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COMMUNITY ASSOCIATION MANAGERS
PRE-EXAMINATION EDUCATION COURSE #0004625
TABLE OF CONTENTS
STARTING PAGE

TABLE OF CONTENTS…… 1-4
COMMUNITY ASSOCIATION MANAGER PRE-EXAMINATION INTRODUCTION……. 5
STUDENT OBLIGATION & RESPONSIBILITIES ……. 6

PART 1: OUR OBJECTIVES…… 6
PART 2: TEACHING METHODS…… 6
PART 3: COURSE EVALUATION…… 6
PART 4: SOURCE DOCUMENTS…… 6
PART 5: YOUR INSTRUCTOR……. 7
BACKGROUND OF COMMON INTEREST ASSOCIATION LIVING……. 7
This section provides detail on Florida Statutes and supplements SECTION: I. Law
PART 6: Community Association Management Rules…… 10
Review Part VIII, Chapter 468, F.S. and Chapter 61 B – 55, F.A.C.

SECTION: I. Law (20%)

1. **The Not-for-Profit Corporate Act** – Chapter 617, F.S. …… 18
   - **a.** Knowledge of the scope of authority of a not-for-profit corporation

2. **The Condominium Act** – Chapter 718, F.S. and F.A.C. …… 20
   - **a.** Knowledge of ownership and additional alterations to common elements
   - **b.** Knowledge of governing document existence
   - **c.** Knowledge of disclosure requirements
   - **d.** Knowledge of rights, privileges, and obligations of the unit owner

3. **The Cooperative Act** – Chapter 719, F.S. and F.A.C. …… 33
   - a. Knowledge of governing document existence
   - b. Knowledge of association right to entry, records & financial reports
   - c. Knowledge of rights, privileges, and obligation of the developer
   - d. Knowledge of transition requirements
   - e. Florida Administrative Code for Above

4. **The Florida Vacation Plan and Timesharing Act** – Chapter 721, F.S. …… 46
   - **a.** Knowledge of record keeping and financial reporting requirements
   - **b.** Knowledge of differences between timeshare and other forms of regulated property ownership

5. **The Homeowners Association Act** – Chapter 720, F.S. and F.A.C. …… 49

6. **The Fair Housing Act**…… 62
   - **a.** Knowledge of protected categories
   - **b.** Knowledge of familiar status provisions
   - **c.** Knowledge of physical handicap provisions
   - **d.** Knowledge of exemption options

7. Knowledge of Americans with Disabilities Act…… 65

8. Utilize Lien Laws…….. 65
- **a.** Knowledge of statutory and documentary assessment lien rights
- **b.** Knowledge of statutory and documentary assessment construction lien rights

Section: II: Procedure (25%)
The *SUNSHINE meeting law F.S. 286.011 does not apply to ASSOCIATIONS*

1. Notice Association and Board Meetings……... 72
- **a.** Knowledge of types of meetings
- **b.** Knowledge of requirements of concluding a meeting (Association membership and special meetings, and meetings of the Board)
- **c.** Knowledge of proof of notice of meeting
- **d.** Knowledge of agenda requirements
- **e.** Knowledge of proxy requirements
- **f.** Knowledge of voting and abstaining from voting
- **g.** Knowledge of minutes and records requirements
- **h.** Knowledge of election process, recall and filling vacancies upon resignation
- **i.** Knowledge of quorum requirements
- **j.** Knowledge of scope of authority of association officers and directors
- **k.** Knowledge of notice content, posting, delivery requirements for board and association members

2. Facilitate Committee Operations…… 81
- **a.** Knowledge of creation of committees
- **b.** Knowledge of scope of authority
- **c.** Knowledge of notice, agenda, and procedures
- **d.** Knowledge of development and understanding of committee reports
- **e.** Knowledge of search committee functions

3. Knowledge of Voting Procedures…… 82
- **a.** Knowledge of governing document existence
- **b.** Knowledge of balloting
- **c.** Knowledge of developer rights and privileges
- **d.** Knowledge of transition members' meeting
- **e.** Knowledge of voter eligibility requirements
- **f.** Knowledge of voting certificates

Section: III. Budget (25%)

1. Utilize Budget Procedures…… 93
- **a.** Knowledge of expenditure categories
- **b.** Knowledge of funding the budget
- **c.** Knowledge of budget adoption procedures
- **d.** Knowledge of reserve requirements
- **e.** Knowledge of amending the budget
- **f.** Knowledge of surplus funds

2. Budget for Reserves…… 98
a. Knowledge of governing document existence
b. Knowledge of reserves, waiver, and transfer procedures

3. Annual Financial Reporting…….. 99
a. Knowledge of reserve disclosures
b. Knowledge of annual financial report and financial statement requirements
c. Knowledge of control and disbursement of funds

4. Utilize Reserve Funds…… 101
a. Knowledge of record keeping
b. Knowledge of governing document existence
c. Knowledge of appropriate use

