest of which they have knowledge.

The books and records of the Corporation shall be kept in a complete and accurate manner, which fairly reflect its activities and meets legal requirements. Any willful omission or falsification of corporate records is prohibited.

In all situations, including those in which there are no clear legal constraints, business shall be conducted in such a manner that neither the Corporation nor its officers or employees would be embarrassed if the full facts were disclosed.

Confidential, proprietary and so-called inside information shall be safe-guarded and utilized only in keeping with the best interests of the Corporation, its obligations to third parties and the highest ethical and legal standards. Disclosure of any in-side information shall be a violation of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE: March 28, 2000

**Original Signed By**  
**Anthony Tull**

\_\_\_\_\_  
Secretary

**Original Signed By**  
**J.C. Wright**

\_\_\_\_\_  
President

## **PECAN PLANTATION OWNER'S ASSOCIATION POLICY STATEMENT FOR CABLE CHANNEL 28**

**STATEMENT OF PURPOSE:** The purpose of Cable Channel 28 is to build community spirit by providing PPOA members with visual and auditory communications from the Board of Directors, Management and members of the community. Program content shall include live cablecasts, taped cablecasts, graphic pages and commercials.

### **2 GENERAL TELECASTING POLICY**

All material, excluding live cablecasts, submitted for telecasting on Cable Channel 28 may be edited for clarity, accuracy and length. The contributors of any such material must be identified by name and include a daytime phone number. The edited program material will be reviewed with the contributor whenever appropriate prior to cablecast to ensure that the contributor's intent is preserved. Policies related to specific type of cable casting are defined below.

Cable Channel 28 cablecasts must generally comply with the policies approved by the Board of Directors. Program decisions will be made by the Cable Channel 28 staff or Editor-in-Chief using the guidelines given below. Material submitted by PPOA members must be in the form established by the cablecast staff and conform to policy.

#### Policy for live cablecasts:

Live cablecasts will be done on subjects and events of general interest to members or of vital security to the community. Participants will conduct themselves verbally and physically with courtesy and decorum befitting the subject and environment in which they are being telecast. Extent of live programming may be limited by time constraints.

#### Policy for taped programming:

Taped programming will be of subjects of general interest to the community. Whenever possible programs will be on current issues. Also, videos from the Channel 28 archives may be shown to fill a program time slot and to inform new residents of items of continued interest. Participants will conduct themselves verbally and physically with courtesy and decorum befitting the subject matter for which they are being taped. Length of programming may be edited to fit the program schedule of Channel 28.

#### Policy for graphic pages:

Channel 28 welcomes material submitted by any PPOA member. The contributors of any such material must be identified by name and include a daytime phone number. The name of the contributor will be published on the graphic page. Due to constraints of graphic page size such material maybe edited for clarity, accuracy and length. The editorial staff will take care to maintain the intent and tone of the submitted material. If several submissions on a similar topic are received, the best representative submission will be selected for viewing. Submitted material will be limited to page space available. Critical commentary must be constructive and in good taste. The editorial staff, management and Board of Directors assume no responsibility for the opinions of the contributor. Information for the graphic pages should be submitted by e-mail to the Editor-in-Chief at the address

listed on the Channel 28 title page. If you are unable to submit electronically, you may deliver a copy to the front desk of the Club House for deposit in the Communications Committee mail box.

Policy for commercial pages:

Commercial material will be prepared by the advertiser and is subject to editorial review in order to fit the program schedule of Channel 28 and page space availability.

## **2.1 PROGRAMMING CONTENT AND SCHEDULING FOR CABLE CHANNEL 28**

### Graphic Information Pages

1. No page should run more than 3 weeks prior to an event and no more than 10 days showing the results of the event. Timely updating of pages is required. All event announcements should be removed within 24 hours after the event.
2. The Graphic Pages that remain constant and show social or club events listing contact, time and date with multiple events per page can run continuously. These will be timed so that a viewer will have time to only read the event of personal interest. These pages will be dropped if the sponsors of the events do not keep the pages updated.
3. Graphic information pages of general interest to PPOA will run for a maximum of 15 days.
4. The constant Graphic Pages of PPOA notices, such as ads for Marina, Club Dining, Emergency, etc. can run continuously, but must be updated in a timely manner or be removed.
5. The Board of Directors or management may provide current news announcements. These notices may run continuously for a relevant period of time, and should be worded to fit the pages.
6. Paid advertising can run continuously, provided the advertiser's account is paid.
7. Events that are not open to all PPOA members will be considered advertising and will be charged the published rate.

