

Homeowner Association Self-Assessment Checklist

Every organization has strong and weak points and a homeowner association is no exception. Below is a list of 46 items that will help evaluate yours. Each item should be marked as either Yes, No or NA (not applicable).

1. The Board of Directors has clear, concise, written goals: _____
2. The roles of each Board office and the directors is defined in writing: _____
3. The management company's duties is defined by written contract: _____
4. Board members receive regular training to improve association business: _____
5. New board members receive an orientation about the governing documents, policies and critical issues: _____
6. Each board member has a copy of an operations manual with basic need-to-know information: _____
7. The Board has the directors required by the governing documents: _____
8. Board avoids all conflicts of interest (no self dealing, nepotism, etc.): _____
9. Governing documents conform to state statute and include:
 - a. How and when notices for board meetings are made: _____
 - b. How board members are elected, appointed and removed: _____
 - c. What director terms limits are: _____
 - d. Quorum requirement for business decisions: _____
10. There is a written procedure for handling emergencies: _____
11. Board members serve without compensation: _____
12. There is a written calendar of events and meetings: _____
13. Board meeting attendance is mandatory for all directors unless excused by the President: _____
14. Meetings have written agendas and supporting information provided to directors in advance: _____
15. Board Meetings are open to all owners and held in a visitor friendly location: _____
16. Meeting minutes are recorded and promptly distributed to all owners: _____
17. Timely monthly financial reports are prepared, reviewed by the Board and made available to owners: _____
18. Physical assets are properly maintained: _____
19. The association has all necessary insurance coverages:
 - a. Directors & Officers Liability: _____
 - b. General Liability: _____
 - c. General Hazard Insurance with Guaranteed Replacement Cost: _____
 - d. Employee Dishonesty: _____
 - e. Building Ordinance & Law: _____
 - f. Earthquake or other natural disasters: _____

- 20. Fraud prevention methods are in places to guard against embezzlement: _____
 - a. Bank reconciliations are reviewed and approved by the board of directors: _____
 - b. All reserve account checks require two signatures: _____
 - c. Checks are issued only with properly approved invoice or check request: _____
 - d. No checks are made payable to "Cash": _____
 - e. No checks are presigned: _____
 - 21. There is a written delinquency collection policy: _____
 - 22. All delinquencies are pursued in a timely manner: _____
 - 23. All filings are current:
 - a. Annual Registration: _____
 - b. Articles of Incorporation: _____
 - c. IRS tax filings and reports: _____
 - 24. The association has a professionally performed reserve analysis and a long range plan for funding repairs and replacement: _____
 - 25. The Board conducts an annual operating and reserve budget review and formally adopts a new budget each year: _____
 - 26. The Board adopts an Annual Management Plan that prioritizes goals and sets timetables: _____
 - 27. All rules are relevant: _____
 - 28. Rules and policies are written: _____
 - 29. Rules are enforced uniformly: _____
 - 30. There is a violation appeal process: _____
 - 31. The association sends out regular and informative newsletters: _____
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How did you score?

If you answered "Yes" to:

41-46 questions = EXCELLENT:

Is there still room for improvement?

36-40 Questions = VERY GOOD:

You're close, but roll up your sleeves and close the gap.

31-35 Questions = GOOD:

You've got serious work to do.

30 or less Questions = DANGER:

Your association is likely suffering from deferred maintenance, sliding property values, excessive delinquencies and internal conflict. If so, competent management and legal advisors are urgently needed before the patient bleeds to death. The Board is responsible for the largest asset most people own...all together usually millions of dollars in assets. This reality demands serious reflection and planning to properly manage. The first step is to focus on your weak points and enact a plan of attack.

Source: http://realtytimes.com/rtcpages/20000524_hoacheklist.htm