

CLARIFICATION OF THE CMCA STANDARDS OF PROFESSIONAL CONDUCT

Updated July 2019

- A. **AUTHORITY:** The Standards derive authority from the Community Association Managers International Certification Board (CAMICB). CAMICB has established these Standards of Professional Conduct for those individuals who hold the Certified Manager of Community Associations (CMCA) certification.
- B. **DEFINITIONS:** The Standards shall apply in any manager-client relationship where the manager receives some form of compensation for professional services offered or provided to the client.
1. **Manager:** a singular term which shall apply to all of the following persons providing or offering some form of property or financial or administrative or consulting services to one or more clients:

- i. A single practitioner functioning as a client employee, or
- ii. A single practitioner employed by a firm contracted by one or more clients, or
- iii. A principal or supervisory staff member for a firm which is contracted by one or more clients.

An individual who agrees to abide by the Standards shall also be responsible to see that any person under his/her supervision shall comply with the Standards.

2. **Client:** a singular term which shall apply to one or more community association properties (condominium, homeowner association, cooperative, PUD's, PRD's, etc.) and their governing boards. The client may employ the manager directly or be under some form of independent contract with a firm which employs the manager.
- C. **AMPLIFICATION:** The following information and examples are provided by CAMICB to further explain some of the tenets of the Standards of Professional Conduct.
1. To be knowledgeable, act, and encourage clients to act in accordance with state and federal laws which relate to community associations. A manager must be knowledgeable of the laws and govern their actions in accordance with those laws.
 2. To be knowledgeable, comply, and encourage clients to comply with the governing documents means to implement policies and procedures in accordance with the documents. An example would be that if the governing documents prohibit fines for owners in violation of the documents, then the manager should not recommend fining as a method to the Client's Board.

3. Always be truthful.
4. Any legal advice should be provided to the association by the association attorney. This includes drafting of amendments to the documents, and the interpretation of legal language that affects board actions.
5. Disclosure of any possible conflict of interest is the key factor. For example, a manager (individually or through a company) may have financial interest or contractual arrangement with a service contractor, supplier, or professional firm which is being considered by that manager's client. Disclosure must be in writing and sufficiently in advance of the selection process to allow full consideration of the possible conflict and any alternatives. The fact that the client may still choose the manager's related entity is not a violation of the Standards, provided ample disclosure was given.
6. CAMICB recommends managers must provide written disclosure to the client of any compensation, gratuity or other form of remuneration from individuals or companies who act or may act on behalf of the client. Written disclosure shall be made to the client by the Manager, confirming receipt of all commissions, rebates, discounts, payments, or other benefits received in excess of \$200.00 annually by the Manager from any vendor or vendor related client.
7. Continuing professional education requirements shall be consistent with that manager's professional designation, if any, and the CAMICB recertification requirements. The manager must adhere to the CMCA Standards of Professional Conduct and must be truthful on all certification related applications.
8. A fiduciary duty is defined as a legal or ethical relationship of confidence or trust between two or more parties.
9. The breach must be an egregious and material lack of due diligence as opposed to a misunderstanding, difference of opinion, personality conflict or simple human error.
10. Regardless of the details surrounding the separation of the manager and the client, the CMCA must return original records, files and books within a reasonable time to the client.

Original records, files, and books are those items that were given to the manager at the beginning of his/her engagement or were developed by the manager and/or the client during the period of the manager's engagement. This definition may be further expanded by the management agreement and/or applicable state statutes.

Unless provided in such an agreement or otherwise, the manager has no obligation to provide the client with client-related computerized data unless the client owns the computer and

software and such data can be separate from the data and software which are property of the manager.

For example, if the manager is a company that maintains homeowner information on its central computer, the manager shall provide a printout of the homeowner information for the client but need not provide that data via disk or tape. Those items that the manager brought to and used during the engagement, such as operation or procedure manuals, remain the property of the manager.

While the manager must return or forward all records, files, and books, he or she may retain photocopies of these key materials that might be necessary for the manager in dealing with post-engagement client-related matters. The manager shall maintain a duty of confidentiality beyond the termination of representation.

- D. FUTURE: CAMICB may expand application of these Standards, and CAMICB reserves the right to update, or amend both the CMCA Standards of Professional Conduct and this Clarification Document. Any such revision, updating or amendment shall be promptly promulgated to those who achieve a CMCA and, after due notice, will apply to all CMCA's subject to the Standards.
- E. DISCIPLINARY ACTION: After an internal investigation and hearing as provided in CMCA Standards of Professional Conduct Enforcement Procedures Policy, a manager found to be in violation of the standards shall face a sanction in accordance with the enforcement policies adopted by CAMICB. The extent of such sanction shall be commensurate with the nature, severity, and intent of the violation.