The Accidental Treasurer's Starter Kit

Your first 90 days as treasurer of a small, self-managed HOA, with a checklist for each stage and fill-in pages you can print

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You didn't campaign for this job. Somebody handed you a checkbook, a bank login, maybe a shoebox or a spreadsheet, and said, "You're good with numbers." This kit covers your first 90 days and your first tax season: what to gather, what to check, what to do every month, and how to spot a problem early, while it's still small enough to fix calmly.

It's written for small associations run by volunteers with no management company, roughly 10 to 100 homes. You don't need to be an accountant. You need three things: **a paper trail, a monthly rhythm, and a second set of eyes.**

How to use it. Do the ten things on the Start here list first. Work through Parts 1 to 4 in order, and don't try to fix everything in week one. Your first job is to see clearly: what money exists, where it's kept, what the association owes, and which papers prove it. Fixes come after facts. The four tools at the back (handoff receipt, monthly close, board report, year calendar) are meant to be printed and reused.

Please read: this is general information, not advice. This kit is general information for volunteer treasurers. It is not legal, tax, accounting, or insurance advice, and reading it doesn't create a professional relationship with anyone. AssessKeep is a software company, not a law firm, CPA firm, or management company. Your CC&Rs, bylaws, and state law control where they speak, and HOA law varies a lot from state to state. Laws and IRS rules change, so confirm anything that matters with the official source or a qualified professional (an HOA attorney, CPA, or insurance agent) before you act on it. Where this kit and your governing documents or state law disagree, your documents and the law win.

Start here — if you only do ten things this month

☐ **Get the board to authorize new bank signers** in a written resolution, recorded in the minutes, and take it to the bank.

☐ **Make sure no one is the only signer** on any account. Remove departed officers once two current officers have working access.

☐ **Get your own online banking login from the bank.** Never inherit or share someone else's username and password.

☐ **Turn on bank alerts** for withdrawals and transfers, sent to at least two officers.

☐ **Collect the handoff items** in Part 1, and sign the handoff receipt (Tool A) with the outgoing treasurer.

☐ **Reconcile the most recent month yourself** for every account, even if someone says it's already done.

☐ **Confirm insurance is in force,** including crime or fidelity coverage that covers volunteer officers and D&O coverage, and write down the renewal dates.

☐ **Calendar the tax-season dates** in Part 4: 1099s in January and the federal return in April. Confirm who prepares the return.

☐ **Confirm reserve money is in its own account** and that nobody plans to "borrow" from it without following the rules.

☐ **Give the board a one-page opening report** (Tool C) on what you received, what's missing, and what doesn't match.

Part 1 — The first two weeks: get the keys

By the end of week two, you should be able to answer these with documents in hand: *What accounts do we have, who can sign on them, what do we own, what do we owe, and where are the records?*

The handoff meeting

Sit down with the outgoing treasurer if you can. Even 30 minutes helps. Ask for objects and access, not a memory dump. Use Tool A to record what changed hands.

Money and access

☐ Every account (operating, reserve, savings, CDs, money market, and any account a payment processor deposits into), with the bank and the last four digits of each

☐ Current signers on each account, and what the bank needs in order to change them

☐ Debit cards, checkbooks, and payment apps (Venmo, Zelle, PayPal, a dues portal). Who controls each one?

☐ Recurring charges on anyone's *personal* card or email. These need to move to accounts the association controls.

The books

☐ The accounting file, spreadsheet, or ledger, plus every backup that exists

☐ Bank statements for every account for the last 12 months

☐ The last bank reconciliation for each account, with any open items

☐ Current budget, year-to-date actuals, and last year's year-end financials, plus any CPA review or audit

☐ The per-home ledger and the aging list (who owes what, and for how long), plus any payment plans and any accounts sent to an attorney or collector

☐ Unpaid bills and anything "in flight": open insurance claims, disputes, promised refunds

Paper and promises

☐ Governing documents: CC&Rs, bylaws, articles, rules, and all amendments, including any collection policy or reserve resolution

☐ Reserve study and its date

☐ Contracts, with renewal dates: insurance, landscaping, utilities, pool, gate, bookkeeping, tax preparer

