

HOA Board Readiness Checklist

Clarity first. Pressure never.

How to use this checklist. Work through it as a board, ideally at a meeting. Check each item your board can confirm today. Anything you can't check is not a failure; it is your board's agenda for the year.

1. Governing Documents and Records

- ☐ Every board member has a current copy of the declaration (covenants), bylaws, articles of incorporation and rules.
- ☐ The board knows which North Carolina statute governs the community (the Planned Community Act, Chapter 47F, or the Condominium Act, Chapter 47C) and has confirmed it with the association's attorney.
- ☐ Minutes, resolutions and adopted policies are stored in one place the whole board can reach, not only with the management company.
- ☐ The board knows how owners request records and how quickly the association responds.

2. Money, Reserves and Insurance

- ☐ The board has reviewed this year's budget line by line and understands each major expense.
- ☐ The community has a reserve study, the board knows its date, and the reserve balance is compared to the study's plan each year.
- ☐ Insurance policies (property, liability, directors and officers, and fidelity or crime coverage) are on file, with renewal dates on the board calendar.
- ☐ Payments above a set amount need approval from more than one person, and bank statements are reviewed by a board member.
- ☐ The board receives financial reports on a regular schedule and someone other than the preparer reviews them.

3. Management Company Oversight

Skip this section if your community is self-managed.

- ☐ The board has read the current management agreement and knows its term, renewal date and termination notice period.
- ☐ The board knows which services are included in the base fee and which are billed extra.
- ☐ The manager reports to the board on a set schedule, with open work orders, violations and vendor status.
- ☐ Association bank accounts, records and vendor contracts are in the association's name, not the management company's.
- ☐ The board reviews the manager's performance at least once a year against the agreement's scope.

4. Vendor Contracts and Oversight

- ☐ The board has a list of every active vendor contract with its term, renewal date and cost.
- ☐ Each vendor has a written scope of work that says what is done, how often, and what is extra.
- ☐ Current certificates of insurance are on file for every vendor working on community property.
- ☐ Someone checks that work is actually completed before invoices are approved.
- ☐ The board has a written threshold above which it gets more than one bid.
- ☐ Board members disclose any personal or business relationship with a vendor before a vote.

5. Common Property and Safety

- ☐ The board (or its manager) walks the common areas at least once a year and records what it finds.
- ☐ Pool gates close and latch on their own, and pool rules and signage are posted.
- ☐ Sidewalks, steps and parking areas are checked for trip hazards, and lighting works along common walkways.
- ☐ Playgrounds, fences, retaining walls and amenity buildings have a named owner for upkeep.
- ☐ Repairs are tracked through work orders so the board can see what was reported, when, and when it was fixed.

6. Retention Ponds and Stormwater

Many Triangle communities own stormwater ponds that the association must maintain. These are easy to overlook until something fails.

- ☐ The board knows how many ponds or stormwater devices the community owns and where they are.
- ☐ The board has located the stormwater permit and any operation and maintenance agreement, and knows what inspections and records they require.
- ☐ Inspection and maintenance records are kept in the association's files, not only with the vendor.
- ☐ The pond vendor's scope covers vegetation, sediment, inlet and outlet structures, and the dam or embankment, not only mowing.
- ☐ The board knows the warning signs: erosion on banks, clogged outlets, trees or animal burrows on the embankment, and water that stays high after storms.

7. How the Board Works

- ☐ New board members get an orientation and copies of the documents in Section 1.
- ☐ Meetings are noticed the way the bylaws require, and decisions are recorded in the minutes.
- ☐ The board has a conflict-of-interest policy that members have read.
- ☐ Owners hear from the board on a regular schedule, not only when dues or assessments change.

Want help working through it? Liaison Consulting Firm offers board education, management company advisory, vendor education and retention pond education. We are independent: we are not a management company and do not bid on your community's work. We can present at your next board or annual meeting, in person in the Triangle or online.

Book a Board Briefing: [iKnowPeople.biz](https://iknowpeople.biz) | 919.780.4961 | info@iknowpeople.biz

This checklist is for education and board discussion. It is not legal, accounting, engineering or insurance advice. Confirm requirements that apply to your community with your association's attorney, CPA, insurance agent or a qualified engineer.