

<b>Management Requirement</b>	<b>Scope of Contractual Services Available to Community Association Clients</b>	<b>Typically Included in Flat Fee</b>	<b>Not Usually Included in Flat Fee (Variable Rate by Community)</b>
<b>Attendance at Board Meetings</b>	Manager shall attend up to ( ) _____ regular Board meetings every quarter as may be directed by the Board. Manager has no obligation to attend regular Board meetings on holidays or for more than _____ ( ) hours for any single meeting. The Board shall give Manager reasonable advance notice of such meetings and make an effort to accommodate any conflict in Manager's schedule.	Yes. However, the requirements of the Board will have a direct impact on fees for services in the basic flat fee.	
<b>Attendance at Committee Meetings</b>	Manager shall attend ( ) _____ committee meetings per year or such lesser number as the Board may direct. Manager shall not be obligated to attend meetings on weekends or holidays or for more than ( ) _____ hours for any single meeting.		No. However, the requirements of the Board will have a direct impact on fees for services in the basic flat fee.
<b>Preparation of Board and Annual Meeting Minutes</b>	Manager shall take minutes and prepare a record of action taken at Board, general membership and annual meetings pursuant to this Agreement, and shall maintain a chronological file of all duly adopted minutes and resolutions.	Yes	
<b>Preparation Meeting Notices, Agendas &amp; Coordination of Venues as appropriate</b>	Manager shall schedule, notice and coordinate the Board, general membership meetings, and Annual Meetings and shall prepare necessary materials such as notices, agendas, reports, ballots, proxies and similar items. Manager shall prepare and distribute Board Packets and supplementary materials at least ten (10) days prior to a meeting, either by US Mail or by email in electronic format.	Yes	
<b>Owner Roster</b>	Manager shall maintain a current roster of the names and addresses, and to the extent they are available, the telephone numbers and email addresses of all unit owners.	Yes	
<b>Correspondence</b>	Manager shall receive and review ASSOCIATION correspondence, and shall prepare and dispatch such correspondence as may be appropriate for the occasion.	Yes	
<b>Record &amp; File Maintenance</b>	Manager shall maintain the corporate records and corporate functional files relating to the operations and management of the ASSOCIATION as required by law. <b>American Management Services, Inc will convert all paper to electronic PDF document (Portable Document Format) that will be maintained on a secure internal network that is backed up daily to an off site location.</b>	Yes	
<b>Financial &amp; Report Preparation</b>	Manager shall respond to demands from outside agencies, which will include the individual homeowner, for disclosure documents, financial certifications and documents relating to the sale of a unit in accordance with California Civil Code Section 1368.	No	

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<b>Documents to Prospective Purchaser</b>	Upon written request of a unit owner who has contracted to sell his community association interest and as required by California Civil Code Section 1368, manager shall, within 10 days of the mailing or delivery of the request, provide such owner with such information or documentation as the owner may be entitled under California Civil Code Section 1368.	No	Per contract schedule
<b>Emergency Services</b>	Manager shall have in effect and provide for after-hour answering and/or emergency assistance service as may be necessary for the health, safety and well being of the occupants of the Association.	No	Manager's hourly rate of \$150.00
<b>Rule Enforcement</b>	Manager shall assist the Board in enforcing the Project Documents by conducting necessary site inspections, generating enforcement letters per the Board's enforcement policy and the governing documents and assist the Board in conducting the necessary hearings. Unless held in conjunction with Board Meetings, hearings will be charged to the Association at the Manager's rate.	Yes, but with qualification. See detailed notes.	
<b>Insurance Liaison</b>	Manager shall obtain and submit an insurance program for Board review, and provide liaison services with ASSOCIATION insurance brokers and/or agents. Manager does not engage in claims administration.	Yes, but with qualification. See detailed notes.	
<b>Hours of Operation</b>	Manager shall maintain normal office hours Monday through Friday (expect holidays) for communications related to ASSOCIATION business, and shall provide a 24-hour emergency telephone number and/or answering service.	Yes	
<b>Ordinary Maintenance/Repair of Common Area</b>	Manager shall schedule and monitor maintenance and repair of the common area, including the following; common area structures, streets, walks, and gutters; pool(s); spa(s) sauna(s) and related equipment; painting; plumbing; janitorial services; trash collection; garage/carports; and landscape areas.	Yes	
<b>Major Repairs/Alterations of Common Area</b>	Any repairs, structural changes, alterations or additions to the common area, or any portion thereof, that requires an expenditure of more than \$500 shall be deemed major repairs/alterations and require specific Board authorization.	Yes	
<b>Contract Administration</b>	The Manager, at the request of the Board, and in accordance with the terms of the management contract, shall obtain competitive bids for the work and submit them to the Board for their action. The Board shall then decide upon the company or professional to hire to do major repairs. Manager shall coordinate and monitor the work in progress, but shall not supervise or be responsible for the satisfactory completion of the work. The Board shall hire a construction supervisor, if appropriate, and that party shall supervise and ensure satisfactory completion of the work.	No	Manager's hourly rate of \$125.00

