



# National Association of Residential Property Managers CRMC<sup>®</sup> Designation Candidacy Checklist

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

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

Doing Business As (DBA's): \_\_\_\_\_

Designated MPM<sup>®</sup> \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_

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

*If yes, a Branch Office Checklist list must be completed for each branch location.*

Number of accounts under management \_\_\_\_\_ Number of Property Managers in Firm \_\_\_\_\_

Number of NARPM<sup>®</sup> members in Firm \_\_\_\_\_ List each with NARPM<sup>®</sup> Designations after each name:

_____	_____
_____	_____
_____	_____
_____	_____

## General Instructions:

- The auditor shall determine personally that the applicant company meets specified minimums of professional criteria in each area of the audit.
- The firm must provide the auditor with state's license and Landlord/Tenant laws with portions highlighted pertaining to the management contract and rental/lease agreement requirements.
- If a line item references compliance with a state or federal law a letter from your attorney signifying compliance will be required.
- A letter from your CPA will be required to verify accounting 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 the pertinent documents for Insurance, Employee Manual, Policies and Procedures, and the firms Organization
- Chart. The auditor should verify both the written procedures and 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 practice in the office(s).
- Please highlight relevant policies and provide page numbers of items as they relate to your Policies and Procedures documentation provided for each verification requested.

Scoring:

- Items noted with an (\*\*) must pass for the entire audit will fail.
- Auditor will rate each item and score (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 omitted for the purposes of scoring.
- Within each category, add up the number of total items considered (excluding those marked "N/A"). The auditor will add up the number of items passed, and then divide the number passed by the total items considered to determine the percentage. Every category must have a pass rate of 90% of the items considered for the audit to pass.

## CRMC® ® Designation Candidacy Checklist

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### I. Main Office:

- A. Office Structure (Please upload outline of office structure) Check all that apply:
1. Adequate workstations for staff. (Provide pictures or summary description)
  2. Voicemail/messaging system. (Written description of how voice-mails and phone calls are handled.)
  3. Client/customer greeting area. (Provide picture)
  4. Meeting conference area for clients/customers. (Provide picture)
  5. Mail flow. (Provide description of mail flow)
  6. Filing system for company forms/contracts/support materials. (Provide written description of system)
  7. Store of office supplies. (Provide picture)
  8. How are communications regarding properties handled? (Provide description)  
Page#\_\_\_\_\_
  9. What is your documentation for all property expenses and maintenance.\*\*  
Page#\_\_\_\_\_
  10. Neat, clean, orderly, and organized office(s).
  11. Staff workstations that are separate from conference/client/customer meeting areas. (Supply picture)
  12. Employee/staff break area(s). (Provide Picture)
  13. Fair Housing Opportunity Poster displayed prominently in greeting area.\*\* (Supply Picture)
  14. Database software. Name of software:\_\_\_\_\_
  15. Company financial software. Name of software: \_\_\_\_\_
  16. Accounting software. Name of software:\_\_\_\_\_
  17. Computer security and regular back-up system. (Provide description of policy in place or highlight and provide page number in Policy and Procedure Manual.)  
Page#\_\_\_\_\_

### II. Staff: Employee Policies (Upload Employee Policies and Procedures. Highlight corresponding sections and provide the page number in the manual.) Check all that apply:

#### A. Hiring

1. Description of procedures are in place for hiring. Page#\_\_\_\_\_
2. Description of procedures are in place for interviewing. Page#\_\_\_\_\_
3. Is criminal background check completed before hiring? \_\_\_\_\_ Yes \_\_\_\_\_ No Page#\_\_\_\_\_

#### B. Staffing

4. What is your staff to unit ratio? Staff \_\_\_\_\_ Units \_\_\_\_\_ = Ratio \_\_\_\_\_

5. Employees/Independent contractors provide documentation to support payroll/commissions. Page# \_\_\_\_
6. What is your company structure: portfolio, departmental, or hybrid? Page# \_\_\_\_

