

2020 EMBRACING TRANSFORMATION
FINANCIAL MANAGEMENT CONFERENCE

Internal Controls in the Time of COVID-19

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Moderated by Kelly Perlman

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STRENGTHMATTERS®

Getting Started

- All participant lines are muted.
- You may use the **Chat** feature to ask questions.
- Please use the **Raise Hand** feature if you would like to speak.
 - The Raise Hand feature is located in the Participant panel.
- Any questions not answered during the presentation will be addressed at the end of the session.

Continuing Professional Education Requirements for CPAs

- **Polls are Required for CPEs**

- If you are seeking CPE credits, please submit ALL polls and the conference evaluations.
- We use **Polls** and the **Zoom attendance record** to verify participation throughout the webinar.
 - **Participants must submit ALL polls and be logged in no later than 10 minutes after the scheduled session start time to receive a certificate.**
- You may request a certificate of completion via the conference evaluations.
 - Links to the evaluations are emailed to all registrants.
- For more information on CPE credits, contact Lindsay Wells at consult.lwells@gmail.com.

Poll #1

What best describes your current working environment?

1. 100% remote
2. 100% in the office
3. Hybrid model
4. Vacation every day

Homeport Statistics

- Approximately 2,600 Units, all in Central Ohio
 - 3rd Party Property Management (2, soon to be 3)
 - Significant Community Space programming
- Parent Company = 40 Staff
 - Internal IT Department
 - Approximately 75% staff had Homeport laptops
 - No prior “work from home” policy
 - Minimal practice working from home
 - All financial training classes were held in person
- Own Our Corporate Headquarters Building
- Pre-COVID processes: very paper-intensive...we were a product of attorneys...save everything & sign everything in blue pen



Property Management Post-COVID Control Changes



- Resident Interactions
 - Rent Collections (Initially, drop off at Closed Rental Offices; “essential personnel” would collect when no one was around & deposit; back to old routine)
 - Looking to implement Rent Café January 2021 with 1 property mgt company
 - Income Certifications (By appointment now)
 - New Tenant Applications and Move-Ins (By appointment now)
 - Maintenance (Back to routine maintenance)
- Established Best Practices Meetings jointly with both property mgt companies and Asset Management 2-3 X's/Week
 - Continue at least 1 X per week
 - Ensured Consistency of decisions and processes
- Weekly Asset Management/Property Management/Resident Services Best Practices and “What do our Residents Need” Meetings
 - Review Tenant Receivables
 - Food Programs (who is comfortable going to property sites)
- Re-imagined “Eviction Prevention” despite Eviction Moratorium
 - RAFT Fund; Additional Funding and Criteria/Process for Rental Assistance

IT Post-COVID Control Changes

- Had Zoom and Microsoft Teams and Skype for Business already set up
 - Just none of us had ever used them
- Also SharePoint and Microsoft Planner and cloud-based sharing of documents already established
- First all-team Training on Thursday, March 12; supplied reference booklet; listed additional questions wanted answers to
 - Everyone was to go home and try to get in the system by Monday; report back success or not
 - Second all team IT Training on Monday
 - Went home on Tuesday
- Electronic signatures now whenever possible; ask first: print only if necessary; ask for DocuSign or RightSign or similar for closings and other legal documents from 3rd parties; looking into DocuSign for Homeport; learned how to electronically sign on a PDF
- In process of purchasing Homeport computers for everyone who remotely connects from their home computer to eliminate home computer use and increase security of Homeport data; upgrading some other computers as needed
- Changed all in-person training to online Zoom training; 1 on 1 counseling either by phone or Zoom



Finance Department Post-COVID Control Changes



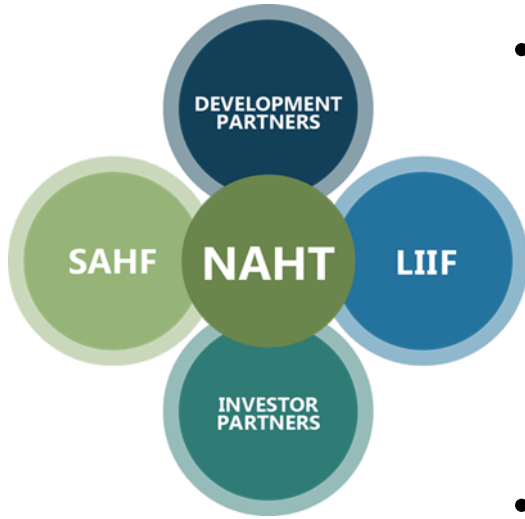
- Own our building...so set the guidelines
 - Tenant area protocols for the building; signage and social distancing floor markings
 - Homeport 2nd Floor protocols
 - Still no more than 10 people at one time
 - Only about 20% go into the building for one full day a week...only because choose to do so
- Cash...same process, just takes longer
- Accounts Payable...already electronic approvals; I pick up checks weekly and bring home to sign, copy/scan and mail
- Meet daily as a team..."anything for the group?"
- More quick online meetings to discuss decisions that involve multiple departments...decisions are being made faster and with more input (Daily Executive Team Meeting; Most departments meet daily; more weekly "organizational/cross-departmental" meetings to share information, ask questions, discuss an idea, review grant and other funder options, review grant applications, ask for help, ask for data, etc., etc.)
- Scenario Planning internally and with the Board of Directors

Poll #2

How would you describe your company's remote working capability?