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<b>Equipment and Property Accountability</b>	The Manager, shall maintain an inventory of all ASSOCIATION property with complete records regarding the acquisition and disposition of property.	<b>Yes</b>	
<b>Service Orders</b>	The manager shall prepare and implement a system to receive and respond to work order requests from owners and shall report in writing on the status of the requests and work in progress to the Board on a periodic basis.	<b>Yes</b>	
<b>Site Inspection</b>	Manager shall make _____ ( ) routine site inspection(s) per month covering the entire common area.	<b>Yes</b>	
<b>Periodic Building/Amenity Inspection Report</b>	Periodically, the Manager shall prepare a written review of building/amenity inspection conditions and report recommended maintenance and repairs for the Board's consideration.	<b>Yes</b>	
<b>Assessment Collection</b>	Management shall cause to be prepared and mailed assessment billing coupons to the membership as the Board may direct, and shall bill the owners, as necessary, for other assessments, fees and charges levied by the Association. Manager shall cause the collection and, as necessary, the receipt for all assessments, fees, charges or other income received by the Association.	<b>Yes</b>	
<b>Deposit of Collections</b>  <b>(NOTE – Not Applicable for Direct Deposits)</b>	If processed manually, Management shall deposit all assessment funds collected locally into the appropriate ASSOCIATION account(s) within three (3) business days of receipt. Otherwise, Assessments collected will be processed through a bank lockbox where they will immediately begin to collect interest. Homeowners are also encouraged to utilize the auto payment method call ACH or EFT. Management shall also maintain the records of the ASSOCIATION'S interest bearing reserve accounts pursuant to a reserve study and the ASSOCIATION'S Adopted Investment Policy, or as may otherwise be directed by the Board.	<b>Yes</b>	
<b>Delinquency Follow-Up</b>	Manager shall be responsible for collecting delinquent assessments and other charges in accordance with the policies and procedures Adopted by the Board Annually for the Association. Manager shall cause delinquent assessment records to be maintained, and shall submit to the Board on a monthly basis, an accounts receivable assessment listing that ages all outstanding assessments. Manager shall act as liaison between the Board and a collection service to provide the information and records necessary to pursue collection of delinquent accounts. Management charges an additional fee for costs associated with participating in any collection action that is equal to the late fees assessed to the delinquent homeowners.	<b>Yes</b>	
<b>Lien Enforcement Policy &amp; Practices</b>	Management shall assist the Board in the preparation of Delinquency Policy describing the ASSOCIATION'S policies and practices in enforcing lien rights or other legal remedies for the collection of delinquent assessments against ASSOCIATION members. The policy will be readopted each year and will be distributed to the membership during the ninety day period immediately prior to the beginning of the ASSOCIATION'S fiscal year.	<b>Yes</b>	

