

Invest in Yourself

Invest in the CMCA®

 **INVEST IN YOUR FUTURE**

Invest in the Profession

Invest in Online Branding

NBC-CAM

National Board of Certification
for Community Association Managers

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Staff

NBC-CAM

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for Community Association Managers

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message to stakeholders

LETTER FROM THE CHAIR

ALONE, MY TWENTY YEARS of experience as a community association manager would not get me through these unprecedented and trying economic times. Everyday I find myself reaching into my community association management “toolbox” of resources and professional network to assist me through this challenging time and to aid in easing the undercurrent of fear and uncertainty facing my community.

Community association management is no longer the same day-to-day routine that it once was. Our daily schedule now includes the unique financial challenges of our community—increased delinquencies, foreclosures and bankruptcies. The strain and devastation our homeowners face with fear of losing a job, loss of financial stability and uncertainty of the future creates fear and anxiety in our communities. As community association managers, our communication, mediation and counseling skills have always been needed. Now these skills are being tested. Our communities have higher stress levels than ever before. We must pull from our vast supply of management tools and professional network in order to continue creating harmony within our individual communities.

I learned a lot through the multiple courses and people I met as I earned my PCAM and, subsequently, my CMCA. I am very proud of my designation and certification, and showcase them on my business cards, to my clients and to my colleagues. Today, years after these accomplishments, I am amazed by how much I utilize the theories, tips, instruction and professional network I obtained in the processes of earning my credentials.

While it can be challenging to take time out of my hectic schedule, I have found the continuing education I take to maintain my credentials has been critical to the breadth and depth of my management “toolbox.” In these uncharted times, I’ve been given the agility and confidence to lead my community through learning about the new laws, new trends and new ways of “doing business.”

Clearly, I am not alone. The number of CMCA credentialed managers grew tremendously in 2008 and the growth is carrying through into 2009. The 300,000 communities throughout the country that we manage collectively deserve to be managed by competent community association managers like those with the CMCA credential. Keep adding to your “toolbox” and continue developing your professional network. Both you and your communities will benefit.

I am proud to be leading this organization and proud to stand with you as we work hard together to take our communities through these difficult times.

Sincerely,



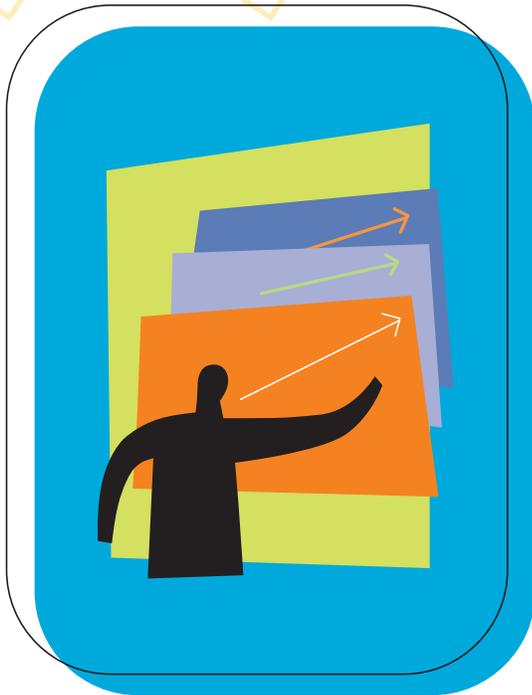
Patricia Wasson, CMCA, PCAM



Pat Wasson, CMCA, PCAM
CHAIR

CMCA®: A Wise Investment with Multiple Dividends

2008 ANNUAL REPORT OF THE NATIONAL BOARD OF CERTIFICATION
FOR COMMUNITY ASSOCIATION MANAGERS (NBC-CAM)



» Invest in Yourself

During 2008, the media relentlessly reported on the plummeting global economy, the slumping housing market, millions of lost jobs and broken financial institutions. For those seeking a new position—or determined to keep their existing job—the advice from financial experts and career coaches was and still is clear: Invest in your professional growth and security with education and certification.

Meanwhile, business strategists continue to call on companies to strengthen and expand their operations by upgrading employee skills, either by training existing staff or hiring the best available talent.

