

Board Members' Guide For Management Interviews

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Introduction

Have you ever participated in a marathon interview that ended up providing a thimble's worth of meaningful information? These interviews often start off with, "Okay, tell us about yourself." This question is a sure indicator of imminent doom. The person sitting in the hot seat starts spouting off about when and where he or she was born and raised and ends up passing around pictures of the kiddies. From this point, it can, and usually does, get progressively worse. General questions beget more of the same. Interviewees in such situations tend to meander off in all directions, wasting time and accomplishing little.

To avoid falling into the "meaningless interview" trap, always have a set of well-prepared questions in front of you before you start your formal inquiry. These questions can be derived from the set of specifications that were previously sent to the interviewee. It would be helpful to know if she or he would be willing to provide the services that you included in your specifications list.

This booklet was written for boards of directors to use for their interviews with managers or management firms. It provides not only excellent questions, but also a terrific comparison form to simplify the elimination process. To prepare for the interview and to help make comparisons, ask each management company to supply the following information in advance:

- Standard contract
- Sample financial statement
- Annual management disclosure statement
- Sample of annual disclosure package sent to members (usually with the budget)
- Reference list, including client associations, vendors and accounting companies

In addition, thumb through this guide and make note of the seven categories of questions. The topics cover just about every service that a manager should provide. There is an obvious absence of nonmanagerial questions, like, "How often does your company pick up trash?" Each of the seven categories includes a number of questions pertaining to its topic. Informational hints for the board are in parenthesis after some of the questions.

The last part of the booklet is the Management Comparison Form. This may be one of the most helpful tools ever created for management interviews. This form is the answer sheet for questions listed in the first portion of the booklet; note that the numbers for each question correspond to the numbers on the form. Columns are included to permit the easy comparison of three management companies.

To use the booklet most effectively, tear out the comparison Form sheets. Then use them together with the list of questions. As you conduct your interviews, record each company's answers in one of the columns on the form. When all interviews are completed, there, side-by-side on the forms, will be answers from each interviewee, ready for easy comparison.

Each homeowner association has its own specific needs. This guide was written with that concept in mind. For example, because quite a few associations want to contract for financial management only, the Financial Section is separated from the Administrative Section. Managers are also unique. That is why there are so many variations in the answer section.

A considerable effort was made to include every item that might possibly be a management duty, but there is always the chance that something important to your association was not included. If that is the case, then please feel free to add a question somewhere on the form. Just make sure that it's not, "Okay, tell us about yourself."

Part I General Information

1. How long has your company been in business?
2. Who will be the site manager assigned to handle this association?
3. How much experience does this manager have?
4. Which license or certifications does this manager have?
5. If your manager is not a “Certified Common Interest Development Manager” in accordance with the Business and Professional code, Section 11502, how do you and/or your firm stay updated on current CID legislation and case law?
6. To which professional organizations does your company belong?
7. What are your company’s office hours?
8. What form of after-hours services does your company? Answering service? Pager? Answering machine?
9. Does your office have a drop box for after-hours payments?
10. What will your company do to help us run our association more efficiently?
11. If we are not happy with the service being provided to us, whom do we contact within your company?

Part II Administrative

Meetings

1. Will the assigned manager attend monthly/every other month/quarterly board meetings?
2. Does your staff post meeting notices on the common areas? If not, how is this handled?
3. Does your company offer an early meeting discount? If yes, how much is the incurred.
4. How many hours do you allow for meetings before extra charges are included?
5. How much do you charge per hour after the limit?
6. Do you attend annual meetings?
7. Do you assist with annual meetings? If yes, please detail any additional charges.
8. Will you prepare agendas for all meetings?
9. Will you record, prepare and distribute the minutes of all meetings?
10. Are your manager's reports oral or written? (It is recommended that manager's reports be written.)
11. Does your company provide board meeting packages prior to the meeting?
12. If yes, do the meeting packages include the following:
 - Agenda
 - Previous meeting minutes
 - Manager's report
 - Copies or list of correspondence sent from manager
 - Work orders (service requests) pending and completed
 - Telephone log
 - Financial statements
 - Delinquency report
 - Specifications and bids

Elections and Member Voting

13. Does your company assist in the elections process?
14. Will you assist in preparing and mailing other ballot initiatives (such as special assessments)? How much do you charge?
15. Do you use a secret ballot, double envelope system for all membership voting initiatives? Is there a special charge?