## **2.2 VIDEO PRESENTATIONS FOR CABLE CHANNEL 28**

Cablecast staff will strive to produce two videos per month for a total of at least 35 minutes. Questionable subject material must be approved by the Board of Directors.

Suggested topics:

Monthly news	Employee or neighbor of the month
Golf or tennis event	Meet your neighbor
Report from BOD	Christmas Tour of Homes (PPWC)
Children's Christmas party	Excerpts from special meetings

Special events such as BBQ's, cookouts, river floats, parades, etc.  
Residential holiday decorations

The videos will be programmed at the discretion of the cablecast staff and will pre-empt the Graphic Information Pages for the period of time they run.

Approved by the BOD on October 2, 2003

Gerald Winfield  
BOD President

Jan Bergeman  
Secretary/PIO

PECAN PLANTATION OWNERS ASSOCIATION  
POLICY STATEMENT

**THE COLUMNS**

**Statement of Purpose:** The purpose of THE COLUMNS is to provide communication that informs PPOA members and builds community spirit by sharing Association information

**GENERAL PUBLICATION POLICY**

All material submitted for publication in THE COLUMNS may be edited for clarity, accuracy, and length and must include writer's name and daytime telephone for verification. Editorial staff will preserve the writer's intent. **(The following sentence approved by the BOD on 10/2/03 to delete from this policy: Editorial revisions will be submitted to author prior to publication for discussion and resolution.)**  
(This is intended to cover submissions other than letters and opinions.)

**LETTERS AND OPINIONS**

THE COLUMNS welcomes letters and opinions (200 words or less) on topics of timely and general interest from PPOA members. Submissions must include writer's name and daytime telephone number for verification. Opinions and letters will be published with author's name and telephone number. Submissions must address only one topic; the number will be limited to space available. The Editor-in-Chief reserves the right to edit for clarity, good taste, and accuracy and will take care to maintain writer's intent and tone. If several submissions on a similar topic are received, the best representative letter or opinion paper will be selected for publication. Letters or opinion papers identifying problems must contain proposed solutions, and criticism must be constructive. The editorial staff, management, and Board of Directors assume no responsibility for the opinions of the writer.

**THE COLUMNS**

Classification of Information for Publication:

- I. Information from BOD and management
- II. Information regarding amenities (including, but may not be limited to):
  - A. Golf
  - B. Tennis
  - C. Air Park
  - D. Emergency Services
  - E. Food & Beverage (including special events such as 4<sup>th</sup> of July, Thanksgiving buffet, Veterans' Day, etc.)
  - F. Security
  - G. Marina
  - H. Pool
  - I. Parks

III. Information regarding social groups and events (including, but may not be limited to):

- A. Bridge and other games
- B. Youth Association
- C. Woman's Club
- D. RV Club
- E. Genealogy
- F. Weight Watchers
- G. Yoga
- H. Exercise groups
- I. Parties and dances
- J. EAA

IV. Advertising

APPROVED BY THE BOARD OF DIRECTORS

DATE: JULY 9, 2002

Original Signed by  
Sally Baker/Secretary

Original Signed by  
Ben EdmondsonPresident

ECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

## **CONTROL OF EXPENDITURES**

### **BACKGROUND:**

The Corporate Policy on Management Controls states, "Management will maintain a system of management controls that will include formal planning, measurement and control that is based upon a sound organizational framework, a structure for budgeting, recording transactions, reporting back on planned and budgeted operations and automated systems; and the integrity and conscientiousness of all employees including management". The system of management controls is intended to provide reasonable assurance that the objectives of authorization, accounting, automated systems, human resources, and asset safeguarding are met. A major responsibility of Management is to control expenditures.