C. Employees

7. Job descriptions. \_\_\_\_ Page#
8. Employment policies. \_\_\_\_ Page#
9. Commission and/or wage and salary policies. \_\_\_\_ Page#
10. Employees' benefits. \_\_\_\_ Page#
11. Employee health and safety. \_\_\_\_ Page#
12. Standards of conduct and corrective action. \_\_\_\_ Page#
13. Sexual harassment policy. \_\_\_\_ Page#
14. Conflict of interest policy. \_\_\_\_ Page#
15. Fair housing policy. \_\_\_\_ Page#
16. Job review procedures. \_\_\_\_ Page#
17. Dress code. \_\_\_\_ Page#
18. Dispute resolution system. \_\_\_\_ Page#
19. Vacation and personal leave policies. \_\_\_\_ Page#
20. Commercial insurance policy for company vehicles and staff used vehicles. \_\_\_\_ Page#
21. Use of company vehicles and/or equipment. \_\_\_\_ Page#
22. Confidentiality statement. \_\_\_\_ Page#

D. Ongoing Training Program

23. Staff meetings are held on a regular basis. (Monthly)
24. Outline process by which changes in procedures, policies, and laws are clearly communicated with staff.
25. Staff is trained in Fair Housing at least annually\*\*
26. Does staff receive Ethics training annually, if required by state law?

**III. Office Manual(s) and Property Management Operations (Please upload Office Policies and Procedures, highlight and label corresponding items) Check all that apply:**

A. Office Policy and Procedures

1. Mission statement(s) \_\_\_\_ Page#
2. Organizational chart \_\_\_\_ Page#
3. Fair Housing procedures \_\_\_\_ Page#
4. Lead base paint disclosures in compliance with federal and state guidelines. \*\*
5. "Renovate Right" protocol in compliance with federal and state guidelines. \*\*
6. EPA vendor protocol in compliance with federal and state guidelines. \*\*
7. Adherence to State Landlord/Tenant Law \_\_\_\_ Page#
8. Advertising procedures \_\_\_\_ Page#
9. Telephone use \_\_\_\_ Page#
10. Office hours \_\_\_\_ Page#

11. Holidays \_\_\_\_ Page#
12. Emergencies \_\_\_\_ Page#
13. Injury reduction procedures if required by state law \_\_\_\_ Page#

B. Rental Policies (Please upload Rental Policies if not included in Policies and Procedures)

\_\_\_\_ Check here if these items are included in the P&P Manual) Check all that apply:

14. Rental call handling/screening. \_\_\_\_ Page#
15. Property showing procedures. (Provide description of the process) \_\_\_\_ Page#
16. Safety during showings procedure. \_\_\_\_ Page#
17. Written tenant selection policy. \_\_\_\_ Page#
18. Application security and retention. \_\_\_\_ Page#
19. Disclosure of application screening criteria to applicants. \_\_\_\_ Page#
20. Application screening procedures. (Provide decision making process.) \_\_\_\_ Page#
21. Application acceptance and rejection procedures. (Adverse Action protocol)\*\*  
\_\_\_\_ Page#
22. Written security deposit policies in compliance with state laws. \_\_\_\_ Page#
23. Lease signing procedure. \_\_\_\_ Page#
24. Provide an example of a lease document package. \_\_\_\_ Page#
25. Lead based paint documents and process for tenants in accordance with state and federal guidelines. \_\_\_\_ Page#
26. Smoke detector/Carbon Monoxide Detector compliance with state and local ordinance. (Provide copy of local/state code)
  - a. Describe your process to make sure smoke/CO detector in accordance with ordinances and local habitability code. \_\_\_\_ Page#

C. Key Systems and Policies

27. Secure key storage system.\*\* (Provide picture and description of process) \_\_\_\_ Page#
28. Secure files for tenants/owners personal data. (Description of system.) \_\_\_\_ Page#
29. File cabinets should be locked if file cabinets are not in a secure storage room.  
\_\_\_\_ Page#
30. Desktop computers and laptops should have required login password for access.  
\_\_\_\_ Page#
31. Logging and tracking of keys. \_\_\_\_ Page#
32. Written policy regarding key control. \_\_\_\_ Page#