16. Will a representative from your company serve as the Inspector of Elections for board member elections and other ballot initiatives? Do you charge for this service?

Record Keeping

17. Does your company maintain an owner roster?
18. Do you have a procedure to handle a member's right to opt out of a published roster?
19. How about a tenant roster?
20. Do you use lot files for the units? (This is an excellent method for keeping track of what occurs and has occurred with the individual units.)
21. Do you have general files where you store the association's records? (Examples of files that would fall into this category are accounting, insurance, roofs or landscaping. Keep in mind that management companies may call their files different names.)
22. Do you charge a storage fee for maintaining old files and records?
23. If your answer was yes, how much do you charge?
24. Do you have a procedure for handling a member's request to inspect the financial records of the association? (State law says that every member has the right to inspect the association's financial records.)
25. Do you have a place in your office for association members to inspect records?
26. How much do you charge to provide copies of records?

Correspondence and Mailings

27. Does your company charge for any of the following? If yes, how much?
 - General letters
 - Notices
 - Newsletters (It is a good idea to mail newsletters to the tenants as well as the owners. It keeps them informed of what is happening at the association and gives them a feeling of belonging.)

Escrow Coordination

28. Are your costs billed to the association or to the owner? (It is better to have the charges billed to the association. That way the board can be sure that the homeowner is not being billed too much. Escrow fees must be justified.)
29. How much do you charge for a transfer fee?
30. How much do you charge for a refinance fee?

31. If your company charges for any of the following documents, how much?
- Minutes
 - Articles of Incorporation
 - CC&Rs
 - Bylaws
 - Rules and regulations
 - Financial statement
 - Statement/Demand of owner's account
 - Statement of approved assessment increase
 - Statement of restriction in governing documents limiting the occupancy, residency or use of separate interests (Not all associations have such limitations.)

Enforcement of Rules and Regulations

32. Does your company send out violation notification letters?
33. Do you charge a fee for sending them out? How much?
34. Do you help the board establish an enforcement procedure?
35. Does your company assist with Dispute Resolution Procedures?
36. Does your procedure include the right to appeal?

Part III Financial

Bank Accounts

1. Will you keep all of the association's bank accounts in the association's name?
2. Does your company use trust accounts?
3. If yes, who gets the interest?
4. How will you assist our association in allocating funds to maximize the interest earned, while ensuring the safety of our funds?

Bookkeeping

5. Do you do bookkeeping in-house, or is it done by an outside company?
6. Are the cash receipts and disbursements statements submitted to the board on a monthly or quarterly basis? [Remember that Civil Code Section 1365.5(a) requires that these reports be reviewed on a quarterly basis, at a minimum.]
7. Does your financial statement show an actual-to-budget comparison? (This is a good tool to gauge the association's financial standing.)
8. Does your financial statement show a reserve account reconciliation?
9. Does your financial statement show how much is in each of the association's accounts?
10. How often are the bank statements reconciled? (Once again, remember the requirements of California Code Section 1365.5.)
11. Is a copy of the reconciliation submitted to each board member?

Homeowner Assessments

12. How do you handle billing of members for their monthly assessments? Statements? Coupons?
13. Do you use "Direct Deposit" to the bank? (The person being interviewed should know what this term means.)
14. Do you use direct deposit or a lockbox service for member payments? Are there additional charges for this service?
15. Do you assist in the special assessment process? Are there any additional fees (such as preparation, ongoing accounting fees, etc.)?