Similarly, community managers and industry professionals have been reminding communities to invest in themselves during rocky economic times by continuing to fund projects scheduled in their reserve plans. The same basic strategy

applies to managers. In a volatile and strained economy, the safest and best investment you can make is in yourself. An investment in your career, such as additional education or a certification, can pay financial and professional dividends—not to mention heighten your career satisfaction and emotional well-being.

That's the value of an investment in the Certified Manager of Community Association (CMCA) credential.

» Invest in the CMCA

More individuals (931) earned their CMCA in 2008 than in any year since the program's inception in 1995.

That's because the CMCA is increasingly valued throughout the community association industry. Association and industry leaders understand that the CMCA examination gauges knowledge gained from experience working in the profession. The exam also measures forward-thinking practices, policies and procedures that professional community association managers are expected to know to provide maximum value to their association employers or clients. CMCA candidates must prove

Why the CMCA?

- You gain a tangible advantage in a competitive job market.
- You earn greater personal and professional respect.
- You attain recognition from your employer.
- You increase your salary and career potential.*

* *Salary surveys consistently demonstrate that credentialed professionals earn more on average than their non-credentialed peers.*

Invest

The CMCA is increasingly valued throughout the community association industry. Association and industry leaders understand that the CMCA examination gauges knowledge gained from experience working in the profession.

they have mastered and can successfully apply relevant community association management principles and disciplines throughout their career by obtaining certification and maintaining it through recertification.

Compared to many other careers, community association management has avoided the horrific job cuts prevalent in other industries. As a result, these careers have become increasingly attractive to realtors and those in hotel and other service industries. They are recognizing the opportunity and appreciate the value of professional credentials. The threat of unemployment and increased competition for jobs makes the CMCA credential even more valuable than ever before!



Summary of Certification Activities

1204 Individuals Taking the CMCA Examination

76% Examination Pass Rate

86% Retention Rate

» Invest in the Legislature

As the economy began to unravel in 2007, state legislators throughout the country became increasingly aware of the financial and societal responsibilities undertaken by the estimated 60,000 community association managers now serving communities across the country. Today, an estimated 60 million Americans—more than one in six—live in close to 300,000 common-interest communities. These numbers are too huge for state legislatures to ignore. Unfortunately, legislators often are compelled to react first and foremost to isolated community association horror stories, including financial mismanagement and embezzlement.

The CMCA credential—and the professionalism it inspires—not only reduces the risk of mismanagement, it also helps to protect the profession’s image while serving as a tool for legislators.

For example, to help shield constituents from poor management and financial mismanagement, Virginia recently adopted a community association manager licensure program. While specifics of the program are still being developed, the law recognizes that the CMCA credential fulfills one of the requirements for earning a Virginia Community Association Manager License.

Virginia joins a growing list of states that take advantage of the credibility and reputation of the CMCA program by incorporating the credential into their licensing programs. Committing to a certification program like the CMCA helps states throughout the country regulate the profession using an established, highly respected certification program. Not only does that preclude the need to develop new and costly government credentialing programs, it also protects consumers by ensuring that all managers meet minimum standards of professionalism. That alone reduces the number and impact of horror stories that greet us on the evening news or in the morning newspaper.

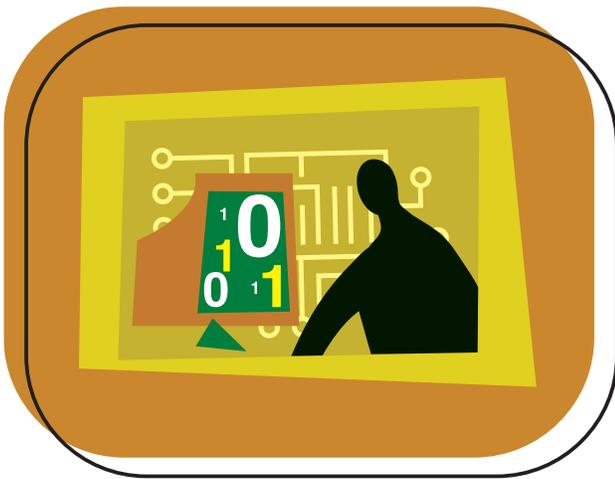
» Invest in Online Branding

During the past few years, personal online branding and social networking have exploded into the mainstream. Both give management professionals the

opportunity to reach a market and build their business. Invest in your personal and professional network by using online branding in your normal marketing strategy. Online branding offers an immediate message and often powerful connections that traditional methods cannot allow.

