



Simplified Self-Management A Practical Guide with How-To's & Forms

An essential resource of best practices for Boards of
condominium and community associations in Illinois

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LIST OF FORMS & USAGE

CUSTOMIZATION & USAGE:

The enclosed sample forms and templates will require the user to have the Microsoft® Word, Microsoft® Excel and Acrobat® Reader software and are intended for the exclusive use by the Association who purchased the services. The materials provided herein have been reviewed by Robert Nesbit, Principal of the Law Offices of Kovitz Shifrin Nesbit, and are in legal compliance with standard industry practice as per the Illinois Condominium Property Act (ICPA) and other applicable laws.

Each individual generic form should be customized based on the requirements as set forth in the user's Association's Pertinent Documents (i.e., Declaration/Bylaws) and should be revised, as needed, to stay current and according to ICPA requirements, which may change from time to time. A legal opinion should be obtained based on your Association's governing documents and changes to the law, as needed. Please be sure to update the Header with your Association's name and delete any instructions to the Board on how to fill out the form prior to distributing to intended recipients, as applicable.

Once you have customized the forms for your Association, be sure to save them for future Board usage and update, as needed. This could be uploaded to a private, Board-only section on your Association website, backed up annually on a CD kept by the Secretary or another procedure that will create transparency, which will be easy to find and use by future Board members.

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CATEGORIES:

The How-To Instructions & Forms enclosed represent a wide range of practicalities for various management requirements during the lifecycle of any Association. We encourage you to customize the Forms based on the specific needs of your Association and Property and use only those, which may apply to your specific needs. The following are categories of crucial management responsibilities requiring efficiency and/or action.

- 1. Developer Turnover**
- 2. Management Transitions, Records & Administration**
- 3. Maintenance, Operations, Vendors & Emergency Protocols**
- 4. Budget & Financials**
- 5. Sale or Lease of a Unit**
- 6. Meetings, Agendas, Minutes & Action Items**
- 7. Annual Meetings & Elections**
- 8. Rules & Regulations**

1. DEVELOPER TURNOVER—These forms are designed to aid in the understanding and implementation of the developer’s obligation to the Association. It is recommended that all documentation be obtained as quickly as possible to ensure the Association is protected during the legal timeframes, all monies owed are received, all warranty claims can be pursued, and all legal obligations are fulfilled, as applicable.

Please review the *HOW-TO* options below and, if more than one is available, select the version that is applicable for your Association’s specific needs at this time:

HowTo_1A.DevTurn.pdf A. HOW-TO: Developer Turnover

	<u>Category/Form #</u>	<u>Form Name</u>	<u>Brief Description</u>
1	1.DevTurn_F1.doc	<i>Developer Turnover Checklist</i>	Checklist of items that the developer is supposed to turn over to Association as per Section 18.2 of the ICPA
2	1.DevTurn_F2.doc	<i>Sample Developer Turnover Document Spreadsheet</i>	This sample spreadsheet provides for a detailed report of all documents turned over including renewal dates and action items
3	1.DevTurn_F3.doc	<i>Blank Developer Turnover Document Spreadsheet</i>	This is a blank version of the sample presented above
4	1.DevTurn_F4.xls	<i>Sample Spreadsheet of Closing Dates</i>	This sample spreadsheet may be used to calculate the amount of money that the developer should have paid to the Association for his/her share of assessments on unsold units
5	1.DevTurn_F5.xls	<i>Property Tax PIN Info Form</i>	This form provides instructions on how to obtain the Property Tax Index Numbers (PIN) once divided and communicating important steps to owners to implement a Change of Address

2. MANAGEMENT TRANSITIONS, RECORDS & ADMINISTRATION—The forms listed below are designed to aid the Board and/or new property manager in transitioning in the various scenarios listed below, whether originating from the developer or a management company to self-management or another management company. These How-To's address Association start-up, transition and administrative protocols including, but not limited to, maintaining accurate records of the association.