☐ Insurance declarations pages: property, liability, D&O, and crime or fidelity coverage, plus the agent's contact details

☐ Tax file: the EIN, the last three federal returns (and state returns if any), the preparer's name, any IRS or state notices, and vendor W-9s and last year's 1099s

☐ State filings: the corporate annual or biennial report, and any HOA registration, with their due dates

☐ Keys, gate codes, the P.O. box, the association's email and website logins, and where they're stored

If the handoff doesn't happen because the prior treasurer moved, resigned abruptly, or won't cooperate, don't panic and don't accuse. Send one polite written request from the board. Then rebuild from the bank, which can usually give statements and signer records to officers the board has authorized. Write down what you couldn't get. That fact matters later.

Secure the money first

Before you pay a single bill:

☐ The board votes on new signers, the vote goes in the minutes, and the resolution goes to the bank

☐ At least two current officers have working access *before* departed officers are removed. Removing them is routine housekeeping, not an accusation.

☐ Alerts go to two officers. Statements go to an association address or a login a second officer can see.

☐ If the IRS "responsible party" on the EIN was a departed officer, ask your preparer about Form 8822-B. The IRS asks for responsible-party changes to be reported within 60 days. (IRS: About Form 8822-B)

☐ No association money runs through a personal account, personal payment app, or personal card

Set up your workspace

☐ One folder system (paper or digital) with sections for statements, reconciliations, invoices and receipts, contracts, insurance, tax, minutes, and owner money letters

☐ A file-naming habit, e.g. `2027-01_statement_operating.pdf`

☐ Backups kept in a cloud folder **owned by the association**, not by you personally

☐ Tool D (the year calendar) filled in with your association's real dates

Part 2 — The first 30 days: money in, money matched

The dues rhythm

Dues keep the association running. Make the routine boring and predictable.

☐ From the budget and CC&Rs, confirm the amount per home, how often dues are billed, the due date, any grace period, and **what late charges and interest your documents actually allow** (and state law, if it caps them)

☐ Bill the same way, at the same time, every cycle

☐ Record every payment against the specific home, not as a lump deposit

☐ Deposit promptly and in full. Never hold checks at home, and never use a dues check to pay a bill directly.

☐ Keep a ledger for each home: balance forward, charges, payments, balance owed

Late accounts: firm, consistent, humane

☐ Work from an aging list (current, 30, 60, 90+ days) and review it monthly

☐ Follow the same written steps, in the same order, for everyone: friendly reminder, then formal notice under your documents, then board review

☐ Keep it private. Never post or announce a neighbor's balance, and never discuss one owner's account with another owner.

☐ Handle payment plans and partial payments under a board-approved written policy. How payments get applied can matter legally.

☐ **Stop and get advice before any lien, collection agency, or foreclosure step.** In many states, assessment collection comes with detailed notice and voting rules. A defective notice can undo the whole process. (California's rules are summarized in the California box.)

☐ Don't write anything off quietly. If the board decides a balance can't be collected, record the decision in the minutes.

Reconcile every account: the most important habit

Reconciling means proving that your books and the bank agree, and explaining every difference. Do it monthly, for every account, within a couple of weeks of the statement.

1. Start with the bank statement's ending balance.
2. Add deposits you've recorded that the bank doesn't show yet.
3. Subtract recorded checks and payments that haven't cleared.
4. The result should equal your book balance. If it doesn't, find out why. Never plug the difference.
5. Read the statement itself. Every withdrawal should be something you recognize and can tie to an invoice or an approval.
6. Save the reconciliation with the statement, initialed and dated, and hand it to a second officer to review.

If no one has reconciled in months, start with the most recent month and work forward. Note the gap honestly in your first board report.

A starter chart of accounts

You don't need 200 categories. If a category doesn't change a decision, merge it. Money that is earmarked, reserves above all, always gets its own lines.