5. Collecting Assessments …….. 102
a. Knowledge of time and due dates of assessments
b. Knowledge of developer obligation for assessments
c. Knowledge of liability for assessments
d. Knowledge of association assessment records
e. Knowledge of procedures for levying assessments

Section: IV. Insurance (12%)

1. Obtaining and Fulfilling Insurance Requirements……. 104
a. Knowledge of association property and liability insurance
b. Knowledge of unit owner property and liability insurance
c. Knowledge of limited liability and exclusions
d. Knowledge of flood insurance
e. Knowledge of loss control procedures
f. Knowledge of insurance policy deductibles
g. Knowledge of governing documents
h. Knowledge of Certificates of Insurance
i. Knowledge of fidelity bonding
j. Knowledge of performance bonds
k. Knowledge of Citizens Property Insurance Company

2. Obtain Insurance Coverage on Officers and Directors …….. 113
a. Knowledge of liability insurance coverage for officers and directors
b. Knowledge of liability insurance exclusions for officers and directors

SECTION: V. Management / Maintenance (18%)

1. Enforce Governing Documents…… 114
a. Knowledge of rights and obligations of tenants/owners
b. Knowledge of violations and enforcement procedures
c. Knowledge of procedures for imposing fines, penalties, and fees
d. Knowledge of alternative dispute resolution

2. Facilitate Agreements and Leases…… 121
- **a.** Knowledge of binding requirements
- **b.** Knowledge of contract requirements
- **c.** Knowledge of governing document existence

3. Repair and Maintain Property …… 123
- **a.** Knowledge of pool maintenance and requirements
- **b.** Knowledge of security guard requirements
- **c.** Knowledge of pest control regulatory requirements
- **d.** Knowledge of elevator service and operation
- **e.** Knowledge of property maintenance requirements
- **f.** Knowledge of towing vehicles from association property

4. Employment Practices…… 134
- **a.** Knowledge of personnel management
- **b.** Knowledge of communication skills
- **c.** Knowledge of customer service skills
- **d.** Utilize Employment Laws

SECTION: VI. Forms …… 139

SECTION: VII. CAM Material

SECTION: VIII. Additional Resource Material

Examination (Back Pocket)…….. Correspondence Course Only
Course Evaluation Form

Answer Sheet, Evaluation Sheet & Return Envelope…. ENCLOSED only for correspondence course.

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COMMUNITY ASSOCIATION MANAGERS PRE-EXAMINATION COURSE
INTRODUCTION

The Community Manager:

A "**community association manager**" means a person who is licensed to perform community association management services including the following:

- Practices requiring substantial specialized knowledge, judgment, and managerial skill when done for ***remuneration*** and when the association or associations served contain **more than 10 units** or have an annual budget or budgets in **excess of $100,000**;
- **controlling or disbursing funds of a community association;**
- **preparing budgets or other financial documents for a community association;**
- **assisting in the noticing or conduct of community association meetings;**
- **coordinating maintenance for the residential development and other day-to-day services involved with the operation of a community association.**

A person who performs clerical or ministerial functions under the direct supervision and control of a licensed manager or who is charged only with performing the maintenance of a community association and who does not assist in any of the management services described above is not required to be licensed.

With **community managers' licensing beginning in 1988** and strict standards of conduct for the profession, in July 2000, the State of Florida passed legislation requiring that all persons who wish to become licensed as a Community Association Manager (CAM) must successfully complete a pre-licensure education course of at least sixteen (16) hours. The CAM council requires a one hundred (100) question examination be taken. Candidates must obtain a passing grade of seventy five percent (75%) to qualify for the State of Florida licensing examination which is also a one hundred question (100) examination. Those candidates who qualify and become licensed must be familiar with the changes to the Florida Statutes and Florida Administrative Code Rules for condominiums, cooperatives and time shares that are adopted annually by the State of Florida Legislature. They must also understand how these changes may affect their individual responsibilities. Licensed managers, board members, attorneys, unit owners and other interested parties should be aware that this course does not cover all the details in all the statutes, administrative codes and rules. Licensed Community Association Managers are responsible for being aware and should familiarize themselves with all the changes to the statutes and administrative code rules as they exist relating to the community association managers' duties and responsibilities.

Note: All 100 questions on the state exam are multiple choice.

The State of Florida statutes are available online and from the:
Department of Business and Professional Regulation
Northwood Centre, 1940 North Monroe Street, Tallahassee, Florida 32399-1033

Information is available online at the following addresses: **http://www.leg.state.fl.us**

Your instructor is responsible for reviewing the outline provided by the CAM Council to determine the content of this booklet. Additionally, your instructor will be responsible for informing the candidates that the course does not contain all of the text of the statutes, codes and rules that when licensed, CAM licensees are responsible for being familiar with all changes to the statues, administrative and code rules relating to community management duties and responsibilities. The course approval application for this pre-licensure course listed the source documents corresponding to each of the topics required to be included in this course.

CODING in the revisions is: Words ~~stricken~~ are deletions; words underlined are additions. The state statutes must be shown as they appear with mistakes if any. We must reproduce the Statutes as they are written and/or corrected.