D. Files/Office/Device Security

33. Efficient and organizing filing system. Maybe paperless.\*\* (Provide picture and description)
34. Personnel files in a secure location.\*\* (Provide picture)
35. Passwords for lock screens for cell phones, Ipad, etc.\*\* (Provide copy of policy)
36. How are security codes tracked? Provide a copy. \_\_\_\_ Page#
37. Do computers/laptops have a sleep time/lock screen time? \_\_\_\_ Yes \_\_\_\_ No  
\_\_\_\_\_ Time frame that lock screen will engage?

E. Accounting Policies

- 38. Procedure for handling of cash and other receipts. \_\_\_\_ Page#
- 39. Procedures for handling of payables and invoices. \_\_\_\_ Page#
- 40. Compliance with state requirement for regular reporting. \*\* \_\_\_\_ Page# (Provide copy of state requirement compliance.)
- 41. Statements sent to owners contain summary of all income, expenses, starting, and ending balances for each property. \_\_\_\_ Page#
- 42. Reports are reviewed for accuracy. Who reviews owner reports in your company? \_\_\_\_\_ Title of Reviewer \_\_\_\_ Page#
- 43. Owner, Tenant, and Company accounting files are maintained and stored per a required time in accordance with state and federal rules. \_\_\_\_\_ How long are you required to hold documents? \*\* \_\_\_\_ Page#
- 44. Reimbursement procedures for employee purchases on behalf of the firm and clients. \_\_\_\_ Page#
- 45. Monthly "three way" reconciliation of Trust/Owner/Security Deposit accounts. \_\_\_\_ Page#
- 46. Security deposit handling. \_\_\_\_ Page#
- 47. If online, owner statements are password protected. \*\* \_\_\_\_ Page#
- 48. Company operating account, trust/rent payment and security deposit accounts are set up and labeled in compliance with state and regulatory body. \_\_\_\_ Page# (Provide a copy of state policy)

F. Maintenance and Repairs

- 49. Work requests tracking. \_\_\_\_ Page#
- 50. Emergency procedures. \_\_\_\_ Page#
- 51. Follow-up procedures. \_\_\_\_ Page#
- 52. Invoice receipt and approval procedures. \_\_\_\_ Page#
- 53. Verification of vendors licensing, bonds, liability, and workers compensation insurance is in compliance with state requirements. \_\_\_\_ Page#(Provide copy of state policy)

G. Property Managers that work out of their homes

- 54. Do they have a copy and/or access to Firm Policies and Procedures? \_\_\_\_ Yes \_\_\_\_ No
- 55. Are contacts/rental lease agreements reviewed by broker/manager on a routine timely basis? \_\_\_\_ Yes \_\_\_\_ No \_\_\_\_\_ Time Frame
- 56. Is all documentation stored in the main office? \_\_\_\_ Yes \_\_\_\_ No
- 57. Key handling process. \_\_\_\_ Page# (Provide summary of process)
- 58. Do supervision/system oversight forms exist? (Provide summary of policy) \_\_\_\_ Page#
- 59. Is there a policy requiring security outside the office for computer passwords, paper work at their homes, etc. \_\_\_\_ Yes \_\_\_\_ No \_\_\_\_ Page#

H. Other Company Policies and Procedures

- 60. Collection procedures. \_\_\_\_ Page#
- 61. Eviction procedures. \_\_\_\_ Page#
- 62. Move in/move out procedures. \_\_\_\_ Page#
- 63. New account procedures. \_\_\_\_ Page#
- 64. Customer dispute resolution system. \_\_\_\_ Page#
- 65. Property inspection procedures. \_\_\_\_ Page#
- 66. Habitability standards. \_\_\_\_ Page#