### **CONTROLLING EXPENDITURES:**

Management will accomplish control over expenditures by implementing the following:

1. Accounting systems and procedures that mirror the approved organization to clearly highlight the impact of individual expenditures on budgeted or planned expenses.
2. Clearly identify the person, title, and function of those persons authorized to initiate and approve expenditures and assure those persons understand the duties and responsibilities associated with their authority.
3. Setting monetary approval limits of expenditures for supervisory and management personnel.
4. Clearly identify those officers and management personnel authorized to sign checks and assure that those persons understand the duties and responsibilities associated with their signature authority.
5. Establishing formal operating procedures to effectively implement expenditure control activities.
6. Maintaining a voucher system that will contain the documentation for all requests for expenditures. Vouchers will clearly indicate that the documents were prepared and reviewed by more than one person. The vouchers will contain at a minimum:
  - a. Copies of the purchase orders properly and legibly signed by the person authorized to issue purchase orders.
  - b. Vendor invoices clearly identifying or describing the goods or services covered by the requests.
  - c. Packing lists, receiving reports, or affidavits properly and legibly signed by the person who received the material or can vouch for the performance of service received.
  - d. Check requests properly and legibly signed by the person(s) authorized to approve expenditures.



PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**FINANCE**

The Corporation by-laws states that "...the Corporation shall keep correct and complete books and records of account...".

The Controller, under the supervision of the General Manager, is the individual charged with the control of the Pecan Plantation Owner's Association Inc., financial books and records. Additionally, the Controller will prepare annually and present to Corporation's Board of Directors in a timely manner, an operating budget for the revenues and expenses of the Corporation as a basis for planning and control. The Controller is also responsible for monitoring the Corporation's overall system of internal financial, systems and operational controls, including the delegation of authority, accountability and their budgets.

The Controller shall conduct a continuous program to appraise all controls that comprise the Corporation's internal financial, systems and operational control structure and to assist members of the Board of Directors, and management by furnishing them with objective analyses, appraisals, recommendations and pertinent comments concerning the financial, accounting, systems and operating activities of the various departments and operations.

The Corporation will, when possible, arrange payment against final delivery of goods and completion of services in order to reduce the financial risk that may arise in the event of unacceptable delivery of goods or unsatisfactory performance of services and to conserve cash. Progress payments and prepayments may be considered when financially attractive for the Corporation.

The Corporation will establish a dedicated fund to account for the initiation fees derived from the 1500 new members that were agreed to in the 2<sup>nd</sup> addendum to the Lenmo Agreement. Revenues from these initiation fees will only be used for expansion of existing assets or building of new assets in order to accommodate an expanding membership base.

The Corporation will purchase commercial insurance, when regarded desirable, to provide necessary protection for catastrophic losses to Corporate assets in amounts that the Corporation may legally be obligated to pay others, including Corporate employees, for injury or loss of life or property.

The Corporation will maintain a listing of capital assets with a scheduled depreciation schedule. It will establish a reasonable cash reserve to maintain and update the capital assets.

The Board of Directors must approve disposal of capital assets valued in excess of \$1,000 unless the Board in the annual budget has approved such disposal.

The Corporation will place \$5.00/per month of the general assessment and 100% \$2,400/per transaction) of the initiation fee into a separate bank account for capital asset reserves and replacements. The capital asset reserve and replacement cash balance shall not fall below the Board established \$100,000.00 minimum without prior Board approval.

The Corporation will manage its investment funds in a safe and secure manner while achieving the highest possible rate of return in accordance with BOD directives.

APPROVED BY THE BOARD OF DIRECTORS

DATE: February 8, 2002

**Original Signed By**  
**Sally Baker**

\_\_\_\_\_  
Secretary

**Original Signed By**  
**R.C. Cote**

\_\_\_\_\_  
President

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**MANAGEMENT**

**BACKGROUND**

The Pecan Plantation Owners Association Inc., Articles of Incorporation and Corporate By-laws state, "The affairs of the Corporation shall be managed by its Board of Directors (BOD)". The By-laws also mandate that the Chief Executive Officer of the Corporation shall be the President of the BOD. As such, it is the responsibility of the BOD to establish policies and procedures that will guide the activities of the Corporation.

**BOARD OF DIRECTORS**

In compliance with the Articles of Incorporation and Corporate By-laws the BOD shall:

Establish Corporate Policy Statements for finance, operations, and administration that will formally communicate how the BOD expects the Corporation to be managed and operated.

Recruit, approve, and hire the services of a management staff of qualified professionals who will be responsible to the BOD for managing the day-to-day operations of the Corporation.

