

## **MUTUAL OPERATIONS**

### **MUTUAL RESERVES**

#### **Contract Bid Procedure - Mutual No. Twelve**

The funds which require approval from the Mutual Board of Directors include the Supplemental, Painting and Replacement funds.

The Maintenance Supervisor and Physical Property Supervisor are authorized to repair, restore or replace the items listed on Policy 7622, Replacement Reserve, at a cost up to \$700. When the repair, restoration or replacement amount of a specific work order exceeds \$701, approval must be obtained from the Mutual Board of Directors as follows:

1. The Physical Property or Service Maintenance Supervisor will notify the President and recommend that an outside contractor be used to accomplish a certain project.
  - a. Upon approval of the Board to go out to bid, the President will request that specifications be prepared.
2. The Physical Property Department will prepare specifications to present to the Mutual Board for approval.
  - a. Upon approval of the Board, specifications are to be initialed by the Mutual President and sent to various contractors for sealed bids.
3. Sealed bids must be returned to the Physical Property Department by the specified date.
  - a. Contractors must outline, in writing, any variances to the specifications in a separate envelope addressed to the Physical Property Department in order for an analysis to be conducted.
    - 1) Physical Property Department will notify Mutual Board when analysis is complete.
4. The Physical Property/Recreation Supervisor will present any sealed bids, all analysis and a recommendation to the Mutual Board. The Mutual Board will open the bids and discuss the bids, analysis and any recommendations. Any necessary changes to the specifications will be discussed and approved by the Mutual Board.

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5. The Physical Property Supervisor will make modifications to the specifications, if needed, and notify all contractors who submitted bids
  - a. The Mutual Board will approve the modified specifications.
  - b. The modified specifications will be sent to the same contractors with a new time frame for submitting a sealed bid.
6. The Mutual Board will make a recommendation and approve to award a contract to the specified contractor.
7. Upon approval of the Board, the president will sign the contract on behalf of the Mutual and the CFO will determine which fund will be used for payment to the contractor.

**MUTUAL ADOPTION**

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