Please review the *HOW-TO* options below and, if more than one is available, select the version that is applicable for your Association's specific needs at this time:

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|------------------------|--|
| HowTo_2A.MgmtTrans.pdf | A. HOW-TO: Developer Turnover to Self-Management |
| HowTo_2B.MgmtTrans.pdf | B. HOW-TO: Developer Turnover to Professional Management |
| HowTo_2C.MgmtTrans.pdf | C. HOW-TO: Professional Management to Self-Management |
| HowTo_2D.MgmtTrans.pdf | D. HOW-TO: Self or Professional Mgmt to Professional Management |
| HowTo_2E.Records.pdf | E. HOW-TO: Maintain Records of the Association |

	Category/Form #	Form Name	Brief Description
1	2.MgmtTrans_F1.doc	<i>Board/Mgmt Letter to Owners Stating Change to Self-Management</i>	Board/Mgmt letter to Owners stating change to self-management and new assessment instructions
2	2.MgmtTrans_F2.doc	<i>Owner/Resident Form</i>	Owner/Resident form from Board or management to obtain current owner and emergency information. Should be updated once/per year.
3	2.MgmtTrans_F3.doc	<i>Owner/Resident Roster</i>	Spreadsheet created by Board/Mgmt detailing all current owners/residents
4	2.MgmtTrans_F4.doc	<i>Board/Mgmt Letter to Vendor(s) Stating Change</i>	Board/Mgmt notification to all utilities and vendors stating change of management
5	2.MgmtTrans_F5.doc	<i>Resignation of Developer Director/Officer</i>	Developer signature showing bank that Developer no longer should have access to account and new Board names
6	2.MgmtTrans_F6.doc	<i>Resolution for Bank Account</i>	Confirms new Board members who have access to account
7	2.MgmtTrans_F7.doc	<i>Board Letter to Current Management Co. Stating Change</i>	Board letter to current management co. stating change to new management
8	2.MgmtTrans_F8.doc	<i>Management Account Transition List</i>	A list of all items, as applicable, that should be transferred from previous management to new management
9	2.MgmtTrans_F9.doc	<i>Board Letter to Owners Stating Change to New Management Co.</i>	Board/Mgmt letter to Owners stating change to new management company
10	2.MgmtTrans_F10.doc	<i>Board Letter to Owners Stating Change to Professional Management</i>	Board/Mgmt letter to Owners stating change to professional management from the developer
11	2.MgmtTrans_F11.doc	<i>Archive Filing Form</i>	This sample form may be used to document records that are archived

3. MAINTENANCE, OPERATIONS, VENDORS & EMERGENCY PROTOCOLS—These forms are designed to aid in the efficiency of running the physical and administrative aspects of the property. It is especially recommended to have all vendors and emergency protocols in place in advance of an emergency or when you need them. Although the Emergency Protocols and Selecting A Condominium Law Attorney (also applies to non-condominium associations) are part of the Operations Manual, due to their importance, we are including a separate *How-To* for those processes, so they can be easily referenced.

Please review the *HOW-TO* options below and, if more than one is available, select the version that is applicable for your Association’s specific needs at this time:

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|-----------------------------|---|
| HowTo_3A.OperMan.pdf | A. HOW-TO: Create An Operations Manual |
| HowTo_3B.EmergProtocols.pdf | B. HOW-TO: Develop Emergency Protocols |
| HowTo_3C.SelectAttorney.pdf | C. HOW-TO: Select A Condominium Law Attorney |

	Category/Form #	Form Name	Brief Description
1	3.OperMan_F1.doc	<i>Building & Management Criteria</i>	Sample guidelines to help Board create Building & Management Criteria list
2	3.OperMan_F2.xls	<i>Maintenance Criteria</i>	Sample Maintenance Criteria spreadsheet to help Board determine daily, weekly, monthly, quarterly and annual criteria
3.	3.OperMan_F3.doc	<i>Operations Manual— Vendor & Emergency Contacts</i>	Sample Operations Manual in table format with various categories that can be customized with selected vendors/emergency contacts and info
4	3.OperMan_F4.doc	<i>Annual Calendar— Administrative & Operations Schedule</i>	Blank Annual Calendar for Association to create at-a-glance annual schedule for administrative & operations duties
5.	3.OperMan_F5.doc	<i>Sample Annual Calendar</i>	Sample Annual Calendar to give Board an example of the types of schedule items to include
6	3.OperMan_F6.doc	<i>Maintenance Request Form</i>	Form that can be posted in common area for owners to place maintenance requests
7	3.OperMan_F7.doc	<i>Intercom/Mailbox Request Form</i>	Form that owners can use to request name changes to intercom/mailbox tags
8	3.OperMan_F8.doc	<i>Committee Sign-Up Sheet</i>	Form that can be distributed to owners to sign-up for various committees (commissions) to aid Board in projects
9	3.OperMan_F9.doc	<i>Emergency Protocols</i>	Form that clarifies to the Board the protocols to address an emergency
10	3.OperMan_F10.doc	<i>Emergency Instructions to Owners</i>	Form that should be distributed to owners and posted somewhere in common area explaining emergency protocols to follow
11	3.OperMan_F11.doc	<i>Maintenance Responsibility Analysis Form</i>	This form should be filled out while reviewing the Declaration to clarify the division of maintenance responsibilities between Association vs. Owner, which is usually Common vs. Limited Common Elements.