Oversee the performance of Management through a system of internal controls that establishes and formalizes procedures and accountability.

Institute Committees according to the Corporation By-laws to help guide the decision making process. The Committees will consist of an Architectural Control Committee, Membership Committee, By-Laws Committee and any other Committees by resolution adopted by a majority of the BOD.

The BOD President & CEO after consulting with the Directors shall assign Director Representatives to each committee or a group of committees. The individual Director Representatives shall select the approved number of committee members and present their names to the BOD for approval. The BOD must approve the appointment of any committee members during the year to replace lost members.

All BOD Directors shall maintain the highest ethical and legal standards in the conduct of Corporation business. Directors will perform with integrity and will always safeguard and handle professionally all confidential or sensitive information.

Unless specifically authorized to do so by the President & CEO, or a majority vote of the BOD, Directors will refrain from instructing staff members on individual duties or interfering with day-to-day operations of the Corporation.

The BOD will engage the services of an independent auditor to examine the books and records of the Corporation and make a reasonable opinion on the Financial Statement and the adequacy of the system of internal controls. The external auditor will address their report, observations and recommendations to the President & CEO, and the Chairman of the Audit Committee of the BOD.

**MANAGEMENT**

Management comprises the Officers elected by the BOD and the management staff of qualified professionals. The Officers of the Corporation shall have the responsibility for authorizing payments after appropriate verification of goods and services received; and otherwise obligating the Corporation in its day-to-day operations. Unless specifically authorized by the President & CEO, the management staff of qualified professionals shall have the sole responsibilities for directing the day-to-day operations and for instructing staff members on individual duties.

It will be the duty and responsibility of Management to maintain the highest ethical and legal standards in the conduct of the Corporation’s business, to be scrupulously honest and straightforward in all of its dealings.

Management will propose the overall system of internal controls to the BOD for final approval.

The overall system of internal controls will comprise a “plan of organization” in the form of management organization plans, staff hiring, education and retention guidelines, internal operating instructions and procedures, asset accountability and responsibility that comply with the By-Laws and Corporate Policy Statements. The “plan of organization” shall include all the methods and measures that are adopted by the Corporation to safeguard its assets, check the accuracy and reliability of its accounting and operations records, promote operational efficiency, and assure compliance with BOD directives.

Management will promote an environment that is supportive of internal controls in order to achieve an appropriate balance based on the recognition that the cost of such systems should not exceed the benefit to be derived.

More detailed policies on finance, operations, administration, conflict of interest and members’ relations are set forth in separate documents.

APPROVED BY THE BOARD OF DIRECTORS

DATE: March 28, 2000

**Original Signed By  
Anthony Tull**

\_\_\_\_\_  
Secretary

**Original Signed By  
J.C. Wright**

\_\_\_\_\_  
President

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**MANAGEMENT CONTROLS**

The Pecan Plantation Owners Association Inc., will maintain a system of management controls involving planning, measurement and control that is based upon the integrity and conscientiousness of all personnel, the organizational framework of Corporation, and a structure for budgeting, recording transactions, reporting back about operations and automated systems.

The system will provide reasonable assurance that the objectives of authorization, accounting, automated systems, human resources, and asset safeguarding are met.

Management will promote an environment supportive of internal controls in order to achieve an appropriate balance based on the recognition that the cost of such systems should not exceed the benefit to be derived.

A more detailed description of management controls is set forth in a separate document.

APPROVED BY THE BOARD OF DIRECTORS

DATE: March 28, 2000

**Original Signed By**  
**Anthony Tull**

\_\_\_\_\_  
Secretary

**Original Signed By**  
**J.C. Wright**

\_\_\_\_\_  
President

PECAN PLANTATION OWNERS ASSOCIATION  
POLICY STATEMENT

**MISSION**

The mission of the Pecan Plantation Owners Association (PPOA), is to provide its members with a secure and pleasant place in which to live or invest and a place that will maintain or enhance the value of the real property in which they have invested. It will be the policy of the PPOA to advance an agenda that is in the best interest of the membership as a whole. PPOA will always strive to provide the best possible amenities and services consistent with good business practices. This goal is to be achieved by:

Providing the physical infrastructure such as safe, serviceable, and attractive roads and parking areas; and for reliable utility services for light, power, communication, heat, sewage treatment and trash removal.

