



HOA Homefront

What To Look For In A Community Association Manager, Part II - Qualifications

By: Kelly G. Richardson

The last HOA Homefront column addressed the basic management options available to a Common Interest Development. [If you missed it, it is at HOAHomefront.com]. Once an association decides what type of management services to seek, how does one know who is qualified?

It is important to know that CID managers in California are completely unregulated. No license or minimum education is legally required to manage a CID.

How then can one know if someone who holds themselves out as a CID manager is truly qualified to do so? Management credentials are an important indicator of experience and commitment to the profession.

Business and Professions Code Section 11502 provides that one is a "Certified Common Interest Development Manager" after a minimum of thirty hours in education in specified topics from a professional association of CID managers. Section 11504 requires that an association's manager annually disclose whether or not the manager qualifies as "certified," and prohibits an unqualified manager from claiming to be certified.

Three professional associations of managers operate in California, educating and credentialing managers: Community Associations Institute ("CAI"); Institute of Real Estate Management ("IREM"); and California Association of Community Managers ("CACM"). Each offers education to management professionals, and awards certifications to those qualifying.

Based in Chicago and founded in 1933, IREM lists approximately 18,000 manager members nationwide, and offers education and credentials regarding all forms of management. Although its membership base is predominantly non-residential, about 3,700 of

its members hold a residential management credential known as the "Accredited Residential Manager (ARM)." The ARM requires five and one half full days (44 hours) of class work, in either rental property management or CID management, and IREM was unable to give a breakdown on how many ARM's are trained CID managers. However, the ARM does not qualify for "certified" status in California because it does not contain an emphasis on California's common interest development laws.

CACM was founded in 1991 by a group of veteran CID managers, and is based in Laguna Hills, California. CACM has about 2,100 managers statewide, of which over 1,500 hold CACM's credential, the Certified Community Association Manager ("CCAM"). The CCAM credential involves 34 hours of education, and qualifies a manager to call themselves "Certified" under state law.

The Community Associations Institute is based in Virginia, and consists of 58 chapters nationally, of which eight are in California. CAI has about 7,700 manager members and 1,600 management company members, out of a total membership of approximately 30,000. Founded in 1974, the organization emphasizes education for both homeowners and association managers.

CAI offers three individual manager credentials, "Certified Manager of Community Associations" (CMCA), "Association Management Specialist" (AMS), and "Professional Community Association Manager" (PCAM). In California, CAI also offers a full-day course on CID Law for Managers. Two and one half days of instruction are required, and about 9,000 managers hold this credential.

The AMS credential requires a CMCA credential, two years of management experience, and about two days more classes. There are about 4,500 AMS

managers nationwide. A manager with the AMS designation is "Certified" under California law after taking CAI's California law course.

The gold standard of management credentials is CAI's PCAM designation. This requires five years management experience, almost 100 total hours of classes, and the preparation of a two to three hundred page exhaustive case study of a major common interest development. There are presently only about 1,700 PCAM's nationwide, as only about 60% of applicants successfully achieve the PCAM on the first attempt. Larger or high profile properties may want to know if the manager is a PCAM or soon to be one.

When interviewing a management professional, inquire as to their credentials. If your manager does not currently hold any credentials, are they working on it? While not the only factor, the manager's dedication to professional education should be an important factor in your evaluation.

[For information, contact the organizations at irem.org, cacm.org, and caionline.org.]

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