4. BUDGET & FINANCIALS—Each Association’s Declaration/Bylaws will state the process and month the proposed Annual Budget must be sent to all owners for review. In many cases, it may be due in the Fall, so it can be approved, adopted and implemented in time for the next fiscal year. In all cases, a specific process should be followed in order to best estimate the Budget and follow accurate ICPA adoption protocols. This section will review proper Budget Preparation & Adoption protocols, including the important first budget after the developer, the best practice industry standards of monthly and year-end financials and how to outsource financial obligations to a qualified accounting firm.

Please review the *HOW-TO* options below and, if more than one is available, select the version that is applicable for your Association’s specific needs at this time:

- HowTo_4A.Budget_Dev.pdf **A.** HOW-TO: Create First Budget After Developer
 HowTo_4B.Budget_Annual.pdf **B.** HOW-TO: Create the Annual Budget
 HowTo_4C.Financials_Outsourcing.pdf **C.** HOW-TO: Financial Reporting & Outsourcing

	Category/Form #	Form Name	Brief Description
1	4.Budget_F1.doc	<i>Association Profile Form</i>	Provides all pertinent Association info to aid in future condo questionnaires and general property management
2	4.Budget_F2.doc	<i>Direction To Pay Form</i>	Provides direction from Treasurer to financial provider to pay bills
3	4.Budget_F3.xls	<i>Monthly Status Report Form</i>	Spreadsheet to document all expense and deposit transactions provided from Treasurer to financial provider
4	4.Budget_F4.doc	<i>Direction to Deposit Form</i>	Provides direction from Treasurer to financial provider to deposit checks received including to which unit it should be applied and purpose
5	4.Budget_F5.xls	<i>Budget & Assessment Worksheets</i>	Spreadsheet including Budget & Assessment Worksheets (accessible by tabs at the bottom of each page) to help determine the line items for the Annual Budget and Assessment Calculations
6.	4.Budget_F6.doc	<i>Budget Cover Letter</i>	Sample letter from Board to Owners introducing the proposed Annual Budget in order to provide for 30-day review
7.	4.Budget_F7.pdf	<i>Sample Financial Statement</i>	This is an example of a monthly financial statement per industry standards
8.	4.Budget_F8.pdf	<i>Sample Delinquency Report</i>	This is an example of a monthly delinquency report for past due owners
9.	4.Budget_F9.pdf	<i>Sample Owner’s Ledger</i>	This is an example of a monthly homeowner ledger showing expenses and payment balance
10	4.Budget_F10.doc	<i>Sample Reserve Transfer Authorization Form</i>	Sample form that may be used to authorize and document a transfer from Reserve to Operating Accounts
11	4.Budget_F11.pdf	<i>Sample Year-End Report</i>	Sample Year-End Report due to condominium owners 90 days after fiscal year-end

5. SALE OR LEASE OF A UNIT— When a unit is either sold, leased or refinanced, the Board or property manager has the responsibility of providing certain documentation to the seller/owner and buyer and to ensure that all monies owed to the Association are paid in advance of the sale closing date and that proper protocols are implemented. Moving procedures must also be established to protect the property and provide as least inconvenience to other others.

Please review the *HOW-TO* options below and, if more than one is available, select the version that is applicable for your Association’s specific needs at this time:

HowTo_5A.SaleLease.pdf

A. HOW-TO: Sale, Lease or Refinance A Unit

	<u>Category/Form #</u>	<u>Form Name</u>	<u>Brief Description</u>
1	5.Sales_F1.doc	<i>Sales/Lease/Refinance Instructions Cover Letter</i>	Cover letter to accompany forms explaining the overall process, fees, forms and checklist of requirements
2	5.Sales_F2.doc	<i>Notice of Intention to Sell/Lease Form</i>	Provides all pertinent info to the Board/Management from the Unit Owner regarding the intent to sell or lease his/her unit
3	5.Sales_F3.doc	<i>Sales Tracker Form</i>	Form to be filled in by Board/Manager to track the required steps to efficiently document Association responsiveness and compliance during the course of a unit sale
4	5.Sales_F4.doc	<i>Sample 22.1 Disclosure Form</i>	Disclosure Forms will usually be provided by the Buyer’s attorney or mortgage company; This is a sample to ensure the Board/Manager will be prepared with answers
5	5.Sales_F5.doc	<i>Sample Right of First Refusal Request Form</i>	If the Association has the Right of First Refusal option, this form may be provided to the unit owner so they may implement this process
6	5.Sales_F6.doc	<i>Sample Paid Assessment Letter</i>	A Paid Assessment Letter from the Board/Manager will be required to provide pertinent information for the Closing transaction
7	5.Sales_F7.doc	<i>Sample Move In/Out Form</i>	A Move In/Out Form that owners or tenants should provide to Board/Manager to request move and security deposit return information
8	5.Sales_F8.doc	<i>Sample Move In/Out Building Inspection Form</i>	Sample form to track possible damage to the common elements before and after a move in order to determine whether a security deposit should be returned

