HOA Monthly Financial Review Checklist

Review the reports. Verify important information. Follow through on questions.

Association: _____ Month: _____ Review date: _____

Reviewed by: _____

Use this checklist with the association's monthly financial reports. The purpose is to understand the association's financial position, confirm key information with reliable records, and follow up on items that need clarification.

1 Gather the Financial Information

- ☐ Balance sheet, income and expense statement, and budget-to-actual report.
- ☐ Bank reconciliations, transaction detail, and check register or detailed payment list.
- ☐ Delinquency report, unpaid bills report, and reserve account activity.
- ☐ Bank statements obtained directly from the bank or through board-controlled access.

2 Review and Confirm Bank Balances

- ☐ Review the bank reconciliation for each operating, reserve, and investment account.
- ☐ Compare the balance on each bank statement with the bank statement balance listed on its reconciliation.
- ☐ Confirm that the balance after reconciliation adjustments agrees with the cash balance in the accounting records.
- ☐ Review outstanding checks, deposits in transit, and adjustments; ask about old or unexplained items.
- ☐ Note significant month-to-month changes, unfamiliar accounts, or unusual transfers and withdrawals.

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Review the Activity

Compare actual results with the budget, obligations, and reserve plans.

3 Review Income and Expenses

- [ ] Compare actual income and expenses with monthly and year-to-date budget amounts.
- [ ] Ask about significant differences, including whether timing or approved work explains them.
- [ ] Use transaction detail to examine large, duplicate, unexpected, or unfamiliar payments.
- [ ] Compare significant transactions with invoices, contracts, approvals, or other supporting records.

4 Review Amounts Owed to and by the Association

- [ ] Compare unpaid assessment balances with the prior month; note meaningful increases or aging balances.
- [ ] Confirm that the association's established collection policy is being followed.
- [ ] Review unpaid bills for overdue, duplicate, or unfamiliar amounts.
- [ ] Consider available operating cash in light of bills due soon and other upcoming commitments.

5 Review Reserve Fund Activity

- [ ] Confirm scheduled reserve contributions were made and appear in the appropriate records.
- [ ] Review reserve withdrawals and transfers against bank activity and accounting records.
- [ ] Compare major reserve payments with approved projects, invoices, and other support.
- [ ] Consider whether missed contributions or unexpected withdrawals affect planned reserve needs.

Review tip

An unusual amount is a reason to seek an explanation, not necessarily evidence of an error.

Complete and Document the Review

Make sure questions are answered and important findings reach the board.

6 Document Questions and Follow-Up

- [ ] Write down missing information, unfamiliar transactions, or differences needing explanation.
- [ ] Ask for specific records or information that would answer each question.
- [ ] Record explanations and supporting information; assign unresolved items and due dates.

7 Address Warning Signs and Unresolved Concerns

- [ ] Follow up on missing records, unexplained differences, changing answers, or potentially unauthorized activity.
- [ ] Allow ordinary errors and timing differences a reasonable opportunity to be explained or corrected.
- [ ] Bring significant concerns to the full board promptly; seek qualified professional help when needed.
- [ ] Preserve relevant statements, reports, invoices, correspondence, and supporting records.

8 Record the Board's Review

- [ ] Note in the meeting minutes that the financial reports were reviewed.
- [ ] Record important decisions, unresolved concerns, and follow-up assignments.
- [ ] Keep the completed checklist and reports with the association's financial records.

Before closing the review

Make sure the board knows about important activity, unanswered questions have owners, and urgent concerns receive prompt attention.

Follow-Up Record

Use this page to carry questions forward until they are resolved.

Association: _____ Month: _____

Question / document needed	Assigned to	Due date	Resolved
			☐
			☐
			☐
			☐
			☐
			☐
			☐
			☐

Keep the process moving

Review unresolved items at the next board meeting or monthly financial review until each has been addressed.

WANT HELP WORKING THROUGH THIS CHECKLIST?

The companion guide, Putting the Monthly Financial Review Checklist Into Practice, is available with the Smart HOA Finance Board Briefings. Learn more at smarthoafinance.com.

Educational resource; not a substitute for legal, accounting, auditing, or other professional advice.