PART 1: STUDENT OBJECTIVES & RESPONSIBILITIES

The student will be able to recognize and identify through the written word contained within this instruction book, the Community Association Managers (CAM) Council requirements for the pre-licensure education requirements.
In no way is this published detail intended to be the official published or any unpublished version of the Florida State Statutes or other administrative rules.
The learner's objectives will be evaluated by the instructor by means of an objective test. The test questions for this course will be a total of fifty (50), multiple choice questions.

PART 2: TEACHING METHODS

Special teaching skills are required for adult learners and the professionals at Florida CAM Courses utilize several innovative techniques to make the classroom experience fun, exciting and challenging for our students. Our most popular classroom experience is the Florida CAM Pre-licensure Course which is held monthly. The course features 50 minute blocks of informative conversation, debate and practical exercises. Frequent breaks are given to allow our students to maintain focus on the large volume of information being passed to them. Instructors teach with a sense of humor and compassion for the adult learner.

The course will be instructed by lecture, question and answer sessions and topical discussions using handouts, overhead projection slides and computer presentation software. Results will be measured by a final exam consisting of true/false and multiple choice questions.

Candidates must maintain their Pre-examination course completion certificate for a period of 4 years from the date of received. All other continuing education course completion certificates must be maintained for a period of 3 years. A random audit by the licensing authority will be conducted at the end of the licensing period. Licensees will be subject to administrative disciplinary action if they fail to meet the required continuing education crediting requirements.

PART 3: COURSE EVALUATION

An examination is provided as part of this instruction manual. The learner must answer thirty-eight of the fifty questions correctly and thus attain a grade of **76%** to receive credit for the course. The learner will evaluate the course by means of a course evaluation sheet which will be given to the student prior to the test.

PART 4: SOURCE DOCUMENTS

- NOT-FOR-PROFIT CORPORATIVE ACT – CHAPTER 617, F.S. and Florida Administrative Code.
- CONDOMINIUMS – CHAPTER 718, F.S. and Florida Administrative Code.
- FLORIDA VACATION PLAN and TIMESHARING ACT – CHAPTER 721, F.S.
- FAIR HOUSING ACT – Chapter 760, F.S.
- COOPERATIVE ACT – CHAPTER 719, F.S. and Florida Administrative Code.
- HOMEOWNERS ACT – CHAPTER 720, F.S. and Florida Administrative Code.
- EMPLOYMENT LAWS and LIEN LAWS
- COMMUNITY ASSOCIATION MANAGEMENT PART VIII – CHAPTER 468, F.S. and CHAPTER 61-B-55, Florida Administrative Code.

PART 5: INSTRUCTOR

Your instructor will be Bob Begley. Mr. Begley possesses the following qualifications:

- Licensed active Community Association Manager. LIC#27978
- College educated with a degree in Business.
- State Certified Instructor
- Florida Expert Witness
- Nationally Certified Manager of Community Associations (CMCA)
- Association Management Specialist (AMS) certified in the United States
- Experienced portfolio and on-site manager
- Commissioned as Notary Public at Large, State of Florida
- Author of correspondence courses for licensed Community Association Managers (CAM's)
- Uniquely qualified as your instructor, living the experience as condominium manager
- Approved as the instructor for this course number 0004625 in accordance with Rule 61-20.510 Florida Administrative Code. Provider # PLC028.
- Approved as the instructor for continuing education courses for all CAM's that are available for anyone who wishes to obtain additional instruction.

HISTORICAL BACKGROUND OF COMMUNITY ASSOCIATION LIVING

Of the estimated forty three million (43,000,000) condominium units in the United States, about four million two hundred fifty thousand (4,250,000) condominium units are in the state of Florida located in twenty two thousand eight hundred and seventy three (22,873) are associations. Those who live in condominium complexes are well aware of the many advantages inherent in the unique characteristics of condominium home ownership. Fortunately, there are also unique protections which include insurance coverage to protect the association while it has unpaid volunteers serving as officers and board members including liability insurance bonding.

Florida was not the first state to embrace the collective ownership concept, but it certainly has been a leader in the field. Condominiums were built in Florida in the late 1950's. Florida did not legislatively address this form of ownership until the 1960's, shortly after the U.S. Congress amended the national Housing Act to permit coverage of condominium under the government mortgage insurance provided by the Federal Housing Authority (FHA). This act made condominium mortgage loans easier to obtain.

It is important to understand the condominiums did not result from federal legislation; in fact, they were established by state legislation. In the 1960's and early 1970's, nearly all states had enacted some form of cooperative ownership enabling legislation. The FHA, when it started to insure private condominium loans, proposed a model form of a cooperative ownership statute. This model was largely ignored by various state legislatures as they developed their individual collective ownership statute legislation. Today the experiences of the Sunbelt states are closely examined by the other legislatures when the issues of collective ownership are addressed. Florida has been a model in this area with its adoption of Chapter 718 of the Florida Statutes for condominiums, the "Condominium Act."