Accounts Payable

16. Who approves payment of the service/product invoices made out to the association?
17. Who prepares the checks?
18. How often do you prepare checks?
19. Who signs the checks? How many signatures do you recommend? (Look at your Bylaws and CC&Rs; remember that Section 1365.5(b) requires signatures of two board members for reserves withdrawals.)
20. After disbursements have been made, how do you file the paid invoices? By month? By account?

Delinquency Collection

21. Do you send statement describing the association's delinquency collection policy? (Section 1365(d) says that the association will send out an annual statement describing its policies and practices in enforcing lien rights. Make sure that a sample delinquency policy was included in the sample annual disclosure that you requested as part of the bid.)
22. Is the delinquency collection process handled in-house or by an outside company?
23. Are there any additional costs for the delinquency collection? If yes, how much are they? (Check your governing documents to make sure that the association can recover such expenses. Sometimes documents only allow for attorney's fees, not manager's fees.)
24. Do you provide a delinquency report on a monthly or quarterly basis?
25. Is the report written or oral? (It should be written.)

Budget

26. Will your company assist in the preparation of a pro forma budget? If not, what is your procedure?
27. Does your company bill an individual homeowner for a copy of the budget? (The answer should be "No" for the first copy, in accordance with Section 1365(a). Subsequent copies can incur a reasonable charge.)
28. Is the Assessment and Reserve Funding Disclosure Summary prepared in-house or by another company? (This usually accompanies the budget.) If it is prepared in-house, who does it?
29. Do you coordinate the budget preparation with a committee?
30. Do you oversee the preparation of a reserve study by an outside party?

31. How often is the reserve study conducted? (Section 1365.5(e) says at least every three years.)

Audit/Review and Taxes

32. Do you coordinate the activities involved in audit/review preparation?
33. What is the threshold in income before a review by a Licensee of the California Board of Accountancy is required? (The answer should be \$75,000.) How is that number determined? (The answer should be that all income, from any source and including interest, must be taken into account.)
34. If the association's income falls below the threshold, do you prepare any summary of the association's financial position at year end for the membership?
35. When do you send out the review/audit? (The answer should be within 120 days after the close of the fiscal year.)
36. Do you charge an individual homeowner for a copy of the review/audit? (The answer should be "No" for the first copy, in accordance with Section 1365(b).)
37. Do you make sure that an association's taxes are paid on a timely basis?
38. Do you file the biennial Secretary of State forms?

Vendor 1099s

39. Does your company prepare the 1099s for all of the association's unincorporated vendors?
40. What, if any, are the charges for this service?

Part IV Maintenance

1. What information does your company request from a contractor before awarding a contract for major work?
 - Contractor's License
 - Certificate of Insurance
 - Illness and Injury Prevention Program (IIPP)
 - Eligibility for Bonding
 - List of references
 - Professional certificates (Contractor's license and insurance certificate should be obtained. Give an Extra credit point if the response includes IIPP!)
2. Do you file and retain the information requested above?
3. How many bids do you obtain for major jobs like reroofing or repainting? (Answer should be at least three.)
4. At what monetary level do you consider a job to be major?
5. How many site inspections does your bid include? (Some managers call them "tours" or "walkthroughs.")
6. Do you handle service requests? (These should be in writing.)
7. Will the association's vendors be supervised by your company?
8. Do you provide a list of the association's vendors to the board members on a regular basis?
9. Does your company provide any in-house maintenance services for the associations you manage? If yes, what kind and what are the rates?

Part V Extra Services

1. Are any of the following provided to the association at an extra cost? If yes, what is the cost?
 - Participation in legal matters/lawsuits
 - Insurance claims facilitation (beyond submission of claim to agent)
 - Participation in revision of legal documents
 - Negotiating contracts greater than \$5,000

Part VI Expenses

1. How much does your company charge for the following management expenses?
 - Copies
 - Coupons/Statements
 - Envelopes
 - Faxes
 - Mileage
 - Office supplies
 - Postage
 - Direct Depositing of homeowner assessments

Part VII Management Fees

1. Will there be a start up fee?
2. Will there be a close out fee?
3. What will be your monthly fee?
4. What hourly rates do you charge for the following staff members?
 - Principals (They would be the owners of the company)
 - Managers
 - Administrative Assistants
 - Accounting Personnel/Bookkeepers
 - Delinquency collection personnel

Management Comparison Form

This part of the booklet is the Management Comparison Form. It is an invaluable tool for management interviews. These forms are the answer sheets for questions listed in the first portion of the booklet; note that the numbers for each question correspond to the numbers on the form. Columns are included to permit the easy comparison of three management companies.