6. MEETINGS, AGENDAS, MINUTES & ACTION ITEMS—Per the Illinois Condominium Property Act, condominium Boards are obligated to hold a minimum of four meetings/year but each Declaration and Bylaws should be reviewed to determine the requirements of each Association. In addition, changes to the Illinois General Not-For-Profit Corporation Act effective as of January 1, 2010 may override some aspects of Association governing documents. Obtaining a legal opinion from your Association’s attorney, as needed, for clarification is recommended. The use of parliamentary procedure, such as a simplified version of Roberts Rules Of Order, is recommended for meeting protocols. Efficient meetings, agendas and properly written minutes are important in making and documenting the decisions of the Board. And, once decisions are made, it is important to move Action Items/Projects forward in a timely fashion.

Please review the *HOW-TO* options below and, if more than one is available, select the version that is applicable for your Association’s specific needs at this time:

HowTo_6A.Meetings_Minutes.pdf

A. HOW-TO: Meetings, Agendas, Minutes & Action Items

	Category/Form #	Form Name	Brief Description
1	6.Meetings_F1.doc	<i>Sample A-Agenda Form</i>	Sample Board Meeting Agenda template (Note: Corresponds with Sample A-Minutes as noted below)
2	6.Meetings_F2.doc	<i>Sample B-Agenda Form</i>	Another sample of Board Meeting Agenda template; Designed for new association after developer turnover (Note: Corresponds with Sample B-Minutes as noted below)
3	6.Meetings_F3.doc	<i>Sample Request For Consideration Form</i>	This may be used by owners to request a topic to be considered on the Agenda of an upcoming Board Meeting
4	6.Meetings_F4.doc	<i>Sample A-Minutes Template</i>	Sample Board Meeting Minutes template (Note: Corresponds with Sample A-Agenda Form as noted above)
5	6.Meetings_F5.doc	<i>Sample B-Minutes Template</i>	Another sample of Board Meeting Minutes template (Note: Corresponds with Sample B-Agenda Form as noted above)
6	6.Meetings_F6.doc	<i>Meeting Action Items Form</i>	Sample template that may be used to itemize Action Items approved during a Board Meeting
7	6.Meetings_F7.xls	<i>Project Tracker Spreadsheet</i>	Sample spreadsheet that tracks Projects including the designated person overseeing the Project, start date, completion date, goal setting and status.

7. ANNUAL MEETINGS & ELECTIONS—The main purpose of the Annual Members Meeting or Election is to determine who will serve on the Board for the required term. The process can be quite confusing and, if not done correctly, the results of the election could be challenged, requiring it to be redone. The forms included in this section are designed to help the Board adhere to the guidelines as set forth in the Illinois Condominium Property Act, and to explain the overall process in easy-to-follow steps to ensure success and compliance. Please note that changes to the Illinois General Not-For-Profit Corporation Act (NFPCA) effective January 1, 2010 may offer electronic options for various aspects of the Annual Meeting process including, but not limited to, voting and notifications. Consult your Association’s attorney for clarification in this regard. All forms are sample templates ready for customization and should not be distributed until a final legal review by your attorney is completed to confirm that there are no conflicts with your Association’s governing documents and the new laws.

Please review the *HOW-TO* options below and, if more than one is available, select the version that is applicable for your Association’s specific needs at this time:

- HowTo_7A.AnMtg.pdf A. HOW-TO: Plan And Hold The Annual Members & Board Meetings
 HowTo_7B.BoardTrans.pdf B. HOW-TO: Board Member Transitions