While some federal legislation affects the Florida condominium, state laws have the greatest impact. Since most condominium associations are corporations, the Florida Business Corporation Act and the Florida Not-For-Profit Corporation Act are applicable. Some condominiums are established as time-shares, the Florida Vacation Plan and Time-Sharing Act applies to this group.

Although this pre-examination course will address the unique operations of cooperative living, the student should review the contents of all statutes, codes, and rules for complete understanding. Mobile home communities that have been purchased by the occupants are operated as either a condominium or a cooperative. Both the Florida Mobile Home Act and the Cooperative Act parallel the Condominium Act. Thus with some exceptions, the principals set forth in the chapters that follow also apply to a cooperative operation.

DEFINITIONS:

Condominiums, Cooperatives, and Homeowners Associations

While this course addresses the requirements established by the CAM Council for Pre-Examination Education, the student should be aware that there are distinctive differences between condominiums, cooperatives, and homeowner associations.

Florida statute defines a condominium as "***a form of ownership of real property which is comprised of units that may be owned by one or more persons, and in which there is, appurtenant to each unit, an undivided share in the common elements***."

When a buyer purchases a condominium, he or she obtains with complete ownership, an entire unit within that complex and additionally obtains:

(1) Exclusive possession of the unit;
(2) An undivided share in the common elements and common surplus;
(3) The exclusive right to use such portion of the common elements as may be provided by the declaration;
(4) An exclusive easement for the use of the airspace occupied by the unit as it exists at any particular time and as the unit may be lawfully be altered or reconstructed from time to time;
(5) Membership in the association designated in the declaration, with full voting rights appertaining thereto; and
(6) Other appurtenances as may be provided in the declaration.

The exclusive possession of the unit begins from the inside of the outer wall inward or perhaps from the inside of the inner wall inward, depends on the wording of the documents used to initially create the condominium and may often also determine where an owner's personal responsibility for maintenance begins.
The buyer also acquires with the unit, a proportionate share of the surrounding property or common elements as they are known.
(1) The structural building(s)
(2) The common grounds
(3) The driveways
(4) The recreation facilities, etc. For example, if there were 100 units in the entire condominium, and all share equally, the buyer purchases one such unit acquires in addition to the unit, a $1/100^{th}$ ownership in the remaining property that is not also individually owned.

Management of the community is handled by the owners, usually through a corporate structure called the Board of Directors. Then, in the above example of a 100 unit condominium, the buyer would also acquire with his unit, one (1) of the (100) votes in the corporation which manages the common elements.

There are three distinct parts which comprise a condominium: exclusive ownership of a single unit; joint ownership of the common elements with others as tenants-in-common; and the agreement among all owners for the management and administration of the total condominium property.

Cooperatives on the other hand, are defined by Florida statute as "that form of ownership of real property wherein legal title is vested in a corporation or other entity and the beneficial use is evidenced by an ownership interest in the association, and a lease or other monument of title or possession granted by the association as the owner of all cooperative property."

If that same buyer purchased into a cooperative, he would not acquire any private ownership of a unit. Again assuming all units share equally, he would obtain that same one of the 100 shares in the corporation, and the corresponding vote, but the corporation owns not only the common elements, called common areas in a cooperative, but also the units. That buyer, instead of owning the unit, acquires by written document, the exclusive use of that particular unit or property which he occupies.

While the cooperative form of ownership has advantage of making almost all maintenance the responsibility of the corporation, buyers accustomed to private ownership might consider this concept as being undesirable. Perhaps one of the most common usages of the cooperative form of ownership can be found in occupant mobile home parks where the mobile home lot is the "unit."

A homeowner association is commonly a collection of people who own homes in a given area, formed for the purpose of improving or maintaining commonly shared amenities, usually pursuant to a restrictive covenant or declaration of restrictions. Perhaps in a typical subdivision of customary family homes, the developer will provide for and construct a clubhouse, pool, tennis court, or other recreational facility. And, maybe there are street lights, drainage or irrigation systems, or other common services which need to be maintained. As a means for providing for the continued ownership and care of these facilities, title and management will be vested in a corporation which becomes the homeowner association. Each subdivision homeowner will, then, by a previously recorded document, become a shareholder in that association concurrent with the purchase of the residence, and be liable for a certain portion of the applicable common expenses.

All three forms of collective ownership can be equally applied to facilities other than residential. Perhaps the second greatest use is for offices or other retail space. The most common types of this commercial property from which the corporation derives incomes are not limited to: rented garage space or warehouse storage, camp grounds, marinas, coin operated laundries, vending machines, and snack bars are examples.

- The **"Condominium Ombudsman**" makes recommendations to the Division and acts as a liaison between the Division and Condominium leaders. The Ombudsman may assign a qualified election supervisor that monitors your election process for Condominium associations, if the election process is questioned and a complaint is filed with the Division. The Ombudsman also is authorized to make recommendations to the Division concerning enforcement actions, new rules and procedure for resolving complaints, and to assist condominiums in carrying out their duties and responsibilities under the Condominium Act.

The role of the Ombudsman may change dramatically in the coming months as HOA's may be coming online for services.