Part I General Information

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
1 Company's years in business			
2 Name of manager to be assigned to the association?			
3 Experience of manager?			
4 License or certification of manager?			
5 Is manager a "Certified CID Manager"? If no, how do you stay updated on current CID legislation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 To which professional organization does company belong?			
7 Company's office hours?			
8 Which after-hours services are provided?			
Answering service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Answering machine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Does your office have a drop box for after-hours payments?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
10 Methods for improvement?			
11 Contact for problems?			

Notes

Part II Administrative

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
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Meetings

1 Who attends meetings? M–Monthly, B–Bimonthly, Q–Quarterly, N–None	<input type="checkbox"/> M <input type="checkbox"/> B <input type="checkbox"/> Q <input type="checkbox"/> N	<input type="checkbox"/> M <input type="checkbox"/> B <input type="checkbox"/> Q <input type="checkbox"/> N	<input type="checkbox"/> M <input type="checkbox"/> B <input type="checkbox"/> Q <input type="checkbox"/> N
2 Does your staff post notices on the common areas? If not, how is notice given?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
3 Early meeting discounts? Amount of discount:	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____
4 Meeting time limit?	_____ Hours	_____ Hours	_____ Hours
5 Fee after meeting time limit?	\$ _____/Hour	\$ _____/Hour	\$ _____/Hour
6 Attend annual meetings? If yes, what are the charges?	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____
7 Do you assist with annual meetings?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
8 Prepare meeting agendas?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 Prepare all meeting minutes?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
10 Management/Manager’s Report	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Written <input type="checkbox"/> Oral	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Written <input type="checkbox"/> Oral	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Written <input type="checkbox"/> Oral
11 Board meeting packages provided prior to the meeting?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
12 If Board meeting packages are provided, what is included?			
Agenda	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Previous meeting minutes	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Managers Report	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
List or copies of correspondence sent	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Work orders/service requests pending and completed	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Telephone log	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Financial statements	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Delinquency report	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Specifications and bids	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Notes

Elections and Member Voting

13 Assist in the elections process?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
14 Prepare and mail other ballot initiatives? If yes, what are the charges?	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____
15 Do you use a secret ballot? If yes, what is the charge?	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____
16 Serve as Inspector of Elections? If yes, what is the charge?	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____

Notes

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
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Record Keeping

17	Maintain owner roster?	\$	\$	\$
18	Procedure for member optout of published roster?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
19	Maintain tenant roster?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
20	Individual files for all units/lots?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
21	General files?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
22	Storage fee for maintaining archives?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
23	If you charge for storage, how much do you charge?	\$	\$	\$
24	Procedure for members to inspect financial records?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
25	Place in office to inspect financial records?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
26	How much do you charge for record copies?	\$	\$	\$

Notes

Correspondence and Mailings

27	Extra fees for preparation of correspondence?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	General letters	\$ _____	\$ _____	\$ _____
	Notices (e.g., ADR, Insurance)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		\$ _____	\$ _____	\$ _____
	Newsletters	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
		\$ _____	\$ _____	\$ _____