NBC-CAM is helping CMCA-credentialed professionals build their brand and expand their networks by establishing a group for Community Association Managers on LinkedIn, the powerful networking website for business, and in a listserv, an automated e-mail discussion group that facilitates interaction among peers. Online communities such as

LinkedIn and listservs can help foster strong relationships among peers, colleagues and even current and potential clients while providing an additional wealth of useful tools and resources. Visit www.nbccam.org/cmca/listserv.cfm



expertise

By building your personal brand and developing relationships, you expand your opportunities. In addition to networking with colleagues and peers, you can build an online community for your association that promotes and encourages constructive dialogue between the management team and residents. While being branded online may be cutting edge now, it stands to be the norm in less than five years. You'll want to be there.

» The NBC-CAM Prospectus

NBC-CAM has certified nearly 9,000 community managers since 1995. The record number of CMCA certifications in 2008 clearly indicates that community management is a growing profession and that industry professionals hold themselves to higher standards than ever before.

By promoting the value of credentialed professionals, NBC-CAM promotes professionalism itself. Nothing is more important—personally or professionally—than investing in yourself and your profession. Particularly in a struggling and uncertain economy, investing now will enhance and accelerate your professional future.

Every year, more community association managers and state legislatures look to the CMCA program as a wise, long-term investment. By conveying these positive messages to our stakeholders—homeowners, board members, the media, public policy officials and others—NBC-CAM elevates your stature and increases your opportunities in the marketplace.

The introduction of every new CMCA calls more attention to a credential that signifies expertise, knowledge and a commitment to professionalism.

With each new CMCA, we call more attention to you, your strengths and value!

The record number of CMCA certifications in 2008 clearly indicates that community management is a growing profession and that industry professionals hold themselves to higher standards than ever before.





Upward Directions

Upward Directions is NBC-CAM's electronic newsletter sent directly to your e-mail. If you do not receive a copy of the newsletter, we may not have your current e-mail address. To verify, add or change your e-mail address, please contact us at info@nbccam.org, 866.779.CMCA or 703.836.6902. *Upward Directions* is archived so you can find the information and perspective you need whenever you need it. Visit <http://newsmanager.commpartners.com/caiupdir/issues>.

2008 Issues and Topics

February	Hiring Great Talent: Finding the Right Fit Eye on Ethics: Stay True to Your Board Good Question: How Do I Deal with a Split Board? FEMA Offers Tips for Disaster Prevention and Recovery Going Green Pays Dubai Community Managers Earn CMCA CMCA Program Reimbursable Under GI Bill
April	Maintaining the First-Day-on-the-Job Enthusiasm Preparing for Pool Perfection The Lifestyle Manager in You The Myth of Collective Leadership Survey Shows Workers Are Becoming Better Communicators
October	Tilting at Economic Windmills Good Question: Sense of Community Volunteering Grows as a Force in Communities Recruit Great Volunteers Nine Tips for Office Celebrations

