

The CIDA Professional Code of Conduct for Community Management Professionals™

“Management professionals should profit more from a stable community, than from a disorderly, noncompliant Association.” – HOA Detective™

A Standard for Transparent, and Ethical HOA Management Professionals

Preamble. Community management professionals serve as fiduciary stewards of the collectively owned assets of more than 375K U.S. homeowner associations. The homes within these HOAs are often the most significant financial asset of the owners, many becoming the financial legacy of the original owners, for better or worse. This Code establishes the ethical and operational standards required to ensure transparency, accountability, and alignment with the long-term interests of the communities served by management professionals.

I. Fiduciary Alignment

- a) Always act in the best interests of the Association client.
- b) Place the interests of the Association client before the professional manager.
- c) Exercise diligence, competence, and good faith in all dealings with the client.
- d) Provide complete and non-misleading information to all clients.
- c) Acknowledge that all Association members are stakeholders in the community.
- e) Deliver the same standard of fiduciary care to all Association stakeholders.

II. Transparency & Disclosure

- a) Disclose all sources of management compensation.
- b) Reveal all vendor relationships and affiliations with management company.
- c) Maintain transparent, standardized disclosures.

III. Conflict of Interest

- a) Prohibit self-dealing without full disclosure and approval.
- b) Use competitive procurement practices.
- c) Justify sole-source vendor selection decisions in writing.
- d) Please the Association interests ahead of the management company and vendors.

IV. Financial Stewardship

- a) Deliver transparent, accurate budgets, and financial statements.
- b) Ensure that conflict-free, validated reserve planning is delivered to the client.

- c) Ensure independent, peer-review auditing of financial statements.
- d) Deliver timely, GAAP-compliant financial reports upon request.
- e) Prioritize long-term asset performance over short-term activity.

V. Governance Integrity

- a) Respect the Board as the governing authority.
- b) Avoid undue influence or pressure.
- c) Provide full context for all decisions.
- d) Ensure the Association is in full compliance of all applicable state and federal laws.

VI. Operational Accountability

- a) Performance and compensation will be based on outcome.
- b) Provide full and ready access to records, without obstruction.
- c) Facilitate smooth transition upon termination of Management agreement.
- d) Do not allow employee behavior that is obstructive, or adverse to the client's interests.

VII. Ethical Vendor Management

- a) Recommend vendors based on merit.
- b) Disclose alternatives and relationships between vendors, including management.
- c) Do not allow layered or recurring annual revenue stream fee structures, without merit.
- e) Insist on performance-based compensation of vendors, including management.
- f) Ensure that clients are served by a liquid vendor pool of qualified service providers.
- g) Include performance review clauses in all vendor contracts, including management.

VIII. Enforcement

- a) Certify compliance annually.
- b) Submit to audit and review.
- c) Accept consequences for breach of this Code.

IX. Professional Licensing and Continuing Education Requirement

- a) To the extent state licensing of professional community managers is required, or as may be required in the future, the active management professional governed by the Code will obtain such licenses, and will maintain the license in good standing throughout the period of professional activity.
- b) Licensed professional managers, will continue to seek professional education that advances the knowledge, expertise, and professional standing of the licensee.