Notes

Escrow Coordination

28	Charges billed to owner or association?	<input type="checkbox"/> Owner <input type="checkbox"/> Assoc.	<input type="checkbox"/> Owner <input type="checkbox"/> Assoc.	<input type="checkbox"/> Owner <input type="checkbox"/> Assoc.
29	Transfer Fee:	\$ _____	\$ _____	\$ _____
30	Refinance Fee:	\$ _____	\$ _____	\$ _____
31	Charges for documents:			
	Minutes	\$ _____	\$ _____	\$ _____
	Articles of Incorporation	\$ _____	\$ _____	\$ _____
	CC&Rs	\$ _____	\$ _____	\$ _____
	Bylaws	\$ _____	\$ _____	\$ _____
	Rules and Regulations	\$ _____	\$ _____	\$ _____
	Financial Statement	\$ _____	\$ _____	\$ _____
	Statement/Demand of Owner's account	\$ _____	\$ _____	\$ _____
	Statement of approved assessment increase or special assessment	\$ _____	\$ _____	\$ _____
	Statement of restrictions	\$ _____	\$ _____	\$ _____

Notes

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
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Enforcement of Rules and Regulations

32 Violation letters?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
33 Extra fees for sending out violations?	\$	\$	\$
34 Establish enforcement procedure?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
35 Assist with Dispute Resolution Procedures?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
36 Does procedure include right to appeal?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Notes

Part III Financial

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
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Bank Accounts

1 All accounts in association's name?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
2 Use trust accounts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
3 If trust accounts are used, who gets the interest? A–Association, M–Management, O–Other	<input type="checkbox"/> A <input type="checkbox"/> M <input type="checkbox"/> O	<input type="checkbox"/> A <input type="checkbox"/> M <input type="checkbox"/> O	<input type="checkbox"/> A <input type="checkbox"/> M <input type="checkbox"/> O
4 Maximize interest earned and ensure safety?			

Bookkeeping

5 In-house? Outside the company?	<input type="checkbox"/> In-house <input type="checkbox"/> Outside	<input type="checkbox"/> In-house <input type="checkbox"/> Outside	<input type="checkbox"/> In-house <input type="checkbox"/> Outside
6 Cash receipts/disbursements submitted to the Board?	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly
7 Financial statements compare actual to budget?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
8 Financial statements show reserve account reconciliation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 Financial statements show amount in each account?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
10 Bank statements reconciled how often?	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly
11 Bank reconciliation provided to each board member?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Homeowner Assessments

12 Billing of members:			
Statements	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D
Coupons	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D
Other	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D	<input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A <input type="checkbox"/> D
M–Monthly, Q–Quarterly, A–Annually, D–Delinquent owners only			
13 If assessments are received at management's office, how often are deposits sent to bank? D–Daily, W–Weekly, M–Monthly	<input type="checkbox"/> D <input type="checkbox"/> W <input type="checkbox"/> M	<input type="checkbox"/> D <input type="checkbox"/> W <input type="checkbox"/> M	<input type="checkbox"/> D <input type="checkbox"/> W <input type="checkbox"/> M
14 Direct deposit or lockbox service? If yes, what are the charges?	<input type="checkbox"/> Yes <input type="checkbox"/> No \$	<input type="checkbox"/> Yes <input type="checkbox"/> No \$	<input type="checkbox"/> Yes <input type="checkbox"/> No \$
15 Assist in special assessment process? If yes, are there additional charges?	<input type="checkbox"/> Yes <input type="checkbox"/> No \$	<input type="checkbox"/> Yes <input type="checkbox"/> No \$	<input type="checkbox"/> Yes <input type="checkbox"/> No \$