1. Seamless transition to remote
2. Struggled at first but got the swing pretty fast
3. Ongoing struggle
4. We never went remote

National Affordable Housing Trust - Overview

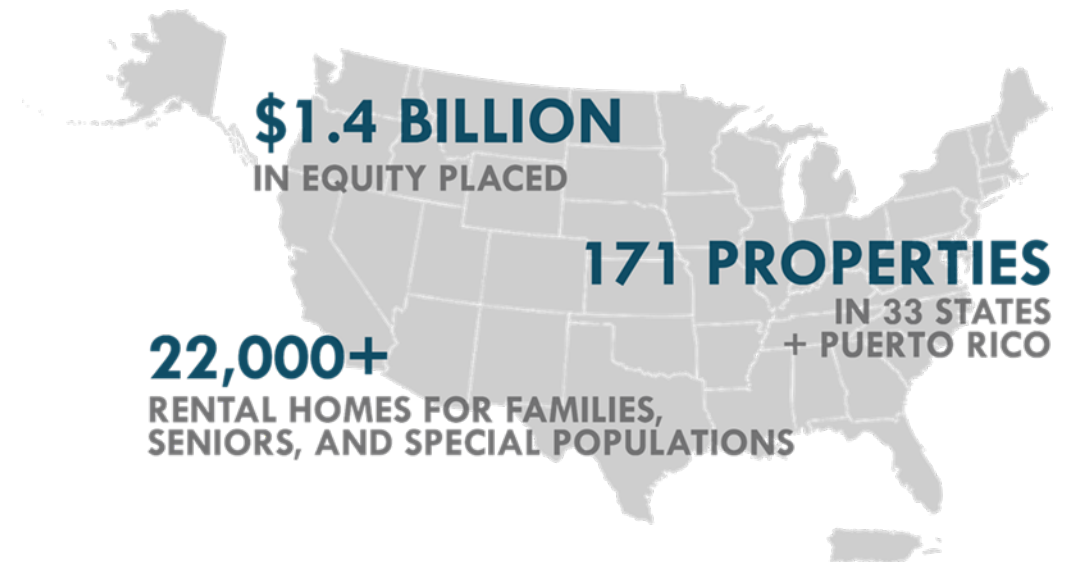


- National not-for-profit LIHTC syndicator
 - \$1.4B of equity placed in over 170 properties in 33 states and Puerto Rico
 - September 30, 2020 – Closed joint venture with Low Income Investment Fund (LIIF) and Stewards of Affordable Housing for the Future (SAHF)
- Corporate office in Columbus, OH
 - Lease space from National Church Residence (also a founding member in 1986)
 - 21 employees in office and 6 work remotely
 - Pre-Pandemic - once-a-week work from home policy



National Affordable Housing Trust – COVID Changes

- Ohio stay-at-home order occurred mid-March; at the height of audit/tax season
 - External IT group
 - Weekly Teams meetings
 - Deal Closings
 - Controls in place
 - Invoices/checks/mail/Docusign
 - 170 Lower tier audits/tax returns
 - 32 Upper tier audits/tax returns
- Investor reporting increased to monthly
 - Rent collections
 - Operating Reserve requests
- Plan to reopen office
 - 50% of staff started June
 - Plan to reopen 100% sometime first of year



Poll #3

How do you see our future working environment?

1. Many changes that were made to work remotely will stay
2. Expect to revert to pre-covid times
3. Will continue to adopt and look at additional remote working changes
4. Unsure

National Church Residences

- We are our nation's largest not-for-profit provider of affordable senior housing
- Leader in senior HUD housing
- Employ 3,330 staff members nationally and about 1,337 employees in Central Ohio
 - The Housing Accounting Department is made up of 37 people, including Financial and Real estate tax clerks, Accounts Payable and Treasury
- Headquartered in Upper Arlington, OH, where it is the largest private employer.
- Governed by a 24-member volunteer board of directors
- 338 Senior Apartments Communities / 22,671 units; Also have Residential Health Care Communities as well as Home Health Care and Adult Day Centers.



National Church Residences-by the Numbers

- 338 Senior Apartment Communities / 22,671 units
- 4 Assisted Living Conversion Program (ALCP) Communities / 168 units*
- 15 Permanent Supportive Housing (PSH) Communities / 1,265 units*
- 7 Residential Health Care Communities
- 2 Home Health Care Agencies / 3,370 clients**
- 2 Adult Day Centers / 148 client capacity

****Included in the total Senior Apartment Unit count.***

***** Number of people served in Central Ohio – Home Care, Hospice, Health & Wellness
and Ohio Home Choice Southern Ohio – Home Care, Hospice, Health & Wellness.***

National Church Residences, Pre-COVID

- Rent received in-person and scanned electronically to bank via remote check scanning
- Invoices were scanned and approved electronically.
- DocuSign for some documents from external parties (auditors) but most still “wet” signature.
- In Central office, everyone worked in the office, majority of the time.
- Regional property managers and others visited sites frequently

National Church Residences, Post-COVID

- Dropbox for rent collection, discussion of implementing electronic rent payments by residents
- Converting more vendors to ACH to reduce checks. New rotating schedule for team members to collect mail and checks.
- Additional documents being signed by DocuSign.
- Middle of March Central office closed and everyone started working from home –Still working at home until at least Jan 2021 if not longer.
- Many more changes for property managers
 - At onset - No visitors, Central office ordered and shipped PPE, Community room closed and events cancelled.
 - “New Normal” – essential visitors and vendors allowed. Site level PPT management, resumption of all job duties, common areas re-opened
- Creation of CARES Act Team and COVID Task Force



Questions?



Thank you

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