PART 6 - REVIEW OF MANAGEMENT RULES – Ch. 468 F.S.

Section 468.431 through 468.437, Florida Statutes and Chapter 61-20, Florida Administrative Code and those subject areas identified in section 468.433(2), Florida Statutes should be reviewed in their entirety by the CAM candidate. We have provided a capsule version for discussion purposes only.

PART VIII
COMMUNITY ASSOCIATION MANAGEMENT

468.431 Definitions.--As used in this part:

(1) "Community association" means a residential homeowners' association in which membership is a condition of ownership of a unit in a planned unit development, or of a lot for a home or a mobile home, or of a townhouse, villa, condominium, cooperative, or other residential unit which is part of a residential development scheme and which is authorized to impose a fee which may become a lien on the parcel.

(2) **"Community association management" means any of the following practices requiring substantial specialized knowledge, judgment, and managerial skill when done for remuneration and when the association or associations served contain more than 10 units or have an annual budget or budgets in excess of $100,000: controlling or disbursing funds of a community association, preparing budgets or other financial documents for a community association, assisting in the noticing or conduct of community association meetings, and coordinating maintenance for the residential development and other day-to-day services involved with the operation of a community association.** A person who performs clerical or ministerial functions under the direct supervision and control of a licensed manager or who is charged only with performing the maintenance of a community association and who does not assist in any of the management services described in this subsection is not required to be licensed under this part.
(3) "Community association management firm" means a corporation, limited liability company, partnership, trust, association, sole proprietorship, or other similar organization engaging in the business of community association management for the purpose of providing any of the services described in subsection (2).

(4) "Community association manager" means a natural person who is licensed pursuant to this part to perform community association management services.

(5) **"Council" means the Regulatory Council of Community Association Managers.**

(6) "Department" means the Department of Business and Professional Regulation.

468.4315 Regulatory Council of Community Association Managers.—

(1) The Regulatory Council of Community Association Managers is created within the department and shall consist of seven members appointed by the Governor and confirmed by the Senate.
(a) Five members of the council shall be licensed community association managers, one of whom may be a community association manager employed by a timeshare managing entity as described in ss. 468.438 and 721.13, who have held an active license for at least 5 years. The remaining two council members shall be residents of this state, must not be or ever have been connected with the business of community association management, and shall not be prohibited from serving because the member is or has been a resident or board member of a community association.

(b) The Governor shall appoint members for terms of 4 years. Such members shall serve until their successors are appointed. Members' service on the council shall begin upon appointment and shall continue until their successors are appointed.

(2) The council may adopt rules relating to the licensure examination, continuing education requirements, continuing education providers, fees, and professional practice standards to assist the department in carrying out the duties and authorities conferred upon the department by this part.

(3) To the extent the council is authorized to exercise functions otherwise exercised by a board pursuant to chapter 455, the provisions of chapter 455 and § 20.165 relating to regulatory boards shall apply, including, but not limited to, provisions relating to board rules and the accountability and liability of board members. All proceedings and actions of the council are subject to the provisions of chapter 120. In addition, the provisions of chapter 455 and § 20.165 shall apply to the department in carrying out the duties and authorities conferred upon the department by this part.

468.432 Licensure of community association managers and community association management firms; exceptions.—

(1) A person shall not manage or hold herself or himself out to the public as being able to manage a community association in this state unless she or he is licensed by the department in accordance with the provisions of this part. However, nothing in this part prohibits any person licensed in this state under any other law or court rule from engaging in the profession for which she or he is licensed.

468.433 Licensure by examination.--
(1) A person desiring to be licensed as a community association manager shall apply to the department to take the licensure examination. Each applicant must file a complete set of electronic fingerprints that have been taken by an authorized fingerprint processing center, which set of fingerprints shall be submitted to the Department of Law Enforcement for state processing and to the Federal Bureau of Investigation for federal processing. The cost of processing shall be borne by the applicant.

(2) The department shall examine each applicant who is at least 18 years of age, who has successfully completed all pre-licensure education requirements, and who the department certifies is of good moral character.

(a) Good moral character means a personal history of honesty, fairness, and respect for the rights of others and for the laws of this state and nation.

(b) **The department may refuse to certify an applicant only if:**

1. There is a substantial connection between the lack of good moral character of the applicant and the professional responsibilities of a community association manager;

2. The finding by the department of lack of good moral character is supported by clear and convincing evidence; or

3. The applicant is found to have provided management services requiring licensure without the requisite license.

(c) When an applicant is found to be unqualified for a license because of a lack of good moral character, the department shall furnish the applicant a statement containing its findings, a complete record of the evidence upon which the determination was based, and a notice of the rights of the applicant to a rehearing and appeal.

(d) The council shall establish by rule the required amount of pre-licensure education, which shall consist of not more than 24 hours (currently 15 hours required) of instruction by a department-approved provider and which shall cover all areas of the examination specified in subsection (3). Such instruction shall be completed within 12 months prior to the date of the examination. Pre-licensure education providers shall be considered continuing education providers for

purposes of establishing provider approval fees. **A licensee shall not be required to comply with the continuing education requirements of §. 468.4337 prior to the first license renewal**. The department shall, by rule, set standards for exceptions to the requirement of in-person instruction in cases of hardship or disability.