Accounts Payable

16 Payments approved by: M–Management, BOD–Board, B–Both	<input type="checkbox"/> M <input type="checkbox"/> BOD <input type="checkbox"/> B	<input type="checkbox"/> M <input type="checkbox"/> BOD <input type="checkbox"/> B	<input type="checkbox"/> M <input type="checkbox"/> BOD <input type="checkbox"/> B
17 Checks prepared by: M–Manager, BOD–Board	<input type="checkbox"/> M <input type="checkbox"/> BOD	<input type="checkbox"/> M <input type="checkbox"/> BOD	<input type="checkbox"/> M <input type="checkbox"/> BOD
18 How often? D–Daily, W–Weekly, M–Monthly	<input type="checkbox"/> D <input type="checkbox"/> W <input type="checkbox"/> M	<input type="checkbox"/> D <input type="checkbox"/> W <input type="checkbox"/> M	<input type="checkbox"/> D <input type="checkbox"/> W <input type="checkbox"/> M
19 Checks signed by: M–Manager, BOD–Board, B–Both Number of signatures recommended:	<input type="checkbox"/> M <input type="checkbox"/> BOD <input type="checkbox"/> B <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	<input type="checkbox"/> M <input type="checkbox"/> BOD <input type="checkbox"/> B <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	<input type="checkbox"/> M <input type="checkbox"/> BOD <input type="checkbox"/> B <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
20 Paid invoices are filed by:	<input type="checkbox"/> Month <input type="checkbox"/> Account	<input type="checkbox"/> Month <input type="checkbox"/> Account	<input type="checkbox"/> Month <input type="checkbox"/> Account

Notes

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
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Delinquency Collection

21	Collection policy sent out yearly?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
22	Delinquency collection: In-house? Outside the company?	<input type="checkbox"/> In-house <input type="checkbox"/> Outside	<input type="checkbox"/> In-house <input type="checkbox"/> Outside	<input type="checkbox"/> In-house <input type="checkbox"/> Outside
23	Additional costs for delinquency collection:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Reminder Notice	\$ _____	\$ _____	\$ _____
	Notice of Intent to Lien	\$ _____	\$ _____	\$ _____
	Lien	\$ _____	\$ _____	\$ _____
	Notice of intent to Foreclose	\$ _____	\$ _____	\$ _____
24	Delinquency reporting:	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly	<input type="checkbox"/> Monthly <input type="checkbox"/> Qtrly
25	Delinquency reports submitted:	<input type="checkbox"/> Written <input type="checkbox"/> Oral	<input type="checkbox"/> Written <input type="checkbox"/> Oral	<input type="checkbox"/> Written <input type="checkbox"/> Oral

Notes

Budget

26	Budget preparation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
27	Charge owners for a copy of budget?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
28	Reserve Funding Disclosure Summary: In-house? Outside? If prepared in-house, by whom?	<input type="checkbox"/> In-house <input type="checkbox"/> Outside	<input type="checkbox"/> In-house <input type="checkbox"/> Outside	<input type="checkbox"/> In-house <input type="checkbox"/> Outside
29	Budget coordination with committee?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
30	Coordinate outside reserve study preparation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
31	Reserve study conducted: 1–Every year, 2–Every other year, 3–Every 3 years	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

Notes

Audit/Review and Taxes

32	Audit/Review coordination?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
33	What is the income threshold for review? How is that determined?	\$ _____	\$ _____	\$ _____
34	Summary of financial position at year end?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
35	Audit/Review sent out when?			
36	Charge owners for a copy of Audit/Review?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
37	Tax return coordination?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
38	File biennial Secretary of State forms?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Notes

Vendor 1099s

39	Prepare 1099s for vendors?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
40	Charges for this service:	\$ _____	\$ _____	\$ _____

Notes

Part IV Maintenance

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
1 Contractor Information requested:			
Contractor License	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Certificate of Insurance	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
IIPP	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Eligibility of Bonding	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
List of references	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Professional certifications	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
2 Retain information on approved vendors?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
3 How many bids gathered for major jobs?	_____	_____	_____
4 What monetary level defines a major job?	\$ _____	\$ _____	\$ _____
5 Site inspections?			
B–Biweekly, M–Monthly, Q–Quarterly	<input type="checkbox"/> B <input type="checkbox"/> M <input type="checkbox"/> Q	<input type="checkbox"/> B <input type="checkbox"/> M <input type="checkbox"/> Q	<input type="checkbox"/> B <input type="checkbox"/> M <input type="checkbox"/> Q
6 Service requests?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
7 Vendor supervision?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
8 List of vendors provided to Board?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 Maintenance services provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
What services?	_____	_____	_____
Rates?	\$ _____	\$ _____	\$ _____

