



# National Association of Residential Property Managers

## CRMC® DESIGNATION CANDIDACY CHECKLIST

Firm Name: \_\_\_\_\_

Type of Ownership (check one):  Corporation  LLC  Partnership  Sole Proprietorship

Address: \_\_\_\_\_

DBA's \_\_\_\_\_

Designated MPM® \_\_\_\_\_ Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Does this firm have multiple locations?  Yes  No If yes, how many locations? \_\_\_\_\_

List all locations: (A Branch Office Checklist must be completed for each branch location.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Are there employees/property managers who work out of their home?  Yes  No

# of accounts under management: \_\_\_\_\_

# of property managers in the firm: \_\_\_\_\_ # that are members of NARPM®? \_\_\_\_\_

List each with NARPM® Designations after each name:

_____	_____
_____	_____
_____	_____
_____	_____

Auditor: \_\_\_\_\_ Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

### General Instructions:

The auditor shall determine personally that the applicant company meets the specified minimums of professional criteria in each area of the audit. The firm must provide auditor with state's license laws and Landlord/Tenant laws, with portions highlighted pertaining to the management contract and rental/lease agreement requirements. The firm must provide the location of all offices that provide property management services under the name of the firm; the location of the bookkeeping department; and a copy of pertinent documents for Insurance, Employee Manual, Policies and Procedures, and the firms Organizational Chart. The auditor should verify both the written procedures and the actual work practices of the company by conducting staff interviews and by inspection of the office(s). The purpose of interviews is to verify that the policies and procedures have been put into actual practice.



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#### Scoring:

Items noted with (\*\*) must pass or the entire audit will fail.

Auditor should rate each item and score one (1) point for each line that meets the stated requirement and zero (0) for each item that does not pass. If a particular item does not apply to the subject firm due to state or local laws, size of the company, or some other acceptable reason, the item can be marked "N/A" (Not Applicable) and that item can be ignored for the purposes of scoring.

Within each category, add up the number of total items considered (excluding those marked "N/A"). Next, add up the number of items that passed. Then divide the number passed by the total items considered to arrive at a percentage. Note your figures on the audit form. Every category must have a pass rate of 90% of the items considered for the audit to pass.

CRMC<sup>®</sup> Designation Checklist – Revised 5/29/2008

#### I. MAIN OFFICE Address: \_\_\_\_\_

##### A. Proper Office Organization /Documents/Computers

- 1. Adequate workstations for staff.
- 2. Voice mail/messaging system.
- 3. Telephone/communication/intercom system.
- 4. Client/customer greeting area.
- 5. Meeting/conference area for clients/customers.
- 6. Mail/information flow.
- 7. Organized company forms/contracts/support materials.
- 8. Organized office supplies.
- 9. Office equipment adequate and organized.
- 10. Secure key storage system. \*\*
- 11. Secure files for tenants/owners personal data. \*\*
- 12. Existence of secure, complete and organized files for all properties. \*\*
- 13. Documentation of all communications regarding properties.
- 14. Documentation for all property expenses and maintenance. \*\*
- 15. Efficient and organized filing system. May be paperless. \*\*
- 16. Personnel files in a secure location. \*\*
- 17. Neat, clean, orderly, and organized offices with professional appearance.
- 18. Staff workstations that are separate from client/customer meeting areas.
- 19. Storage and break areas.
- 20. Fair Housing Opportunity Poster displayed. \*\*
- 21. Adequate equipment relative to staff.
- 22. Word processing software.
- 23. Database software.



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- 24. Company financial software.
- 25. Accounting software.
- 26. Computer security and regular back-up system. \*\*
- 27. Web site provides accurate information including contacts and vacancies.

**Comments:** \_\_\_\_\_

# of Items counted in this section: \_\_\_\_\_ # Items Passed: \_\_\_\_\_ Percentage Passed \_\_\_\_\_ (must be 90% or more)

#### II. STAFF

##### A. Hiring

- 1. Procedures are in place for hiring.
- 2. Procedures are in place for interviewing.
- 3. Procedures are in place for compensation.
- 4. Procedures are in place for explaining the purpose, function, and scope of each job.

##### B. Professional Staffing

- 5. Plan for determining appropriate staff size is in place.
- 6. Employees/Independent Contractors provide adequate documentation to support payroll/commissions.
- 7. Plan for growth is in place.
- 8. Staff is licensed as required by the state. \*\*

##### C. Ongoing Training Program

- 9. Staff meetings are held on a regular basis.
- 10. Changes in procedures, policies, and laws are clearly communicated to staff.
- 11. Staff is trained in Fair Housing at least annually. \*\*
- 12. Staff is trained on diversity and sexual harassment if required by law.