Income	Operating expenses	Reserves (kept separate)
Dues / assessments	Insurance	Reserve contributions
Late fees and interest (if allowed)	Water, sewer, trash	Reserve interest earned
Interest earned	Landscaping and grounds	Reserve spending, by component (roof, paving, paint…)
Other (rentals, fines where permitted)	Repairs and maintenance	
	Electric, gas, lighting	
	Pool / amenities	
	Legal, tax prep, bookkeeping	
	Taxes, licenses, filings	
	Office, postage, bank fees	

Tip: track interest separately from dues. The tax rules usually treat it differently (see Part 4).

Part 3 — Days 30 to 90: run the month, protect the reserves

Reserves are not a cushion

Operating money pays this year's bills. Reserve money is the owners' savings for big, predictable costs like roofs, paving, and painting. Using it to cover operating shortfalls is how a small budget problem turns into a special assessment and a fight.

☐ Keep reserves in their own account, clearly titled

☐ Document every transfer between operating and reserves: the date, amount, reason, and the board authorization in the minutes

☐ Follow any rules your documents or state law set for withdrawals and borrowing **exactly**. Some states require two signatures, advance notice, written findings, and a repayment deadline. Ask *before* you move money, not after.

☐ Know the basics of your reserve study: which components it covers, the recommended contribution, and whether you're funding at, above, or below it. If there's no study, put "get one" on the board's list.

☐ Report the reserve balance separately every month. Never present one blended cash number.

Paying bills with a paper trail

You should be able to answer three questions about every payment in 30 seconds: *What was it for? Who approved it? Where's the proof?*

☐ No invoice or receipt, no payment. When a vendor truly can't provide one, an officer writes and signs a note, as a one-time exception.

☐ Use two sets of eyes: one person approves and another pays or co-signs. On a tiny board, the president can approve invoices by email before the treasurer pays. **Check your bylaws, bank, insurer, and state law for stricter rules,** especially for reserve accounts and large transfers.

☐ Match each payment to the contract or quote, and flag overages to the board *before* paying

☐ Pay on a set schedule, for example twice a month, so there's less chance of paying a bill twice

☐ Before you pay a new contractor, collect a W-9. You'll need it for 1099s in January.

☐ No cash, no reimbursement without receipts, and no vendor payments to personal accounts

☐ File proof of payment with the invoice

The monthly board report

Once a month, give the board one page that a non-accountant can read in three minutes. **Tool C is a fill-in version.** End it with one or two plain sentences, for example: "We're $1,200 under budget because the landscaping contract renewed lower. Reserves are on plan, and two homes are more than 60 days behind." Bring the reconciliations and bank statements to the meeting. Real transparency means handing over the documents, not making a speech. Ask the secretary to note in the minutes that the board reviewed them.

Part 4 — Your first tax season: January to May

New treasurers often take over in January, right when the year-end paperwork comes due. Confirm every date below with your preparer, and adjust for your fiscal year if it doesn't end December 31.

January: 1099s

☐ Make a list of every non-employee you paid for services last year, with totals. Include attorneys, even if their firm is a corporation.

☐ **For payments made in 2026, the federal Form 1099-NEC threshold is $2,000 per payee** (it was $600 for payments made before 2026). The amount is inflation-adjusted after 2026, so check the current IRS instructions each year. (IRS: Am I required to file a Form 1099? · Instructions for Forms 1099-MISC and 1099-NEC)

☐ Form 1099-NEC is generally due to the recipient and the IRS by **January 31** (or the next business day if that falls on a weekend). If the association files 10 or more information returns in total, it must file them electronically.

☐ Missing W-9s? Request them now, in writing.

By the 15th day of the 4th month: the federal return

☐ HOAs generally file **Form 1120-H** or **Form 1120**. Form 1120-H is an election made separately each year by filing it, generally by the due date including extensions. Choosing between the two forms is a decision for your preparer.

☐ To use Form 1120-H, at least 60% of gross income must be "exempt function income" (member dues, fees, and assessments), and at least 90% of spending must go to acquiring, building, managing, maintaining, and caring for association property. Income that isn't dues, such as interest, is generally taxable on Form 1120-H at a flat 30% after a $100 specific deduction.

☐ For a calendar-year association, Form 1120-H is due **April 15** (the 15th day of the 4th month). An association with a June 30 year-end files by the 15th day of the 3rd month. Form 7004 requests an extension.