Notes:

Part V Extra Services

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
1 Are any of the following provided at an extra cost?			
Participation in legal matters/lawsuits	\$	\$	\$
Insurance claims (beyond submittal of claim to agent)	\$	\$	\$
Participation in revision of legal documents	\$	\$	\$
Negotiating contracts greater than \$5,000	\$	\$	\$
Other	\$	\$	\$
Other	\$ _____	\$ _____	\$ _____

Notes:

Part VI Expenses

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
1 How much do you charge for the following expenses?			
Copies	\$	\$	\$
Coupons/statements	\$	\$	\$
Envelopes	\$	\$	\$
Faxes	\$	\$	\$
Mileage	\$	\$	\$
Office supplies	\$	\$	\$
Postage	\$	\$	\$
Direct Depositing of homeowner assessments	\$	\$	\$
Other	\$	\$	\$
Other	\$	\$	\$
Other	\$	\$	\$

Notes:

Part VII Management Fees

No. Service	Mgmt Co.	Mgmt Co.	Mgmt Co.
1 Startup fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No \$	<input type="checkbox"/> Yes <input type="checkbox"/> No \$	<input type="checkbox"/> Yes <input type="checkbox"/> No \$
2 Close out fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No \$	<input type="checkbox"/> Yes <input type="checkbox"/> No \$	<input type="checkbox"/> Yes <input type="checkbox"/> No \$
3 Monthly fee:	\$	\$	\$
4 Hourly charges for staff members:			
Principals	\$	\$	\$
Managers	\$	\$	\$
Administrative Assistants	\$	\$	\$
Accounting Personnel/Bookkeepers	\$	\$	\$
Delinquency Collection Personnel	\$	\$	\$

Notes:

About the Authors

Tsuki Blake, CCAM

Tsuki Blake is the President of MB Homeowners' Management, Inc. which she co-founded along with Geri Kennedy in June of 1979. Prior to that time she had served as a board member at Garden Park Village Homes for three years and then as its resident manager. She has been active in ECHO since 1976 and served a total of four terms as a board member, holding the offices of vice-president and president. She also served as chairperson of the ECHO Management Advisory Panel and in 1985 initiated the formation of what is now the South Bay Resource Panel. She is a founding member and past board member of the California Association of Community Managers, the certifying body for community managers and companies. She holds the Certified Community Association Manager (CCAM) designation.

Beverlee Gordon-Gorewitz, CCAM

Beverlee Gordon-Gorewitz is the owner of A.S.A.P. Collection Services, a San Jose, CA based assessment collection service for California Homeowner Associations. She has over twenty-five years experience in the community association industry. As a former part owner of a San Jose based community association management firm, she has first hand knowledge of the day-to-day operations of a community association manager and was one of the first managers certified as a Community Association Manager (CCAM) through the California Association of Community Managers (CACM). Subsequently she initiated the start up of the assessment collection department with the San Jose office of the law firm Tarkington, O'Connor & O'Neill and became a community association paralegal and marketing representative for the firm. She has been a member of the ECHO management Resource Panel and served on the ECHO Publicity Committee and Annual Seminar Committee. She has been a frequent contributor to ECHO seminars and publications.

Geri Kennedy, CCAM

Geri Kennedy became an association manager in the late 1970s. She and Tsuki Blake founded MB Homeowners Management in 1979. In 1999, Geri opened a new company, Community Financial Services in Redwood City, to provide consultation and financial services to small common interest developments. She joined the Association Banking Services division of First Bank in 2006. Geri is a member of the California Association of Community Managers and holds the CCAM professional designation, which she earned in 1993 as one of the first 41 managers certified by CACM. For her high scores in that examination, she was presented the CACM Award of Excellence. She served on the ECHO board of directors from 1993 to 1999. She was chairperson of the original ECHO Management Resource Panel for several terms and currently is a member of several regional resource panels. She has been a member of the ECHO Legislative Committee since its founding.