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<b>Invoice Processing and Approval</b>	Management shall review and approve all invoices for budgeted items and other approved expenditures. Any and all apparent discrepancies or irregularities in invoices shall be corrected by coordination with the appropriate vendor. Management shall submit all invoices for unbudgeted items and other unapproved expenditures to the Board for review and approval prior to payment.	<b>Yes</b>	
<b>Invoice Payment</b>	Management shall not make any unapproved or unbudgeted expenditure nor incur any obligation, either singly or in the aggregate during any one month, exceeding <b>\$500</b> without prior Board approval, except in case of an emergency that threatens life, property or suspension of necessary utility or public services. In which case, Management shall attempt to contact a member of the Board for expenditure approval, but if unsuccessful, Management is authorized to act in any reasonable manner to satisfactorily address the emergency situation.	<b>Yes</b>	
<b>Disbursements - Accounts Payable</b>	Manager shall cause regular and periodic disbursements from ASSOCIATION'S operating accounts for all expenses and obligations authorized to be paid and on behalf of the ASSOCIATION as set forth in this Management Agreement. Manager shall have no authority to sign checks on any accounts or authorized withdrawals or authorize transfers from ASSOCIATION'S reserve accounts.	<b>Yes</b>	
<b>Payroll Association Employees</b>	Manager shall be responsible for payroll and payroll accounting for ASSOCIATION employee(s) when applicable		Rate subject to fees for payroll service. Association to be charged directly for payroll service and salary.
<b>Financial &amp; Report Preparation</b>	Management shall maintain or cause to be maintained by an outside service, complete and accurate financial books and records for the ASSOCIATION in accordance with generally accepted accounting principles utilized in North America, separate and apart from those of any other entity. Management shall prepare and submit to the Board on a periodic basis consistent with the publication of the Board Packet such financial reports as the Board may reasonably request, or which are necessary to fulfill their obligations under California Civil Code.		Management will cause to have one set of financial statements issued per month under the current proposal.
<b>Corporate Tax Returns &amp; Audit Preparation</b>	Management shall assist the ASSOCIATION and its bookkeeper, certified public accountant or other financial consultant in the preparation of tax returns, annual audits and financial reviews. Management shall distribute copies of the year-end financial review to the membership within 120 days after the close of the ASSOCIATION'S fiscal year or as otherwise required by law.	<b>Yes</b>	

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<b>Budget Preparation</b>	Management shall assist in the preparation of a pro forma operating budget as required by Civil Code Section 1365(a) so that it is available to the Board not less than one hundred (100) days prior to the beginning of the ASSOCIATION'S fiscal year, in order that it may be approved and into the hands of the Associations not later than the ninetieth (90) prior to the end of the fiscal year. If the Board elects to distribute a summary pursuant to Civil Code 1365(c) and any member requests a copy of the full financial statements to be mailed to the member, Management shall arrange to provide a copy of the Budget by first-class mail within five (5) days of the request. BUDGET PREPARATION WILL INCLUDE ALL DISCLOSURES REQUIRED BY THE CIVIL CODE TO BE DISIMINATED ANNUALLY AS PART OF OR WITH THE BUDGET.	Yes	
<b>Reserve Study</b>	Management shall schedule & coordinate a periodic reserve study in order to comply with the requirements of California Civil Code §1365(d).	Yes	
<b>Liability For Use of Financial Statements</b>	The ASSOCIATION shall have exclusive responsibility for the content and use of all approved financial statements, budgets and other financial documents prepared by or at the direction of the ASSOCIATION. The ASSOCIATION hereby agrees to indemnify and hold Manager harmless from all claims, expenses, actions, liabilities and damages (including attorney's fees and litigation costs) arising out of the content or use of all such documents, Any draft financial statements, proposed budgets, draft reserve studies and/or other financial documents prepared pursuant to Civil Code 1365 shall be marked "DRAFT" until approved by the Board. Indemnity coverages are spoken to more directly in the management agreement.	Yes	
<b>Administration of Contracts</b>	The Board shall select all contractors, vendors and service providers unless Manager is instructed by the Board to make the selection. After selection and retention, Manager shall schedule and monitor the activities of the contractor, vendor or service provider, including without limitation, the obtaining of contract documents, certificates or insurance, copies of bonds, warranties, releases of liens and other necessary or prudent documentation. Manager shall monitor the work in progress, keep the board apprised of its status and process warranty claims. Manager also shall cooperate and assist professional consultants retained by the Board .	Yes	
<b>Complaint/Service Request Procedures</b>	Manager shall develop and maintain a program to respond to all reasonable complaints and all reasonable requests for maintenance repairs and minor alterations in accordance with the procedures and guidelines adopted by the Board. Manager shall report monthly to the Board on all such complaints and requests. Manger shall prepare and distribute to the members a guide outlining complaint and serve request procedure.	Yes	