Assurance

» Advancing the Profession State by State

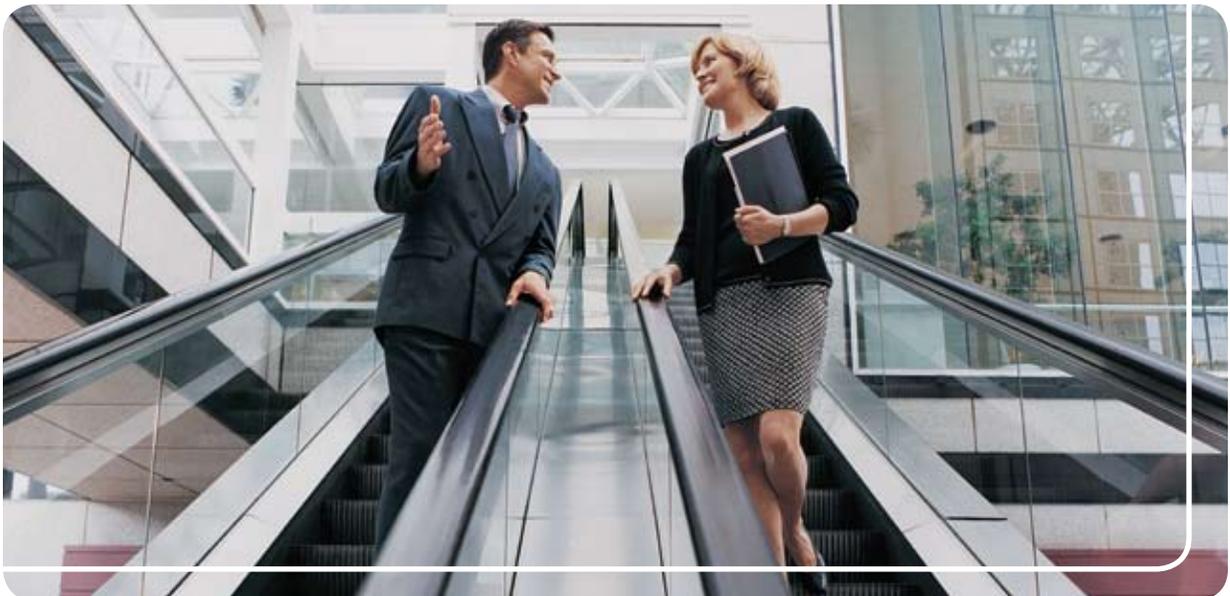
CMCA-credentialed managers provide assurance of competency in critical aspects of community association management. Understanding this, a number of states have taken steps to regulate the profession. For specific information about requirements for each state, visit our web site at www.nbccam.org.

» Competency Assurance

Organizations grant credentials to accomplish the broad goal of improving the level of competence within a profession or industry. Additionally, promoting competent professionals to the public provides assurance that the credentialed professionals have the fundamental knowledge and skill necessary to meet their responsibilities.

The standards of excellence for credentialing programs promoted by the National Organization for Competency Assurance (NOCA) and similar organizations have several key features in common. They include the required elements of a sound credentialing program: fundamental knowledge and education, examination of competency, reasonable cost, continuing education and standards of practice. NBC-CAM subscribes to the standards and guidelines set forth by NOCA. The CMCA program is the only national program offering integrity and reliability that adequately measures the fundamental knowledge of a community manager.

CMCA-credentialed managers provide assurance of competency in critical aspects of community association management.



Professional

» Standards of Professional Conduct

Because professional managers have critical responsibilities, NBC-CAM requires CMCA certificants to adhere to high ethical standards. They must comply with the Standards of Professional Conduct that govern their professional activities. If a CMCA is suspected of being in violation of these standards, NBC-CAM has a thorough complaint and investigation process in place to address the issue.

During 2008, NBC-CAM updated the Standards of Professional Conduct and adopted the Clarification for Standards of Professional Conduct. As updated, the code requires each certificant to:

1. Be knowledgeable, act and encourage clients to act in accordance with any and all federal, state and local laws applicable to community association management and operations.
 2. Be knowledgeable, comply and encourage clients to comply with the applicable governing documents, policies and procedures of the client associations to the extent permitted by that client.
 3. Not knowingly misrepresent material facts, make inaccurate statements or act in any fraudulent manner while representing client associations or acting as a CMCA.
 4. Not provide legal advice to client associations or any of their members, or otherwise engage in the unlicensed practice of law.
 5. Promptly disclose to client associations any actual or potential conflicts of interest that may involve the manager.
 6. Refuse to accept any form of gratuity or other remuneration from individuals or companies that could be viewed as improper inducement to influence the manager.
 7. Participate in continuing professional education and satisfy all requirements to maintain the CMCA.
- A violation of any of these standards may be grounds for administrative action and possible revocation of the CMCA certification.
- For additional information on the Standards of Professional Conduct, visit the website or contact the NBC-CAM office for the CMCA Standards of Professional Conduct Code Clarification document.



Standards

These standards are enforced through a process outlined in the Standards of Professional Conduct Enforcement Procedures. Contact the NBC-CAM office for a copy of the document or visit www.nbccam.org/program/standards.cfm.