Providing competent professional and volunteer management for all services, amenities, and facilities.

Maintaining existing recreational facilities and infrastructure.

Developing and maintaining new facilities to meet the perceived needs of the community as a whole.

Operating the services, facilities and amenities in a manner consistent with membership mandated by-laws; and covenants and restrictions.

Providing for open communication between PPOA management and the members and to encourage mutual respect between all members despite differences of opinion.

APPROVED BY THE BOARD OF DIRECTORS

DATE: March 28, 2000

**Original Signed By**  
**Anthony Tull**

\_\_\_\_\_  
Secretary

**Original Signed By**  
**J.C. Wright**

\_\_\_\_\_  
President

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**MONITORING THE SYSTEM OF MANAGEMENT CONTROLS**

**BACKGROUND**

The Pecan Plantation Owners Association Inc., (PPOA), policy requires that an integrated system be developed for planning, measuring and controlling be based upon the integrity and conscientiousness of all personnel, organizational structure, and the arrangement for budgeting, recording transactions, and reporting back about operations and automated systems. The management control system should provide reasonable assurance that the objectives of authorization, accounting, automated systems, human resources, and asset safeguarding are met. This policy is to establish the means to communicate the Board of Directors (BOD), and the desire to monitor and test the system for soundness and efficiency

**MANAGEMENT**

Management promotes an environment supportive of internal controls in order to achieve an appropriate balance based on the recognition that the cost of such systems should not exceed the benefit to be derived. Management is responsible for implementing the policy of PPOA to maintain a management control system that includes BOD direction with standards for administrative and operating activities such as delegation of authority, personnel administration, automated systems, planning, budgeting and contracting. Management will establish and maintain a system of internal controls designed to provide reasonable assurance that the objectives of authorization, accounting, automated systems, human resources, and asset safeguarding are met.

**INTERNAL AUDITS**

The BOD established an internal audit program on an "ad hoc" basis to evaluate the financial, administrative operational activities of the Corporation. Internal audits are recommended by the Audit Committee and approved by the full BOD. The BOD and management use the reports generated as a result of the evaluations to improve controls and efficiency.

**AUDIT FOLLOW-UP**

Management is required to correct deficiencies in controls that are reported as the result of an audit. To insure that the corrections are complete and timely, a follow-up function shall be established under the Controller. The audit follow-up function deals with the reporting requirements of management and the process for monitoring responses of audits to the BOD.

**PUBLIC ACCOUNTANTS**

The BOD annually appoints a firm of independent public accountants to examine the financial statements of PPOA and render an opinion on them. The subsection on public accountants briefly describes their responsibilities and the policy regarding their relations with PPOA.

**AUDIT COMMITTEE**

The Audit Committee of the BOD monitors the Corporation's audit activities. This subsection focuses on the function of the Audit Committee and reporting requirements of the Controller, appointed Internal Auditors, and public accountants.

APPROVED BY THE BOARD OF DIRECTORS

DATE: March 28, 2000

**Original Signed By**  
**Anthony Tull**

\_\_\_\_\_  
Secretary

**Original Signed By**  
**J.C. Wright**

\_\_\_\_\_  
President

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**PERSONNEL**

It will be the policy of the Pecan Plantation Owner's Association, Inc., to select and hire the best possible employees consistent with corporate requirements, qualifications, economic conditions, and good business practices. All employees will receive appropriate orientation and training regarding mission, organization. Business ethics and conflict of interest, job responsibilities, job safety, sexual harassment and discrimination, and customer/membership relations.

PPOA will promote a compensation plan that is competitive, fair, equitable and consistent with economic conditions and good business practices. The plan will be designed in a manner that will comply with all applicable federal and state laws.

All employees will be responsible for treating other employees, members, and other persons doing business with PPOA with respect and dignity. Discriminatory conduct or harassment, in any form, on the basis of gender, race, color, sexual orientation, religion, national origin, age, disability, or veteran status will not be tolerated. Unwelcome or inappropriate conduct will subject employees, including management, to disciplinary action up to including termination of employment.

