

Chapter 11- Section 11.1

Communications with Contractors and Professionals

Date of Board Approval: 10/13/2010

I. POLICY:

In order to properly carry out its fiduciary duty to Association members, the Board may enlist the assistance of various professionals. These professionals include but are not limited to the attorney, auditor, engineers, landscape architect, etc.

The Manager will have the authority to work directly with the professionals on various matters under the direction of the Board.

The Board recognizes that the professionals provide service to the Association, and not to individual Board members. The Board will communicate with professionals through the Manager or through a Board Member(s) designated by the Board. The Manager and designated Board Member(s) will be responsible for submitting communications from the Board to the professionals.

In order for the entire Board to have the information required to perform their fiduciary responsibilities in an informed manner, the designated Board Member and/or Manager will ensure that all pertinent information from the professionals is communicated to the Board as a whole.

The Manager will keep the Board informed of all matters submitted to the professionals.

II. APPLICATION:

Board Members may direct questions or concerns to the Board's professionals by submitting requests to the Board as a whole. The Board Member designated as contact person will submit the request to the appropriate professional, or designate the Manager to do so. The Board Member or the Manager will provide the Board with a list of items and their status that have been submitted to the professionals. If an answer or opinion already exists in the files, the Manager will provide the information to the Board. Additionally, Board members may share relevant information with each other, before contacting a professional. If the requesting Board Member is not satisfied with the information provided, the request will be forwarded to the appropriate professional.

Responses, answers, opinions, etc., from the RWA professionals will be communicated to the entire Board.

RWA POLICY & PROCEDURES

Although individual Board Members may be approved by the Board as contact persons with professionals, they do not have authority to enlist the assistance of professionals without the Board's knowledge and approval.

Communications between the Board and professionals will be done through e-mail, confidentiality permitting. If information is of a confidential nature, it will be disseminated through the RWA internal mail system to Board Members or through Post Office mail.

Attorney

The RWA attorney is legal counsel to the Association, and neither represents the Board, nor any single member of the Board, nor any particular officer or homeowner. The Board as a whole has the authority to enlist legal advice.

In order to control legal expenditures, the Board authorizes the President to submit board member questions, requests, etc. to the attorney for answers, and to communicate the responses to the Board as a whole. The President may direct the Manager to do so.

The Manager may contact the attorney from time to time on routine matters such as foreclosures, collections, fines, etc. Requests for legal opinions by the Manager on other various matters, must be copied to the Board. All advice from the attorney and legal opinions must be communicated to the Board as a whole.

The Manager will maintain a file(s) of all legal correspondence and opinions. The files will be available for review by the Board. Legal opinions and correspondence are considered confidential under attorney-client privilege, and are not subject to inspection by anyone other than the Board and Manager.

Auditor

The RWA auditor provides technical advice to the RWA staff, the Treasurer and the Board. The auditor also prepares the annual audit, provides management services and is responsible for counting ballots at the annual election.

The Board authorizes the Treasurer and/or the Manager to submit Board questions, etc. to the Auditor, and to forward the answers to the Board as a whole.

The Manager will maintain files of opinions from the auditor for Board review. Auditor opinions and information are subject to inspection by the Association Members.

Other Professionals

The Board may hire other professionals such as engineers, architects, landscape professionals, building professionals, etc. from time to time.

The Manager is the agent designated to work directly with outside professionals. The Board recognizes that certain projects may require direct contact between the Director responsible for the project and the professionals. In this case, the Manager needs to coordinate with the designated Director.

The Manager and/or the designated Director will keep the Board informed of the work performed by and the results achieved by the outside professionals.

Issues requiring Board input or approval will be communicated by the Manager and/or designated Director to the Board.

Controlling Costs

Good professional advice is often expensive. However, the Board should take the following measures when working with professionals to minimize the amount of billing time.

- Clearly identify the Board's expectations and requirements for the professional
- Request periodic updates on the status of projects, legal issues, etc.
- Meet with the professional over the phone or go to their office to avoid travel time costs
- Provide the professional with all documentation needed on a topic in order to save time
- Establish priorities for the professional
- Prepare for meetings by listing all questions, topics, etc. in advance and try to stick to the topics on the agenda
- Try to organize several questions/topics to be covered in one session

- Read and consult the governing documents before contacting the attorney, since answers to many issues exist in the governing documents
- Utilize the attorney for opinions, interpretations of the law and governing documents, and potential problems

III. SOURCES:

CAI. Hindman and Sanchez. How to Select and Use an Attorney.