- Source: IRS Instructions for Form 1120-H

State returns and reports

☐ Ask your preparer whether your state requires an income tax or information return for the association, and when it's due

☐ Ask whether your state requires a corporate annual or biennial report. Missing one can suspend the corporation's good standing in some states.

All year

☐ Renew insurance before it lapses. Read the conditions of the crime or fidelity policy, because some require specific controls, such as dual signatures or reconciliation by someone other than the person who writes the checks.

☐ Review the reserve study each year when you build the budget

Part 5 — Records: keep them, show them

Good records protect the board, the owners, and you. When a money dispute comes up, the documents usually settle it.

What to keep, organized and backed up: governing documents and amendments; board and member minutes and election records; budgets, financial statements, and any review or audit; bank statements and reconciliations; invoices, receipts, contracts, and proof of payment; tax returns and 1099s; insurance policies and claims; reserve studies; owner ledgers and collection letters; association correspondence.

How long? Your state law and your documents decide this. As a cautious general practice, and not a legal rule, many associations keep minutes and tax returns permanently and keep financial records and contracts for at least seven years. Write your association's retention rule down in one place, and have the board approve it.

When an owner asks to see records:

☐ Ask for the request in writing, date-stamp it, and respond within the time your documents or state law require. California's deadlines are in the California box.

☐ Offer a reasonable time and place

☐ Protect what's genuinely private, such as other owners' personal details and privileged legal advice. When you're unsure, ask your attorney once and apply the answer the same way every time.

☐ Charge only the copy fees your documents and state law allow

☐ Use the same process for the owner you like and the owner you're feuding with

🚩 Red flags: slow down and get help

Signs you may have inherited a problem:

- Bank statements missing for whole months, or records that start in the middle of a year
- Books and bank that don't match, with no one able to explain why, or reconciliations that "balance" because of an unexplained adjustment
- A reserve account that's empty, missing, or well below what the study says it should be
- Dues collected but no ledger for each home, so no one can say who owes what
- Round-number payments, payments to individuals, or vendors no one can identify
- Lapsed insurance, unfiled tax returns, or a suspended state filing
- A prior treasurer who resists handing over records or says everything is "in my head"

Habits that create problems:

- Paying association bills from your own account "to be reimbursed later," or depositing dues personally "for now"
- Cash payments, in either direction
- One person who collects, records, *and* reconciles, with no one reviewing
- "Quiet loans" from reserves with no board vote, notice, or repayment plan
- Skipping the reconciliation "just this month"
- Letting one late account slide because the conversation is awkward
- Being the only person who knows the passwords, the calendar, or the process

If you find a mess:

1. **Preserve everything.** Don't fix old records, backdate anything, or throw anything away.
2. **Tell the board in writing, and stick to facts:** "As of [date], the books and bank differ by $X for these months, and there are no reconciliations for [period]." Don't draw conclusions about people.
3. **Reconcile forward** from the last point where the books and bank agreed.
4. **Ask the board to bring in professional help** proportionate to the gap: a CPA for a few hours, or an HOA attorney if money appears to be missing. That's the board's decision, and it goes in the minutes.
5. **Keep your own copies** of what you reported and when. Prompt, written, factual reporting is your best protection.

California associations: the rules that change the checklist

California's Davis-Stirling Act turns several of this kit's "good practices" into legal duties. The summary below is general information as checked in November 2026. Read the sections themselves (linked) and ask an HOA attorney before you rely on them. Unless noted, these apply unless your governing documents set a stricter standard.