67. Death of tenant procedure. \_\_\_\_ Page#

**IV. Client and Customer Contracts/Agreements (Please upload all forms and contracts) Check all that apply:**

**A. Management Agreement**

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

**B. Lease/Rental Agreement (Upload copy of lease agreement)**

12. Shows firm/manager as agent for the owner. \_\_\_\_ Page#
13. Owner is disclosed as landlord.\*\* \_\_\_\_ Page#
14. Describes conditions for return of the security deposit and where the deposit is held. \_\_\_\_ Page#
15. Includes lead based paint disclosure, where applicable, and booklet given to tenant. \_\_\_\_ Page#
16. Includes disclosure regarding liability of insurance. \_\_\_\_ Page#
17. Includes responsibility division in regards to maintenance. \_\_\_\_ Page#
18. Includes responsibility for checking smoke detectors. \_\_\_\_ Page#
19. Agreement is in compliance with state laws. \_\_\_\_ Page# (Provide letter from attorney)
20. States the term and rental rate. \_\_\_\_ Page#
21. Includes pet policy when applicable. \_\_\_\_ Page#
22. Includes names of all occupants. \_\_\_\_ Page#
23. Copy of lease and all signed documents given to tenant by firm.\*\* \_\_\_\_ Page#
24. Copy of any legal ruling document provided to tenant.(HOA Rules) \_\_\_\_ Page#
25. Copy of any property condition report given to tenant and maintained by firm.\*\* \_\_\_\_Page#
26. Security deposit refund determination and supporting documentation sent to tenant meet state requirements.

**V. Firm**

**A. Insurance (Please upload Policies) Check all that apply:**

1. Company Liability Insurance.\*\* \_\_\_\_ Page#
2. Auto Insurance for firm owned vehicles. \_\_\_\_ Page#
3. Non-owned auto coverage verification policy. \_\_\_\_ Page#
4. Workers compensation. \_\_\_\_ Page#

5. Maintenance policy. \_\_\_\_ Page#
  6. Provide copy of contents policy. \_\_\_\_ Page#
- B. Tax Compliance Check all that apply:
7. Firm/division financial statements. (Please provide a current company statement)
  8. Filing system for company state and federal tax returns. \_\_\_\_ Page# (Please provide description of system)
  9. Verification of 1099 reporting compliance on client's rental and other income.
  10. Verification of providing tenant CRP's (certificate of Rents Paid) is provided to tenants. (MN/WI)



## CRMC® ® Designation Audit Checklist

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### Branch Office

CRMC® Companies located in different localities such as franchises and multi-branch office where the designated MPM® on staff has or does not have direct oversight of offices and where there is not at least NARPM member at the location.

How many branches does the Firm Operate? Please list location addresses: (One for each location)

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- VI. Branch Office *(Complete only if applicable, upload one sheet for each location.)*
- A. Proper Office Organization/Documents/Computer
1. Adequate workstations for staff.
  2. Voicemail messaging system.
  3. Telephone/communication intercom system.
  4. Client/customer greeting area.
  5. Meeting/conference area for client/customers.
  6. Information/communication process with main office.
  7. Organized company forms/contracts/support materials.
  8. Organized office supplies.
  9. Office equipment adequate and organized.
  10. Secure key storage system. \*\*
  11. Existence of secure complete and organized files for all properties.
  12. Documentation of all communications regarding properties.
  13. Efficient and organized filing system. May be paperless. \*\*
  14. Neat, clean, orderly and organized offices with professional appearance.
  15. Staff workstations are separate from client/customer meeting areas.
  16. Storage and break areas.
  17. Fair Housing Opportunity Poster displayed. \*\* (Provide picture)
  18. Adequate equipment relative to staff.
  19. Database software \_\_\_\_\_ Provide name of software.
  20. Company financial software \_\_\_\_\_ Provide name of software.
  21. Accounting software \_\_\_\_\_ Provide name of software
  22. Computer security in compliance with company policy and procedures.
  23. Computer regular back-up system in compliance with company policy and procedures.
  24. Website provides accurate information including contacts and vacancies.

B. Staffing and Supervision

25. At least one NARPM Member at this location.\*\* (Provide picture of member plaque displayed)
26. Broker/manager reviews all documents and provides oversight. (Provide summary of policy)