

Dear Community Association Accounting Department and/or Manager:

As required by auditing standards, we are documenting for our files your **payroll systems and procedures**. This form only needs to be completed once per year for all management company clients.

Thank you! (Note: "Who" can be answered by a person's name or position e.g. Jane Smith or Bookkeeper).

- N/A – No Payroll at the Current Time (return form with this checked; you are done) OR**
- Payroll recorded by the Association (Assn. EIN) (steps 1-4 below) OR**
- Payroll paid as "Contract Services" through Management Company (Mgmt Co EIN) (steps 1-5 below)**

**1) Timecards**

- a)  Timecards Used    Salary Only    Other \_\_\_\_\_
- b)  Timecards approved by Manager    Approved by Board    Approved by Other \_\_\_\_\_
- c) Who authorizes/approves overtime? \_\_\_\_\_

**2) Payroll Processing**

- a)  Weekly payroll processing    Bi-weekly    Semi-monthly    Other \_\_\_\_\_  
 Depends on Association
- b) Who processes payroll? \_\_\_\_\_
- c) Who signs the paychecks? \_\_\_\_\_
- d)  In-house payroll processing    Payroll service (e.g. ADP, Paychex) \_\_\_\_\_  
 Other \_\_\_\_\_

**3) General Payroll Procedures**

- a) Who hires and fires employees? \_\_\_\_\_
- b) Who authorizes pay increases/changes? \_\_\_\_\_
- c) Where are increases/changes documented? \_\_\_\_\_
- d) Who inputs payroll into the general ledger? \_\_\_\_\_
- e) Who reconciles/verifies quarterly and annual payroll reports? \_\_\_\_\_

**4) Employee Benefits**

- All Employees    None    Other \_\_\_\_\_
- YES    N/A    Depends on Association   Paid Time Off (e.g. Sick/Personal) – Paid upon termination if not used
- YES    N/A    Depends on Association   Paid Time Off (e.g. Sick/Personal) – NOT paid upon termination
- YES    N/A    Depends on Association   Vacation Pay – Paid upon termination if not used
- YES    N/A    Depends on Association   Vacation Pay – NOT paid upon termination
- YES    N/A    Depends on Association   Matching Retirement Plan (e.g. 401K, SIMPLE IRA)  
Percent Paid by Association \_\_\_%
- YES    N/A    Depends on Association   Other Paid Benefits \_\_\_\_\_

**5)  MANAGEMENT COMPANY PROVIDES PAYROLL SERVICES**

- Does Mgmt. Co invoice Assn. with payroll details included?  Yes    No  
If no; other documentation available for audit? \_\_\_\_\_

Other comments? \_\_\_\_\_

**Please provide a copy of your payroll policy, if available, and any contract services agreements.**

Management Company \_\_\_\_\_ Date \_\_\_\_\_

Prepared By \_\_\_\_\_ Position \_\_\_\_\_

Please return to:



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