(3) The council shall approve an examination for licensure. The examination must demonstrate that the applicant has a fundamental knowledge of state and federal laws relating to the operation of all types of community associations and state laws relating to corporations and nonprofit corporations, proper preparation of community association budgets, proper procedures for noticing and conducting community association meetings, insurance matters relating to community associations, and management skills.

(4) The department shall issue a license to practice in this state as a community association manager to any qualified applicant who successfully completes the examination in accordance with this section and pays the appropriate fee.

468.438 Timeshare management firms.—

(1) The provisions of this section apply only to community association management performed by a management firm acting as managing entity of a timeshare plan pursuant to chapter 721.

(2) A timeshare management firm shall only be required to employ at least one individual licensed under this part at each noncontiguous geographic location at which the management firm provides community association management. No other person providing community association management on behalf of such management firms shall be required to hold a license pursuant to this part, provided that any community association management provided pursuant to this section must be performed under the direct supervision and control of a licensed community association manager. A community association manager licensed pursuant to this part and employed by a timeshare management firm pursuant to this section assumes responsibility for all community association management performed by unlicensed persons employed by the timeshare management firm.

(2)(a) No person who is subject to the provisions of these rules shall provide community association management services without first complying with the requirements of Chapter 61-20, F.A.C.

(b) Application for License. All persons subject to the provisions of these rules shall apply to the division for a community association manager's license, on a DBPR CAM 1 form, APPLICATION FOR LICENSURE AS A COMMUNITY ASSOCIATION MANAGER, incorporated herein by reference and effective 4-28-94.*(Available in the CAM Material tab of this book.)* A non-refundable fee of $50 shall be included with the application.

(3) Review of Application.
(a) Within 30 days of the receipt of the application the division shall determine if the application is complete. A complete application refers to an approved division application form which contains all of the information requested on the form and all documentation required to be furnished with the application (including the applicant's criminal history record provided by the Florida Department of Law Enforcement), as required by the application or by any statute or rule of the division, and the fee required by paragraph (2)(b) of this rule. The applicant's criminal history records, provided by the Florida Department of Law Enforcement upon request by the division, must be received by the division for the applicant's application to be considered complete. An application which contains errors, omissions, or which requires additional or clarifying information is not considered a complete application.

(b) Within 15 days of receipt of the application, the division shall request the applicant's criminal history record from the Florida Department of Law Enforcement. If the criminal history record provided by the Florida Department of Law Enforcement shows law enforcement information not included on the applicant's application, the division will notify the applicant in writing of the discrepancy and the applicant shall be required to provide an explanation and documentation

as necessary to provide the division the information needed to be fully informed of the applicant's criminal record. Where an arrest or charge was dismissed, or formal statement of nolle prosse by the prosecuting authority was issued, or otherwise disposed of without resulting in a criminal record as defined herein, a copy of the document (need not be certified true copy) issued by the court or other government agency resulting in such disposition shall be sufficient.

(c) If the applicant has been convicted of sale of or trafficking in, or conspiracy to sell or traffic in, a controlled substance as specified in Section 775.16, F.S., the applicant must submit, as part of the application, documentation that the conditions of Section 775.16(2), F.S., have been met.

(d) If the application is not complete, the division shall, within 30 days of receipt, notify the applicant in writing and request the additional information and documentation needed to complete the application. The applicant shall have 60 days from the date of the notice in which to correct the errors or omissions and provide the additional information or explain in writing why such errors or omissions cannot be corrected or such information cannot be provided within 60 days.

(4) **General Procedure**.

(a) If the deficiency is not timely corrected or the applicant fails to provide any explanation why it cannot respond to such a request, the application shall be denied. The application shall be denied solely on the grounds that the application is not complete. If the applicant timely files some but not all of the requested information or corrects some but not all of the errors or omissions in response to the division's notice, the timely filed information and other materials shall be included in the application file and no additional deficiency notice shall be sent by the division.

At the expiration of 60 days after the date of the deficiency notice, the division shall make a decision to approve, subject to meeting the examination requirements of Rule 61-20.502, F.A.C., or deny the application based on the information and other materials contained in the application file and shall notify the applicant of the decision within 90 days from the applicant's last timely filed information in response to the division's deficiency notice.

(b) If the applicant files a timely response indicating that the requested information and corrections cannot be supplied, the division shall make a decision as to whether the application is approved, subject to meeting the examination requirements of Rule 61-20.502, F.A.C., or denied, based on the information currently contained in the application file and so notify the applicant of the decision within 90 days from the applicant's last timely filed information in response to the division's deficiency notice.

(c) If all requested information and corrections are timely filed, division shall make a decision to approve, subject to meeting the examination requirements of Rule 61-20.502, F.A.C., or deny the application and shall notify the applicant of the decision within 90 days of receipt of the information and other materials which make the application complete.