An employee handbook that informs employees of the organization's policies, rules, and regulations will be maintained. The handbook shall be reviewed and updated as needed at least annually. Changes will be made as needed to reflect policy changes, governmental regulation, and any other matter that affects employees' performance or conduct. The handbook will be reviewed in its updated form with all existing employees and must be reviewed with all new employees at the time of their orientation.

Leaves of absence will be granted in accordance with the Family and Medical Leave Act of 1993.

Job descriptions will be formulated for each employee utilizing a standard format.

New hires will be given a copy of their job description during the orientation process and will sign that they have received it and understand the contents.

All full-time employees will be evaluated annually. The evaluation process will be designed to serve as the basis for employee/supervisor communication regarding job performance, developmental activities, and annual goal setting.

All terminated employees, whether voluntary or involuntarily separated, will be interviewed.

APPROVED BY THE BOARD OF DIRECTORS

DATE: June 23, 2000

**Original Signed By**  
**Anthony Tull**

**Original Signed by**  
**J.C. Wright**

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Secretary

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President



PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**POLICY ON NEPOTISM**

- I. In general, there are only minimal limitations of employment or continued employment of any person because of a conflicting relationship with another member of the Association Staff. Employment is limited only when necessary to avoid conflicts of interest and provide reasonable assurance that each person can carry out the responsibilities of his or her position as objectively as possible. Where employment would be in conflict with this policy, the problem may sometimes be avoided by adjustment of the duties assigned to one or both of the individuals or by modification of the working relationships of their positions, or both. Such adjustments may be made whenever reasonable but are not acceptable if they will have significant adverse effect on the evaluation of the positions or on the orderly operation of the department or other offices concerned.

II. Guidelines

- A. Conflicting employment relationships include: parents, brothers or sister, sons and daughters – including in-laws in each case – husband, wife, grandparents and grandchildren. In addition, fiancés/fiancées, stepchildren, guardians, wards and live-in significant others will constitute conflicting relationships.
- B. Board of Directors, General Manager, Association Manager, Controller: Individuals who may have conflicting employment relationships (as defined in A. above) should not be employed in any capacity in the Association.
- C. Departments: Individuals who may have conflicting employment relationships, (as defined in A. above) with department heads should not be employed in the department over which the department head supervises.
- D. Supervisor – Subordinate Relationship: Individuals should not be employed in positions that involve supervising, or being supervised by individuals who may have a conflicting employment relationship (as defined in A. above), or in positions that report to a common supervisor.
- E. Administrative Responsibilities: Individuals with administrative responsibilities who may have conflicting employment relationships (as defined in A. above) should not be employed in positions where one will have responsibility for reviewing or approving financial, budgetary, purchase or personnel actions initiated by, recommended by, or affecting the other. Neither should one such individual be employed where the other has responsibility for approving or acting on his or her administrative reports, projects, or in positions involving independent access to personnel files of such an individual or that individual's supervisor or co-workers.

F. Where it is clearly in the Association's interest and where the employment is not untaken because of the relationship with another Association employee, or a member of the Board of Directors, an exception may be requested. The General Manager should provide a written request to the Controller for such an action. The concurrence of the Board of Directors will be required for any such excepted appointment involving the General Manager, Association Manager, Controller or department heads.

II. Procedure:

- A. Administration of this policy is the responsibility of the Controller in collaboration with the General Manager and the Board of Directors. If a conflicting employment relationship is established or is anticipated to be established, the Controller should contact the General Manager.
- B. In administering this policy, care will be taken to avoid sex or age based discriminatory effects. For example, where a conflicting relationship is or will be established, it is not to be presumed that the younger of the two persons or, (if one is female) that the woman will be the one whose job is to be altered or whose appointment or promotion is to be modified or denied.
- C. Decisions are to be guided by the content and requirements of the jobs, the qualifications of the individuals, the interests of the Association, and administrative integrity.
- D. It is the prerogative of the Association to determine if a conflicting employment relationship exists or may exist.