To maintain and enhance the credibility of the NBC-CAM certification program, the Board has adopted procedures to allow consumers and others to bring complaints concerning a CMCA to the Board. In the event of a violation of the Standards of Professional Conduct, or of other substantive requirements of the certification process by a certificant, the Board may impose sanctions against the certificant. The grounds for sanctions under these procedures are as follows:

- Conviction of a felony or other crime of moral turpitude under federal or state law in a manner related to the practice of, or qualifications for, professional activity;
- Gross negligence or willful misconduct in the performance of professional services or other unethical or unprofessional conduct based on demonstrable violations of the NBC-CAM Standards of Professional Conduct;
- Fraud or misrepresentation in the application for or the maintenance of any professional membership, professional accreditation, or other professional recognition or credential; or
- Loss of a state license required to practice community association management.

2008 Activity CMCA Standards of Professional Conduct

Complaints	5
Hearing	1
Guilty Charges	1
Cases Pending	2



Professional

To help community managers, consumers and regulatory bodies interpret the CMCA Standards of Professional Conduct, NBC-CAM published the following Clarification for the Standards of Professional Conduct:

AUTHORITY

The Standards derive authority from NBC-CAM. NBC-CAM has established these standards of professional conduct for those individuals who hold the CMCA certification.

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.

Manager—a singular term which shall apply to all of the following persons providing or offering some form of property, financial, administrative or consulting services to one or more clients:

- A single practitioner functioning as a client employee, or
- A single practitioner employed by a firm contracted by one or more clients, or
- 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.

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.

AMPLIFICATION

The following information and examples are provided to further explain some of the seven tenets of the Standards.

1. 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 his/her actions in accordance with those laws.

Conduct

2. Be knowledgeable, comply and encourage clients to comply with the governing documents. 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 action.
5. Disclosure of any possible conflict of interest is critical. An example may be of assistance. A manager (individually or through a company) may have financial interest in 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. 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. NBC-CAM recommends managers not accept gifts and/or service-in-kind from vendors and/or contractors of any substantive value. Gifts worth less than \$50 are not viewed as having influence on a manager.
7. Continuing professional education requirements would be consistent with that manager's professional designation, if any, and the NBC-CAM redesignation requirements.

FUTURE

NBC-CAM may expand application of these Standards, and NBC-CAM reserves the right to update or amend both the CMCA Standards and this Clarification Document. Any such revision, update or amendment shall be promptly promulgated to those who achieve a CMCA and, after due notice, will apply to all members subject to the Standards.

DISCIPLINARY ACTION

After an internal investigation and hearing as provided in NBC-CAM's 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 NBC-CAM. The extent of such sanction shall be commensurate with the nature, severity and intent of the violation.

» Statement of Financial Position

Year Ending June 30:	2008	2007
Assets		
Cash	\$ 21,009	\$ 38,349
Investments	1,041,598	885,123
Accounts receivable	1,146	40
Prepaid expenses and other assets	2,040	2,040
Property and equipment	8,714	10,939
Total Assets	\$ 1,074,507	\$ 936,491
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 23,696	\$ 24,911
Deferred revenue	404,896	354,080
Total Liabilities	\$ 428,592	\$ 378,991
Net assets—unrestricted	645,915	557,500
Total liabilities and net assets	\$ 1,074,507	\$ 936,491

» Statement of Activities

Year Ending June 30:	2008	2007
Revenue		
Recertification fees	\$ 285,191	\$ 297,319
Certification fees	281,388	237,766
Other income	25,881	17,993
Investment income	(33,525)	76,504
Total revenue	\$ 558,935	\$ 629,582
Expenses		
Program services		
Exam administration	\$ 92,680	\$ 71,302
Legislative education	17,121	21,262
Newsletter	16,996	11,883
Marketing	5,688	18,157
Total program services	\$ 132,485	\$ 122,604
General and administration	338,035	309,940
Total expense	\$ 470,520	\$ 432,544
Change in net assets	88,415	197,038
Net assets, beginning of year	557,500	360,462
Net assets, end of year	\$ 645,915	\$ 557,500

NBC-CAM

National Board of Certification
for Community Association Managers

» Item Writing Committee

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Invest

Setting the standard of professionalism
for community associations nationwide

Future

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