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## How Detailed Should Managers' Reporting Be to a Condo/HOA Board?

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This article is part of an ongoing series in which we'll take your questions from the [HOAleader.com discussion forum](#) and get you the answers you need from experts who specialize in association management. If you have a question you need answered, [post it on the message board](#).

An [HOAleader.com reader asks](#), "Should the property manager let the board members know when they or another company will be on site? Should the property manager notify the board members of any and each time a resident contacts them? Is the property manager obligated to provide contact information for all in the community?"

These are interesting questions, but the broader issue might be what a board should expect in terms of manager reporting. Should it be as granular as this reader asks about? Or is that too much for a board to take on?

### Reader's Questions are Smart

We're glad to see our reader asking about this relationship because it's wise to make sure boards and managers are on the same page.

"The first thing a management company should do is to set expectations with the board," suggests Zuly Maribona, LCAM, the Bonita Springs, Fla.-based senior vice president and partner at KW Property Management who oversees the company's southwest Florida, Jacksonville, Orlando, Tampa, and North Carolina operations. "We have highly involved boards and those less involved, and it's important to know what everyone expects."

Be sure to get those expectations in writing, advises [Susan Hawks McClintic](#), managing shareholder and the chair of the community association transactional practice group at the law firm of Epsten APC in San Diego. "This will be different for different boards and different types and sizes of association," she notes. "The

bottom line is that every association and management company should clearly spell out the expected role of management in its contract.

"That way you've negotiated it and everybody is on the same page," states McClintic. "And boards change, but the contract doesn't change every single year. So when you have an organizational meeting, there should be a discussion. Just get it in writing so that everybody knows everybody's expectations. If there's a problem, you can pull out the contract and say, 'This is what we agreed.'"

Greg Smith, CMCA, AMS, PCAM, director of leadership development at Associa®, a community association management company headquartered in Northern California, agrees. That's why his short answer to our reader's questions is open ended. "The answer depends on the board's needs and the burden of reporting," he says.

Let's talk about each question separately.

### **Should the property manager let the board members know when they or another company will be on site?**

Our experts differ on the answer.

"I like my property managers to notify the president or a board member when we're on our way," explains Peter Gray, president of Pyramid Real Estate Group, which manages 4,000 units in Connecticut, and a real estate commissioner for the Connecticut Department of Consumer Protection.

"There are a lot of reasons for that," he states. "The board then knows we're doing our job, and we're getting credit for what we're actually doing. Also, if there's something board members want to show or tell us, or perhaps they just want to meet with us for five minutes, we can do that. It's a great way of handling customer management."

Maribona also thinks it's fine to ask managers to give such a heads up by agreement in advance. "We should let associations know, 'I visit the property on Tuesdays and Fridays,'" she suggests. "That's reasonable."

Smith has a slightly different take: "I wouldn't want to manage a community where I had to let the board know, 'I'm going to be on site today,'" he states. "But whatever the expectations are for management should be in the management agreement. If I'm supposed to be on site four times a month, unless you put in the contract that it needs to be on certain days, I don't want to be held accountable for not letting you know."

"The answer also depends on what's going on in the community," he adds. "Maybe the community trash day is Wednesday and the board wants the manager there on Thursdays. If so, that should be agreed on. So it should be generally agreed when the manager will be there but not required that the manager reach out and give notice."

### **Should the property manager notify the board members of any and each time a resident contacts them?**

Some managers sorta kinda do this, but they also don't want to be *required* to do it because it's both unnecessary and burdensome.

"What seems completely out of the norm is for a board to want to know everything about everything," says Maribona. "I think the board should be focused on the plan of the association, and the manager should be in charge of the day-to-day affairs. The board should be there to govern. Once a week, the board should get a day-to-day summary, but it's a summary, not a detailed list."

Gray follows a similar approach. "What we do, which I think is unique to us, is that every single Friday, every property gets a full report," he says. "We list: These are the things that happened, these are the things that are pending and how we've moved forward on them, and these are the things that are closed out. It might also say, 'I was there Tuesday, and I saw this person and did this and that.'

"Boards sometimes assume nothing is happening—that we're sitting at home eating bon bons—and the building is taking care of itself," he notes. "Managing an association is a tremendous amount of work, and I think property managers are robbing themselves by not reporting regularly."

But requiring that the manager report back every time any owner gets in touch? Smith says this could be a soul-crusher for a manager. "The more reporting requirements you insist on, the more difficult or less enjoyable it will be to manage the community," he says. "That's an engagement problem for a manager, and the quality of management might not be as good."

It's not that Smith hasn't done a version of this, but it's been less detailed and within his discretion. "I've done this before so I could demonstrate my value," he says. "I've had situations in which a board wasn't sure about the activity Associa® was putting forward, and I had to show that not only did I talk to people regularly, but so did my administrative staff."

"But boards need to be aware of what they're asking for," says Smith. "We can agree that you want me to report every time someone reaches out. But that will likely prevent me from focusing on other, potentially more important tasks. And if I'm a portfolio manager who's not on site, you may expect to pay more for that level of detail."

This type of request also probably isn't the best tone to set for a management-board relationship. "I suppose there could be situations in which that's called for," adds Smith. "But I personally don't think it's a good idea. I think it erodes trust. If the board gets to this level, it's micromanaging and there's a trust issue that has to be resolved. But I've used that tactic as a manager to proactively manage the trust level. It could be that this association has had too many managers over a period of time."

Gray agrees. "If a board member wants that level of input, typically they [prefer to be self-managed](#)," he states. "Most boards don't want that much info. They want to know if there's something of consequence or a problem that was raised. We can tell them this was the call, this was the problem, and this is how it was handled. What they don't want, in my experience, is to know about every single call—it will make them crazy."

When Gray gets a request that seems to ask for this level of detail, he politely suggests the board look elsewhere. "I say, 'It sounds like self-management might be a better option for your association. We have a product where we handle only the back office, and I think you'd be doing the association a disservice by having multiple people touching the same thing. You'd be paying for something you're already doing yourself.'

"We've had boards like that, and we've either fired them or they've left our company," he says. "That type of relationship isn't good for them, and it's not good for us."

**Is the property manager obligated to provide contact information for all in the community? This one's easy.**

"We have a law in California for that," says McClintic.

That's true in most states. "This is a [state law question](#)," says Smith. "Those will fall under the [definition of records](#) in state statutes. Does that information qualify as a record that must be or can be excluded from records requests? That's highly governed by state statute."