**Comments:** \_\_\_\_\_

# of Items counted in this section: \_\_\_\_\_ # Items Passed: \_\_\_\_\_ Percentage Passed \_\_\_\_\_ (must be 90% or more)

#### III. OFFICE MANUAL(S) AND PROPERTY MANAGEMENT OPERATIONS



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#### A. Employees

- 1. Job Descriptions.
- 2. Employment policies.
- 3. Commission and/or wage and salary policies.
- 4. Employee benefits.
- 5. Employee Communications.
- 6. Employee health and safety.
- 7. Standards of conduct and corrective action.
- 8. Sexual harassment policy.
- 9. Conflict of interest policy.
- 10. Fair housing policy.
- 11. Job review procedures.
- 12. Termination procedures.
- 13. Dress code.
- 14. Dispute resolution system.
- 15. Vacation and personal leave policies.
- 16. Insurance policy for vehicles (additional insured for use during work hours).
- 17. Use of company vehicles and/or equipment.
- 18. Confidentiality statement.

#### B. Office Policy and Procedures

- 19. Mission Statement(s).
- 20. Organizational Chart.
- 21. Fair Housing Procedures.
- 22. Lead based paint procedures.
- 23. References to State Landlord/Tenant Law.
- 24. Advertising Procedures.
- 25. Telephone use.
- 26. Equipment use.
- 27. Office hours.
- 28. Holidays.
- 29. Emergencies.
- 30. Injury reduction procedures as required by state law.

#### C. Rental Policies

- 31. Rental call handling/screening.
- 32. Property showing procedures.
- 33. Safety during showings procedure.



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- 34. Written tenant selection policy.
- 35. Processing rental applications.
- 36. Application security and retention.
- 37. Application disclosure of processing policies.
- 38. Application screening procedures.
- 39. Application acceptance and rejection procedures.
- 40. Written security deposit and rental terms policies in compliance with state laws.
- 41. Lease signing procedure.
- 42. Lease document package.
- 43. Lead based paint compliance.
- 44. Smoke detector compliance.

#### D. Key Systems and Policies

- 45. Coding and labeling of keys to promote security..
- 46. Limited staff access to keys.
- 47. Logging and tracking of keys.
- 48. Written policy regarding key control.

#### E. Accounting Policies

- 49. Procedure for handling of cash and other receipts.
- 50. Procedures for handling of payables and invoices.
- 51. Compliance with state's requirement for regular reporting.\*\*
- 52. Statements sent to owners contain a summary of all income, expenses, and balance for each property.
- 53. Reports are reviewed by property manager for accuracy.
- 54. Owner and Tenant accounting records maintained per state law.\*\*
- 55. Reimbursement procedures for employee purchases on behalf of company and clients.
- 56. Monthly reconciliation of Trust/Owner accounts.
- 57. Security deposit handling procedures.
- 58. If online, owner statements are password protected.\*\*

#### F. Maintenance and Repairs

- 59. Work requests tracking.
- 60. Emergency procedures.
- 61. Follow up procedures.
- 62. Invoice receipt and approval procedures.
- 63. Verification of vendors licensing, bonds, liability and workers compensation insurance.

#### G. Other Policies and Procedures



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- 64. Collection procedures.
- 65. Eviction procedures.
- 66. Move in/move out procedures.
- 67. New account procedures.
- 68. Customer dispute resolution system.
- 69. Property inspection procedures.
- 70. Habitability standards.
- 71. Death of a tenant procedure.

**Comments:** \_\_\_\_\_

# of Items counted in this section: \_\_\_\_\_ # Items Passed: \_\_\_\_\_ Percentage Passed \_\_\_\_\_ (must be 90% or more)

#### IV. CLIENT AND CUSTOMER CONTRACTS/AGREEMENTS

##### A. Management Agreement

- 1. Gives firm authority to act as agent.\*\*
- 2. Requires owner to maintain property and liability coverage or to acknowledge they are self insured.\*\*
- 3. Requests owner to add firm as an additional insured on the property liability policy.
- 4. Includes hold harmless clause in favor of firm.\*\*
- 5. Agreement is in compliance with state laws.\*\*
- 6. Discloses that owner funds are separate from firm funds.\*\*
- 7. States how often accounting statements will be provided to owner.\*\*
- 8. Sets limit for maintenance expenses.
- 9. Lists all fees and how those fees are determined.\*\*
- 10. Discloses interest in other companies.\*\*
- 11. Provides for cancellation of contract.

##### B. Lease/Rental Agreement

- 12. Shows firm/manager as agent for the owner.
- 13. Owner is disclosed as landlord.
- 14. Describes conditions for return of the security deposit and where the deposit is held.
- 15. Includes lead based paint disclosure, where applicable, and booklet given to tenant.
- 16. Includes disclosure regarding liability insurance.
- 17. Includes responsibility division in regards to maintenance.
- 18. Includes responsibility for checking smoke detectors.
- 19. Agreement is in compliance with state laws.\*\*
- 20. States the term and rental rate.
- 21. Includes pet policy when applicable.