Monthly review is the law. Every month, the board must review current reconciliations of the operating and reserve accounts, actual revenue and expenses against the budget, the bank statements, an income and expense statement, the check register, the general ledger, and the delinquency report. Make sure the minutes show it. (Civ. Code § 5500)

Board approval for larger transfers. Transfers from the reserve or operating accounts need prior written board approval unless they are under the lesser of $5,000 or 5% of budgeted income (associations of 50 or fewer homes), or the lesser of $10,000 or 5% (51 or more homes). (§ 5502)

Two signatures on reserve withdrawals. Withdrawals from reserve accounts need two signatures: two directors, or one director and one officer who isn't a director. Reserve funds may be spent only on the major components they were set aside for (or litigation about them). (§ 5510)

Borrowing from reserves. Borrowing requires notice in the board meeting notice (with the reasons, repayment options, and whether a special assessment may be considered), a written finding in the minutes, and repayment generally within one year. (§ 5515)

Crime or fidelity coverage is required, for directors, officers, and employees, in an amount at least equal to the reserves plus three months of total assessments. It must include equal protection against computer fraud and funds-transfer fraud. Self-insurance doesn't count. (§ 5806)

Annual budget report and annual policy statement. Both go to members 30 to 90 days before the fiscal year ends (for a December 31 year-end, roughly October 2 to December 1). The budget report has required contents, including a reserve summary, the reserve funding plan, an insurance summary, and the Assessment and Reserve Funding Disclosure Summary form. (§ 5300, § 5310)

CPA review above $75,000. In any fiscal year when gross income exceeds $75,000, a licensee of the California Board of Accountancy must prepare a review of the financial statement, distributed to members within 120 days after year-end. (§ 5305)

Reserve study. Where it applies (when the replacement value of major components is at least half the gross budget, excluding reserves), a visual-inspection reserve study is required at least every three years and must be reviewed every year. (§ 5550)

Late charges and liens. Assessments become delinquent 15 days after they're due. Late charges are capped at the greater of 10% or $10, and interest at 12% a year starting 30 days after the due date, unless your declaration sets lower amounts (§ 5650). Before recording a lien, the association must send at least 30 days' notice by certified mail, with required contents (§ 5660). The board itself must decide to record a lien, by majority vote in an open meeting, recorded in the minutes (§ 5673). Foreclosure isn't available for delinquent assessments under $1,800 unless they're more than 12 months delinquent (§ 5720). **Get an attorney before any lien.**

Records inspection. Members can generally inspect records for the current and two prior fiscal years, and minutes permanently. Current-year records are due within 10 business days of a proper request, and the prior two years' within 30 calendar days. (§ 5210) This sets what members can inspect. It isn't a complete retention schedule.

Secretary of State filing. Every association files a common interest development statement with the Secretary of State. Incorporated associations file it along with their regular statement of information, and unincorporated associations file every two years. Incorporated associations that miss it can be suspended. (§ 5405)

State tax. An association with California tax-exempt status generally files FTB 199N (normal gross receipts of $50,000 or less) or Form 199 (more than $50,000), due by the 15th day of the 5th month after year-end. It also files Form 100 if its taxable non-dues income, such as interest, exceeds $100. (FTB Publication 1028)

Tool A — Handoff receipt

Print two copies. Both treasurers sign, and each keeps one. File a third copy with the minutes.

Association: _____ Date of handoff: _____

Outgoing treasurer: _____ Incoming treasurer: _____

Item	Received? (Y / N / Partial)	Notes: what's missing, where it's kept
Account list, all accounts		
Bank statements, last 12 months		
Last reconciliation, each account		
Books / accounting file + backups		
Per-home ledger + aging list		
Budget, YTD actuals, last year-end financials		
Unpaid bills / items in flight		
Checkbooks, debit cards, payment-app access		
Governing documents + amendments		
Reserve study		
Contracts + renewal dates		
Insurance declarations (incl. crime/fidelity, D&O)		
Tax file: EIN, returns, W-9s, 1099s, notices		
State filings + due dates		
Keys, codes, P.O. box, email/website logins		

Cash balances as of **: Operating $ Reserve $**_____ Other $_____

Total owed by homeowners as of the same date: $_____ (homes behind: ____)

Outgoing signature: _____ Incoming signature: _____

Tool B — Monthly close checklist

Copy this page. Run it in the same order during the first two weeks of each month, for the month that just ended.
Month: _____

Collect and record

☐ All dues payments recorded against the right homes
☐ All deposits made and matched to the bank
☐ All invoices entered. Anything expected but missing has been followed up.
☐ All payments recorded, with invoice and approval attached. W-9 on file for new contractors.