(d) The applicant shall supply the division with required documentation (as specified below) as to all matters which comprise the applicant's criminal record. All documentation must be completely legible. Required documentation generally includes, as applicable:

1. For arrests, the police arrest affidavit or arrest report or similar document (need not be certified true copy);
2. The charges (certified true copy);
3. Plea, judgment and sentence (certified true copy); and
4. Order of entry into pre-trial intervention, and where applicable, the order of termination of pre-trial intervention showing dismissal of charges (all must be certified true copies).

(e) Situations may arise where some government agency's records suggest that a criminal record exists regarding the applicant (e.g., FDLE criminal history records show a criminal conviction in another state), but the court or law enforcement agency that should have the actual records denies having them or cannot produce them or cannot produce

whole, legible copies of them. In such instances the burden is upon the applicant to show by clear and convincing evidence that the records are not available or do not exist. It is generally sufficient if the applicant supplies a written statement on the letterhead of the agency, that would apparently be the custodian of the record, signed by a representative of the agency, stating that they have no record of such matter, or the record is lost or was damaged or destroyed, or otherwise stating why the record cannot be produced. Upon receipt of such a document, the burden shifts to the division to find other evidence to establish the existence of the matter, and failing to find same, the division shall enter into the applicant's division record a memorandum or other documentation to memorialize the situation, including why the division took no action on the apparent suggestion of criminal record, and thereafter the division does not hold the matter against the applicant.

(5) Good Moral Character

(a) Unless the division denies the application for incompleteness under paragraph (4)(a) of this rule, the division shall evaluate the application and make appropriate inquiry to determine the applicant's moral character.

> If the applicant makes incomplete, misleading, or false statements regarding material facts in making an application, such action will establish the applicant lack of good moral character, and the application will be denied.

If the applicant has failed to meet the requirements of paragraph five (5)(a) of this rule and has been unable to present sufficient evidence to establish good moral character pursuant to paragrpah (5)(b) of this rule within the time of limitations of this rule and section 120.60, Florida Statutes, the application wil be denied. However, the applicant will be given an opportunity by the division to waive the time limits of this rule and section 120.60, Florida Statutes. If it appears to the division that, through the submission of additional information or with additonal time for investigation and verification, the applicant's good moral character might be established. The applicant bears the burden of affirmatively providing the division with evidence of good moral character.

If the application is denied, the division shall proceed as provided in rule 61B-55.0011 (1), Florida Adminstrative Code. The unsuccessful applicant who requests a hearing for issuance of a license under this rule shall have the burden of proof to establish by a preponderace of the evidence, entitlement of the requested license.

61-20.003 Business Entity Registration

(1) A corporation, association or other organization or entity which engages in, or is desirous of engaging in, the business of community association management shall be licensed under this rule and shall employ only licensed persons in the direct provision of community management services.

(2) No entity described in subsection (1) above may, subsequent to October 1, 1988, conduct association management business or use its name in the conduct of its business without first registering with the division.

(3) There shall be a fee required to register an entity with the division

(4) As officers or licensed personnel or the business address change, the division shall be notified on DBPR form 33-008, Community Association Management Business Entity Registration, within 60 days of such change.

PART II CAM SCOPE OF PRACTICE

61-20.501 DEFINITIONS

61-20.5011 Prelicensure Education Requirements.

(1) **All community association manager applicants must satisfactorily complete a minimum of 16 hours of instruction of 50 minutes each within 12 months prior to the date of examination**. No applicant shall be allowed to take the licensure examination unless the applicant provides documentation of completion of the requisite prelicensure education. Each contact hour shall consist of at least 50 minutes of classroom instruction.

(2) The 16 hours of prelicensure education shall be comprised of courses in the following areas:

(a) State and federal laws relating to the operation of all types of community associations, governing documents, and state laws relating to corporations and nonprofit corporations – 20%;

(b) Procedure for noticing and conducting community association meetings – 25%;

(c) Preparation of Community Association Budgets and Community Association Finances – 25%;

(d) Insurance matters relating to Community Associations – 12%; and

(e) Management and maintenance – 18%;

61-20.502 Examination for Manager's License.

(1) An examination candidate must achieve a scaled score of **75** or higher in order to achieve a passing grade on the examination.

(2) The examination for a community association manager's license must test the applicant's knowledge of the subjects below, with the corresponding approximate percentages of questions to the examination as a whole:

(a) State and federal laws relating to the operation of all types of community associations, governing documents, and state laws relating to corporations and nonprofit corporations – 20%;

(b) Proper preparation of community association budgets and community association finances – 25%;

(c) Proper procedures for noticing and conducting community association meetings – 25%;

(d) Insurance matters relating to community associations – 12%; and

(e) Management skills – 18%.

Specific Authority 468.4315 FS. Law Implemented 455.217, 468.433 FS. History–New 5-5-88, Amended 3-22-89, 8-17-89, 12-28-92, Formerly 7D-55.005, Amended 11-23-93, 10-9-94, Formerly 61B-55.005, Amended 5-4-97, 7-30-97.