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- 22. Includes names of all occupants.
- 23. Copy of lease and all signed documents given to tenant and maintained by firm.\*\*
- 24. Copy of any legal ruling documents provided to tenant (HOA Rules).
- 25. Copy of property condition report given to tenant and maintained by firm.\*\*
- 26. Security deposit refund determination and supporting documentation sent to tenant meet requirements.

**Comments:** \_\_\_\_\_

# of Items counted in this section: \_\_\_\_\_ # Items Passed: \_\_\_\_\_ Percentage Passed \_\_\_\_\_ (must be 90% or more)

#### V. PROPERTY MANAGERS/AGENTS THAT WORK OUT OF THEIR HOME

- 1. Do they have a copy and/or access to Firm Policies and Procedures?
- 2. Are contracts/rental lease agreement reviewed by broker/manager on a timely basis?
- 3. Is all documentation stored at the main office?
- 4. Key handling.
- 5. Do supervision forms exist?

**Comments:** \_\_\_\_\_

# of Items counted in this section: \_\_\_\_\_ # Items Passed: \_\_\_\_\_ Percentage Passed \_\_\_\_\_ (must be 90% or more)

#### VI. FIRM

##### A. Insurance

- 1. Company Liability Insurance.\*\*
- 2. Auto Insurance for firm owned vehicles.
- 3. Non-owned auto coverage verification policy.
- 4. Workers compensation.
- 5. Maintenance liability.

##### B. Tax Compliance

- 6. Firm/division financial statements.
- 7. Filing system for state and federal tax returns.
- 8. Verification of 1099 reporting compliance on client's rental and other income.

**Comments:** \_\_\_\_\_

# of Items counted in this section: \_\_\_\_\_ # Items Passed: \_\_\_\_\_ Percentage Passed \_\_\_\_\_ (must be 90% or more)

#### VII. VACANT PROPERTY INSPECTION (One Property That Is For Rent)



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Address: \_\_\_\_\_

Date of Inspection: \_\_\_\_\_

- \_\_\_ 1. Keys are secure at office or at property in a secure lock box.
- \_\_\_ 2. Property is on the Company Availability List.
- \_\_\_ 3. Review vacant property advertising.
- \_\_\_ 4. Property clean and ready to lease.
- \_\_\_ 5. A working smoke detector is in place.
- \_\_\_ 6. Property is secure and all windows lock.

Comments: \_\_\_\_\_

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#### VIII. INTERVIEWS OF STAFF AND NARRATIVE SUMMARY *(use interview form for each interview, next page)*

- \_\_\_ 1. MPM<sup>®</sup> Name: \_\_\_\_\_
- \_\_\_ 2. Staff Name/Title: \_\_\_\_\_
- \_\_\_ 3. Staff Name/Title: \_\_\_\_\_
- \_\_\_ 4. Staff Name/Title: \_\_\_\_\_
- \_\_\_ 5. Staff Name/Title: \_\_\_\_\_
- \_\_\_ 6. Narrative summary of entire audit including this checklist and interviews. (attach)
- \_\_\_ 7. Photos of office(s). (up to 5x7)
- \_\_\_ 8. Photo of staff. (up to 5x7)

Comments: \_\_\_\_\_

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The purpose of staff interviews is to determine if the written policies and procedures are put in practice by the office staff. The interviews should be short, no longer than 10 minutes. Make certain that the staff member being interviewed knows that the purpose of the audit is not to evaluate their job performance and that the results will not be used by NARPM<sup>®</sup> for anything other than an evaluation of general office policy and procedures. Interview a maximum of four staff members plus the office MPM<sup>®</sup>. Use a separate page for each interview.

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Length of time at this position: \_\_\_\_\_

Is this person aware of a written job description for the work they perform?  Yes  No

Does this person attend any regular office meetings for training?  Yes  No

Does this person have access to an office policy and procedures manual?  Yes  No

What are main duties that this person is responsible for: \_\_\_\_\_

Ask this staff member to comment on the level of professionalism that the company provides its owners and tenants:





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**XI. BRANCH OFFICE** *(complete only if applicable, one sheet for each location)*

A. Proper Office Organization /Documents/Computers

- 1. Adequate workstations for staff.
- 2. Voice mail/messaging system.
- 3. Telephone/communication/intercom system.
- 4. Client/customer greeting area.
- 5. Meeting/conference area for clients/customers.
- 6. Mail/information flow.
- 7. Organized company forms/contracts/support materials.
- 8. Organized office supplies.
- 9. Office equipment adequate and organized.
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\_\_\_ 27. Web site provides accurate information including contacts and vacancies.

#### B. Staffing and Supervision

\_\_\_ 28. At least one NARPM<sup>®</sup> Member at this location.\*\*

\_\_\_ 29. Broker/manager reviews all documents and provides oversight.

**Comments:** \_\_\_\_\_

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