Reconcile

☐ Operating account reconciled, with differences explained in writing
☐ Reserve account(s) reconciled
☐ Every withdrawal on every statement recognized and tied to documents
☐ Reconciliations initialed, dated, and reviewed by a second officer

Review

☐ Aging list reviewed, and the next step taken for each late account under the written policy
☐ Spending compared with the budget, and any category over budget flagged with a reason
☐ Reserve transfers (if any) authorized and documented under your rules
☐ Next 60 days checked on Tool D: renewals, filings, big bills

Report and file

☐ Board report (Tool C) prepared
☐ Report, reconciliations, and statements given to the board, with the review and decisions recorded in the minutes
☐ Everything filed and backed up
☐ Any new deadline added to Tool D

That's the whole job each month: **record, reconcile, review, report.**

Prepared by: _____ Date: _____ Reviewed by: _____ Date: _____

Tool C — One-page board report

Association: _____ Month ending: _____ Prepared by: _____

1. Cash at month-end (from reconciled bank statements)

Account	Balance	Reconciled?	Reviewed by
Operating	$	☐	
Reserve	$	☐	
Other:	$	☐	

2. Income vs. budget

	This month	Budget	Year to date	YTD budget
Dues / assessments	$	$	$	$
Other income	$	$	$	$

3. Spending vs. budget (major categories)

Category	This month	YTD	YTD budget	Over? Why
	$	$	$	
	$	$	$	
	$	$	$	
	$	$	$	

4. Late accounts (totals only, no names in the written report)

Current	30 days	60 days	90+ days	Total owed	Homes behind
$	$	$	$	$	

5. Reserves: contributions in $_____ · spending out $_____ · balance $_____ · study target (if known) $_____

6. Coming up in the next 60 days (bills, renewals, filings, decisions):

_____

_____

7. In plain English, one or two sentences:

_____

Board action needed: ☐ None ☐ Yes: _____

Tool D — Year calendar

*Fill in your association's real dates. The suggested timing below assumes a December 31 fiscal year-end and **federal** rules. Add your state's dates and your documents' dates, and confirm all of them with your preparer.*

When	What	Who	Our date	Done
January	1099-NEC to contractors and the IRS (due Jan. 31, or the next business day)	Treasurer / preparer		☐
January	New signers at the bank, alerts on, insurance confirmed	Board		☐
Feb–Mar	Year-end package to the tax preparer	Treasurer		☐
April 15	Federal return (Form 1120-H or 1120), or a Form 7004 extension	Preparer		☐
Spring	State tax / information return, if required	Preparer		☐
Per state	State corporate annual or biennial report	Secretary / treasurer		☐
Per policy	Insurance renewals: property, liability, D&O, crime/fidelity	Board		☐
Per contract	Vendor contract renewals	Board		☐
Before budget	Reserve study review (and update when due)	Board		☐
Per documents	Draft and adopt next year's budget, and notify owners of any dues change	Treasurer / board		☐
Per documents	Annual meeting and election	Board		☐
Per documents	Year-end review or audit, if required	Board / CPA		☐
Monthly	Monthly close (Tool B) and board report (Tool C)	Treasurer		☐

California adds: budget report and annual policy statement 30 to 90 days before year-end; a CPA review within 120 days after year-end if gross income exceeded $75,000; FTB 199N or 199 by May 15 for a calendar year; Form 100 if non-dues income exceeds $100; and the Secretary of State statement. See the California box.

Where AssessKeep fits

Everything in this kit works with a spreadsheet and a folder. Many boards run it that way for years. **AssessKeep** is software we're building for the same job: billing dues, taking payments straight into your association's own bank account, keeping a ledger with operating and reserve funds separate that's checked against the bank, and keeping records with the association when the board changes.

AssessKeep isn't launched yet. Founding boards are forming now on the waitlist. Waitlist members get first access when founding deposits open, and you'll see the full price before you commit to anything.

If someone forwarded you this kit, the waitlist is at assesskeep.com. If you're already on it, the most useful next step is to pass this kit to your board president and whoever will be treasurer after you.

Questions or corrections: hello@assesskeep.com

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