Approved by the Board of Directors on October 25, 2001

Original signed by  
Bob Cote/President

Original signed by  
Sally Baker/Secretary

PECAN PLANTATION OWNER'S ASSOCIATION  
POLICY STATEMENT

**SAFETY AND SECURITY**

**BACKGROUND**

Pecan Plantation Owners Association, Inc., is a private gated community in Hood and Johnson Counties, Texas. Its own Articles of Incorporation, By-Laws, Covenant and Restrictions and other agreements that were entered into with the developer govern the Association. Its Board of Directors (BOD) manages the affairs of the Association. Formal "Rules and Regulations" approved by the BOD set the specific provisions that regulate activities and conduct on Pecan Plantation property. The BOD mandates compliance with the "Rules and Regulations".

The policy concerned with the management of the association is for a paid staff of professionals to run day-to-day operations. The Safety and Security Department is a function of management and part of the overall system of internal controls.

The Sheriff is the law enforcer in Hood County, Texas, and the Johnson County portion of Pecan Plantation. Whenever a crime is reported or observed being committed on Pecan Plantation, safety and security personnel are expected to immediately report it to the appropriate Sheriff's Department and to render appropriate assistance as applicable. With the exception of violence or imminent bodily harm, safety and security personnel should never restrain or apprehend anyone.

**POLICY**

It will be the policy of the Association to provide the membership with reasonable but specific safety and security services consistent with associated risks and good business practices. Management will be responsible for proposing safety and security operating procedures that comply with this policy.

The Supervisor of Safety and Security, under the supervision of the Association Manager, is responsible for providing safety and security services in accordance with formal operating instructions. The services will primarily consist of 24 hours manned access gates to control access to Association property and the use of marked patrol vehicles whose principle duties will be to monitor compliance with established PPOA Rules & Regulations and respond to calls for service.

Safety and security representatives will be authorized to issue citations for "Rules and Regulations" violations. Specific training guidelines will be established to assure that all safety and security personnel are qualified to operate the equipment used in the performance of their duties. All personnel will always be courteous and professional in their interactions with the public and especially with the members.

Safety and security representatives will be authorized to respond to calls from members who request assistance whenever those services are related to safety and security matters. These will include responding to medical and fire emergencies.

A Safety and Security Committee approved by the BOD will be established to oversee the Safety and Security Department's operations. The Safety and Security Committee on behalf of the BOD will continually review safety and security operating procedures for adequacy, efficiency and effectiveness. The BOD is the final approval authority on all safety and security matters.

APPROVED BY THE BOARD OF DIRECTORS

DATE: June 23, 2000

**Original Signed By  
Anthony Tull**

\_\_\_\_\_  
Secretary

**Original Signed By  
J.C. Wright**

\_\_\_\_\_  
President

**Pecan Plantation Owners' Association**  
**Policy Statement for Volunteers**  
**Working with youths under age 18**

**Helping with our children is an important facet of our community. We welcome all people who want to share their knowledge with our children. We will run a criminal background check on all volunteers who work with the children. Background checks will also be completed on all youth committee members and PPYA officers. These will be run on an annual basis.**

**We will not accept any applicants with felony convictions, assault convictions or sexually related charges. Charges of a minor offense or misdemeanor over ten years old will be reviewed on a case by case basis by a committee consisting of the Head of Security, the Activities committee board representative and the Youth committee representative. If someone is rejected from a Volunteer position, they will be notified by the Head of Security. All applications will be handled in a confidential matter. No discussion will take place except amongst the officers stated above.**

Approved by the Board of Directors Oct 2, 2003

Gerald Winfield

Jan Bergeman

President

Secretary,PIO

**Pecan Plantation Owners Association**  
**VOLUNTEER**

**Authorization for Criminal History Check**

This form will be used for no purpose other than to obtain a criminal history from appropriate law enforcement agencies and to help determine a person's suitability for working with children.

We need the following information in order to locate an individual's criminal history files.

**Name:** \_\_\_\_\_  
Last                                      First                                      MI

**Other names used:** \_\_\_\_\_

**Current Address:** \_\_\_\_\_  
Street/ Number

\_\_\_\_\_  
City/State/Zip Code

\_\_\_\_\_  
Drivers License number

\_\_\_\_\_  
Date Of Birth: Month/Day/Year

I authorize Pecan Plantation Owners' Association to obtain my record of criminal history. I understand that such information will be held in confidence and used solely for the purpose of evaluating whether or not I will be able to volunteer. I understand this information may be obtained at any time during the application process or during the time I am volunteering. I have been advised that this type of screening is a normal part of the application to volunteer with children process.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date