Note: ***STATE TEST IS 100% MULTIPLE CHOICE QUESTIONS.***

61-20.5021 Reexamination. If an examination candidate fails to achieve a passing grade on the examination, the candidate may re-apply in writing for reexamination with the (appropriate fees) fees provided in Rule 61-20.504, F.A.C. An examination candidate may only apply for reexamination within one year from the date of certification of the original application for a community association manager's license by the Department.

61-20.5022 Examination Review.

(1) The Council hereby adopts by reference Rule 61-11.017, F.A.C., as its rule governing examination review.

(2) Notwithstanding the provisions of Rule 61-11.017, F.A.C., examination reviews may also be conducted at other times and places as established by the Department. For purposes of this rule, a representative of the Department conducting the examination review shall also include a representative of the contract vendor for the examination.

61-20.503 Standards of Professional Conduct.

All licensees and registrants shall adhere to the following provisions and standards of professional conduct, and such provisions and standards shall be deemed automatically incorporated, as duties of all licensees and registrants, into any written or oral agreement for the rendition of community association management services, the violation of which shall constitute gross misconduct or gross negligence:

Definitions. As used in this rule, the following definitions apply:

(a) The word "control" means the authority to direct or prevent the actions of another person or entity pursuant to law, contract, subcontract or employment relationship, but shall specifically exclude a licensee's or registrant's relationship with a community association, its board of directors, any committee thereof or any member of any board or committee.

(b) "Licensee" means a person licensed pursuant to Section 468.432(1), F.S.

(c) "Registrant" means an entity registered pursuant to Section 468.432(2), F.S.

(d) The word "funds" as used in this rule includes money and negotiable instruments including checks, notes and securities.

(1) **Honesty**: During the performance of management services, a licensee or registrant shall not knowingly make an untrue statement of a material fact or knowingly fail to state a material fact.

(2) **Professional Competence**: A licensee or registrant shall undertake to perform only those community association management services which he or it can reasonably expect to complete with professional competence.

(4) **Due Professional Care:**

(a) A licensee or registrant shall exercise due professional care in the performance of community association management services.

(b) A licensee or registrant shall not knowingly fail to comply with the requirements of the documents by which the association is created or operated so long as such documents comply with the requirements of law.

(4) Control of Others: A licensee or registrant shall not permit others under his or its control to commit on his or its behalf, acts or omissions which, if made by the licensee or registrant, would place him or it in violation of Chapter 468, Part VIII, F.S., or Chapter 61-20, F.A.C. A licensee or registrant shall be deemed responsible by the department for the actions of all persons who perform community association management related functions under his or its supervision or control.

(5) Records

(a) A licensee or registrant shall not withhold possession of any original books, records, accounts, funds, or other

property of a community association when requested by the community association to deliver the same to the association upon reasonable notice. Reasonable notice shall extend no later than 20 business days after receipt of a written request from the association. The provisions of this rule apply regardless of any contractual or other dispute between the licensee and the community association, or between the registrant and the community association. It shall be considered gross misconduct, as provided by Section 468.436(2), F.S., for a licensee or registrant to violate the provisions of this subsection.

(b) A licensee or registrant shall not deny access to association records, for the purpose of inspecting or photocopying the same, to a person entitled to such by law, to the extent and under the procedures set forth in the applicable law.

(c) A licensee or registrant shall not create false records or alter records of a community association or of the licensee or registrant except in such cases where an alteration is permitted by law (e.g., the correction of minutes per direction given at a meeting at which the minutes are submitted for approval).

(d) A licensee or registrant shall not, to the extent charged with the responsibility of maintaining records, fail to maintain his or its records, and the records of any applicable community association, in accordance with the laws and documents requiring or governing the records.

(6) **Financial Matters**: A licensee or registrant shall use funds received by him or it on the account of any community association or its members only for the specific purpose or purposes for which the funds were remitted.

(8) Other Licenses

(a) A licensee or registrant shall not commit acts of gross negligence or gross misconduct in the pursuit of community association management or any other profession for which a state or federal license is required or permitted. It shall be presumed that gross negligence or gross misconduct has been committed where a licensee's or registrant's other professional license has been suspended or revoked for reasons other than non-payment of dues or noncompliance with applicable continuing education requirements.

(b) A licensee or registrant shall not perform, agree to perform or hold himself or itself out as being qualified to perform any services which, under the laws of the State of Florida or of the United States, are to be performed only by a person or entity holding the requisite license or registration for same, unless the licensee or registrant also holds such license or registration; provided, however, that no violation hereof shall be deemed to have occurred unless and until the authority administering the license or registration in question makes a final determination that the licensee or registrant has failed to obtain a license or registration in violation of the law requiring same.

(c) A licensee or registrant shall reveal all other licenses or registrations held by him or it under the laws of the State of Florida or the United States, if, as a result of such license or registration, a licensee or registrant receives any payment for services or goods from the community association or its board.

(d) Violation of any provision of Section 455.227(1), F.S., or of any part of this rule shall subject the licensee or registrant to disciplinary measures as set out in Section 468.436, F.S.