



Standard of Good Practices for the Association Management Company industry
Comparison between New and Old Standard

SECTION	NEW (May 2008) STANDARD	OLD (April 2002) STANDARD
1. SCOPE	No changes	
2. DEFINITIONS	No changes	
		NOTE: Section 3 'GENERAL' was deleted in the New Standard
3. CLIENT CONTRACTS: REVIEW PROCEDURES AND REQUIREMENTS	<p><i>New information includes:</i></p> <p>3.5 AMCs shall establish transition procedures that at a minimum include the following:</p> <p>3.5.1 A Time Table to include the closing or transferring of all accounts, shipment of client materials, and notification to members.</p> <p>3.5.2 A list of clearly defined responsibilities of current AMC, volunteer leaders and new management.</p> <p>3.5.3 Established procedures as well as fees and charges for agreed upon services that may be rendered following termination.</p> <p>3.5.4 A process and timeline for the shipment of materials in an organized manner, with clearly marked files.</p> <p>3.5.5 The methodology to be used for timely notification to all vendors of management change.</p> <p>3.5.6 An outside audit by a CPA of the financial records immediately after the transfer of financial responsibilities; or, if no audit is authorized, a release in writing from the client Board that they will accept the financial records as transferred.</p>	Section 4

SECTION	NEW STANDARD	OLD STANDARD
4. SERVICING THE CLIENTS AND SERVICE DELIVERY PROCEDURES	No changes	Section 5
5. PROJECT SERVICE COMPLETION, REVIEWS, AND POST-CONTRACTUAL PROCEDURES	No change	Section 6
6. FINANCIAL MANAGEMENT AND INTERNAL CONTROLS	<p><i>New information includes:</i></p> <p>6.6 AMCs shall propose to Client Boards the need for an outside independent review or audit of all financial transactions and records by a qualified third party (CPA or non-US equivalent). The recommendation should be noted in the Board's formal minutes. If the Board approves the audit, it will be paid for by the Client.</p> <p>6.7 AMCs shall propose to Client Boards the need for General Liability and Association Professional Liability Insurance (APLI) Policies; if declined, a release in writing from the client Board indicating that they declined to pay for this insurance coverage shall be executed.</p>	Section 7
7. INSURANCE COVERAGE	<p><i>New information includes:</i></p> <p>7.1.4 Employee Dishonesty: For both AMC and client property</p>	Section 8
8. EMPLOYEE RECRUITMENT AND SELECTION	No changes	Section 9
9. EMPLOYEE TRAINING AND PROFESSIONAL DEVELOPMENT PROCEDURES	No changes	Section 10

SECTION	NEW STANDARD	OLD STANDARD
10. SUBCONTRACTING AND PURCHASING REQUIREMENTS	No changes	Section 11
11. RECORD KEEPING REQUIREMENTS	<p><i>New information includes:</i></p> <p>11.3 AMC's shall adopt a business continuity plan that will include at a minimum:</p> <p>11.3.1 Procedures for the management of electronic back-up of software and electronic records;</p> <p>11.3.2 Communications to inform staff, members, vendors, etc. about recovery plan;</p> <p>11.3.3 Building evacuation plan;</p> <p>11.3.4 Options for temporary facility in the event current office(s) is (are) not available.</p>	Section 12
12. INTERNAL AUDIT PROCEDURAL REQUIREMENTS	No changes	Section 13

Please note that there have been a few minor grammatical edits that have been made to the New Standard that are not shown on this comparison.