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<b>(1) Lien Actions (IF YOU CONTRACT OR RECOMMEND THESE SERVICES BE CONTRACTED TO A THIRD PARTY SO INDICATE IN RIGHT HAND COLUMN)</b>	<ul style="list-style-type: none"> <li>- Preparing notification of intent to lien</li> <li>- Preparing and recording assessment Lien</li>   <li>- Coordination of foreclosure</li> <li>- Preparing and recording release of lien</li> <li>- Preparing notification of intent to lien</li> </ul>	No	Prepared by outside collection service and charged at their going professional rates directly to the homeowner.
<b>(2) Providing documents for sale of unit</b>	<ul style="list-style-type: none"> <li>- Articles of Incorporation</li> <li>- Bylaws</li> <li>- Budget – (current year)</li> <li>- Covenants, Condition &amp; Restrictions</li> <li>- Fidelity Bond</li> <li>- Rules &amp; Regulations</li> <li>- Demand Fee</li> <li>- Certification</li> <li>- Rush Fee (within 4 days)</li> </ul>		
<b>(3) Compilation of financial forecast</b>	Preparing Annual Budget.	Yes	
<b>(4) Mailing of registered/certified letters</b>	Mailing of correspondences.	Yes	
<b>(5) Processing return checks or</b>	Processing of checks.	Yes	
<b>(6) Association mailings</b>	Preparing all Association correspondences.	Yes	
<b>(7) Responding to governmental agency requests or filings request</b>	Includes ensuring that professionals (CPA's for taxes, etc.) are recommended to the Board for contracting in a timely manner.	Yes	
<b>(8) Word processing for documents</b>	Preparing Association Newsletter or other documents.		\$45
<b>(9) Providing owner payment history</b>	Review of owner payment history files.		\$45
<b>(10) Providing mailing lists</b>	Providing the Association Members with a mailing list.		\$45