	Category/Form #	Form Name	Brief Description
1	7.AnMtg_F1.doc	<i>Annual Members Meeting Summary Form</i>	This form will help guide the Board in obtaining pertinent information from the Bylaws in order to proceed correctly
2	7.AnMtg_F2.doc	<i>Annual Members Meeting & Board Meeting Schedule</i>	The Schedule will help the Board determine proper deadlines for meeting preparation, owner notifications, and completed forms to ensure compliance
Package #1:			
3	7.AnMtg_F3.doc	<i>Initial Notice of Annual Meetings</i>	Sent as part of Package #1, the Initial Notice of Annual Meetings should include the date, time, location and an invitation for all owners to run for the open Board positions
4	7.AnMtg_F4.doc	<i>Board Qualification Form</i>	Invites all owners to apply for the Board and provides owners with credentials
Package #2:			
5	7.AnMtg_F5.doc	<i>Annual Meeting Reminder Notice</i>	Sent as part of Package #2, the Meeting Reminder Notice will finalize all details including Proxy instructions and other pertinent information enclosed
6	7.AnMtg_F6.doc	<i>Proxy—Cumulative</i>	The type of voting and Proxy required will be determined in the Bylaws. A Proxy is sent to owners prior to the meeting. It allows an owner who cannot attend the meeting to appoint another person to vote in their absence at the meeting. This form is to be used when the Bylaws require Cumulative voting
7	7.AnMtg_F7.doc	<i>Proxy—Non-Cumulative</i>	(see Proxy explanation above) This form is to be used when the Bylaws require Non-Cumulative voting

8	7.AnMtg_F8.doc	<i>Agenda for Annual Members Meeting</i>	This sample Agenda can be used to meet the minimal obligations to be completed at the meeting
9	7.AnMtg_F9.doc	<i>Agenda for Annual Board Meeting</i>	This sample Agenda can be used to meet the minimal obligations to be completed at the meeting
	Package #3:		
10	7.AnMtg_F10.doc	<i>Ballot—Cumulative</i>	The Ballot is used at the meeting and allows owners to cast their vote for the seats available. This form is for use when the Bylaws require Cumulative voting
11	7.AnMtg_F11.doc	<i>Ballot—Non-Cumulative</i>	(see <i>Ballot explanation above</i>) This form is for use when the Bylaws require Non-Cumulative voting
12	7.AnMtg_F12.xls	<i>Sign-In Sheet</i>	The Sign-In Sheet may be used at the meeting to qualify the required quorum, show who is attending “In Person” or “By Proxy” and to ensure proper Ballot distribution
13	7.AnMtg_F13.doc	<i>Ballot Counting Sheet for Individual Candidates</i>	This sample form may be used to tally the % of Ownership votes for each Board candidate. Each candidate should have their own separate Ballot Counting Sheet
14	7.AnMtg_F14.doc	<i>Ballot Counting Summary Sheet</i>	This form can be used to assemble each candidate’s % of Ownership votes so that the winners may be identified. Especially helpful in determining Staggered Term positions.
15	7.AnMtg_F15.doc	<i>New Board Member Information Sheet</i>	This form can be used to obtain pertinent information during the transition between Board members

8. RULES & REGULATIONS—All Associations, regardless of size, should have Rules and Regulations to guide the Board on how to act should a situation arise from or amongst owners. Rules are not designed to inhibit owners from enjoying their property; they are created to allow all owners to live harmoniously together based on the same principals for the entire community. No Rule may conflict with the Declaration/Bylaws, Illinois Condominium Property Act, Illinois General Not-For-Profit Corporation Act (NFPCA) or federal, state or local laws, but should aid in clarifying any vague terms and/or highlighting possible common mistakes made by owners. The forms provided are sample templates ready for customization and should not be distributed until a final legal review by your attorney is completed to confirm that there are no conflicts with your Association’s governing documents.

Please review the *HOW-TO* options below and, if more than one is available, select the version that is applicable for your Association’s specific needs at this time:

HowTo_8A.RulesRegs.pdf

A. HOW-TO: Create Rules & Regulations

	Category/Form #	Form Name	Brief Description
1	8.Rules_F1.doc	<i>Sample Rules & Regulations</i>	This template may be customized with basic information to include in Rules & Regulations for a smaller property
2	8.Rules_F2.doc	<i>Sample Mandatory Insurance Proof of Coverage Form</i>	This form may be used to send out yearly to ensure that all owners have their own insurance coverage
3	8.Rules_F3.doc	<i>Sample Violation Warning Letter</i>	This sample letter may be used to send a warning letter for a first offense of a Rule violation
4	8.Rules_F4.doc	<i>Sample Rules Violation Witness Complaint Form</i>	This sample form may be used to report a Rules Violation infraction by a witness to the Board
5	8.Rules_F5.doc	<i>Sample Board Resolution To Adopt Rules</i>	This sample form may be used by the Board to formally adopt the Rules & Regulations