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<b>(11) Materials &amp; Supplies Expense</b>	<ul style="list-style-type: none"> <li>- Mailing labels</li> <li>- Envelopes – standard</li> <li>- Envelopes – large manila</li> <li>- Photocopies</li> <li>- Color Paper reproductions</li> <li>- Postage</li> <li>- Color Reproductions</li> <li>- Handling – Single Unit</li> <li>- Handling – Mass Mailing</li> <li>- Long distance telephone calls</li> <li>- FAX transmissions</li> <li>- Binders/Archives boxes/file</li> </ul>		<ul style="list-style-type: none"> <li>0.09</li> <li>0.12</li> <li>0.25</li> <li>0.12</li> <li>0.14</li> <li>Cost</li> <li>Cost</li> <li>0.08 per unit</li> <li>25.00 per hour</li> <li>NC</li> <li>NC</li> <li>Cost</li> </ul>
<b>Non-Routine Services</b>	<p>Manager may, at the request of the Board, perform certain non-routine services for additional compensation at the rate of <b>\$125.00</b> per hour, plus travel at one-half (1/2) such hourly rate and travel expenses actually incurred, or at such other rate of compensation as may be agreed upon in writing by Manager and ASSOCIATION. Non-Routine services, including, but not limited to, the following:</p>	<b>No</b>	As stated below
<b>-1</b>	<p>Participating in any type of lawsuits or administrative proceeding, including without limitation lawsuits or proceedings involving the ASSOCIATION or any of its members, officers, directors, employees, agents or contractors, or in any way related to ASSOCIATION business, ASSOCIATION property, collection of delinquent assessments and/or enforcement of the Project Documents.</p>		<p><b>\$150.00 per hour</b>  <b>Mileage \$0.39 per mile</b></p>
<b>-2</b>	<p>Providing assistance in the investigation, evaluation and presentation of claims arising from defective workmanship, defective materials and/or substandard services in the development of construction of the Project.</p>		<b>\$125.00 per hour</b>
<b>-3</b>	<p>Processing insurance claims involving bodily injury and/or property damage beyond preparation and submission of the original claim. Any such charges by Manager shall be submitted to the insurance company as part of the claim.</p>		<b>\$125.00 per hour</b>
<b>-4</b>	<p>Pursuing and prosecuting claims for delinquent assessments or other receivables.</p>		<b>\$125.00 per hour</b>

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<b>-5</b>	Carrying out corrective work to a private community association unit separate and apart from the common area.		<b>\$125.00 per hour</b>
<b>-6</b>	Attending more meetings of the Board, Committees or general membership than required.		<b>\$125.00 per hour Mileage \$0.39 per mile</b>
<b>-7</b>	Preparing or causing to be prepared architectural or landscape specifications, schematics, construction estimates, construction drawings and contracts for major renovation or repair of the common area.		<b>\$125.00 per hour</b>
<b>-8</b>	Providing assistance in emergency situations or responding to resident complaints at times other than normal working hours (8:30 a.m. to 5:30 p.m., Monday through Friday, except Holidays). Emergency calls during non-working hours requiring Manager to travel to the project will be billed at 1.5 time the rate for non-routine services with a minimum 2 hours charge per site visit.		<b>\$150.00 per hour</b>
<b>-9</b>	Revision of the project declaration, articles of incorporation and by-laws, but excluding revision of rules, regulations and policies of the ASSOCIATION which shall be included in routine services.		<b>\$125.00 per hour</b>
<b>-10</b>	Negotiation and management of contracts with outside contractors that involve a contract price in excess of \$5,000.00.		<b>\$125.00 per hour</b>
<b>-11</b>	Organizing, participating in and documenting common area acceptance and/or the release of bonds or other financial assurances, which guarantee completion of the common area.		<b>\$125.00 per hour</b>
<b>-12</b>	Organizing, participating in and documenting incorporation of the ASSOCIATION.		<b>\$125.00 per hour</b>

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<b>-13</b>	Maintaining any type of roster or other information on non-owner residents.		\$45.00 per hour
<b>-14</b>	Participating in the initial sale, resale, financing or refinancing of a unit other than to provide information and documentation, or as otherwise required of the ASSOCIATION by law.		\$125.00 per hour
<b>Resident Orientation &amp; Participation Program</b>	Update the Residents Handbook and the Residents Handbook Supplement annually.		\$150.00 per hour
<b>Directors Handbook</b>	Update the Directors Handbook manual annual to inform the general membership of the ASSOCIATION'S operations, its organizational structure, the manner of conducting meetings and adopting polices and procedures, and setting forth the policies and procedures already in effect.		\$150.00 per hour
<b>Committee Handbook</b>	Update the Committee Handbook annually.		\$150.00 per hour
<b>Employee Policy Manual</b>	Prepare an employee policy manual which should include job descriptions, benefits program, hiring and firing procedures, and compensation policies.		\$125.00 per hour