

# NCSHA 2016 Annual Awards Entry Form

(Complete one form for each entry)

**Deadline: Wednesday, June 15, 2016**

Visit [ncsha.org/awards](http://ncsha.org/awards) to view the Annual Awards Call for Entries.

**Instructions:** Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact [awards@ncsha.org](mailto:awards@ncsha.org) or 202-624-7710.

Fill out the entry name *exactly* as you want it listed in the program.

**Entry Name:**

\_\_\_\_\_

**HFA:**

\_\_\_\_\_

**Submission Contact:** (Must be HFA Staff Member) \_\_\_\_\_ **Email:** \_\_\_\_\_

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

\_\_\_\_\_

Use this header on the upper right corner of each page:

**HFA:**

\_\_\_\_\_

**Entry Name:**

\_\_\_\_\_

**Select the appropriate subcategory of your entry and indicate if you are providing visual aids.**

Communications	Homeownership	Legislative Advocacy	Management Innovation
Annual Report	Empowering New Buyers	Federal Advocacy	Financial
Creative Media	Encouraging New Production	State Advocacy	Human Resources
Promotional Materials and Newsletters	Home Improvement and Rehabilitation		Operations
			Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
Encouraging New Production	Combating Homelessness	Special Achievement	Yes
Multifamily Management	Housing for Persons with Special Needs		No
Preservation and Rehabilitation			

## **Brief Description**

Financial monitoring is a critical responsibility for Pennsylvania Housing Finance Agency (PHFA or the Agency). PHFA must ensure properties are submitting accurate financial statements by required deadlines. Agency staff is tasked with reviewing and analyzing this data, as well as, entering the statement data into various system databases. This data is used to help determine the feasibility of future projects and also used to monitor financial performance of existing properties.

In an effort to enhance the financial reporting process and create a more efficient way for business partners to meet reporting requirements, the Agency created two websites (inward and outward facing) to collect, store, and analyze year-end financial data.

1. **External Statement Entry Website** – External business partners enter the property's Profit and Loss and Balance Sheet into the website. In addition, a PDF copy of the year-end audit is required to be uploaded to the website. The entered statement data is then disseminated to several internal systems for review and database purposes.
2. **Internal Initial Review Website** – This inward facing website collects the data entered by our business partners and sends it to the necessary database fields. Internal staff can verify/change the information to ensure the correct data was entered. The website tracks the full life cycle of each financial submission from time of receipt to finalization.

These two sites are fully integrated with each other. They share a common database warehoused on our company's IBM iSeries. As soon as financial statements are received by the outward facing website the data is automatically uploaded to the inward facing website. The site will automatically alert, via an email and tracking log, the analyst assigned to the property that the submission has been completed.

## **Why was a new system and process needed?**

The Agency recognized an opportunity to use improved technology to increase productivity and make financial reporting easier and more cost effective for our business partners. To accomplish these goals, a change was needed from an antiquated inward only facing IBM iSeries system to a more interactive website-based system. For several years, the Agency received feedback from business partners that this improvement would be beneficial to their operations. Our customers indicated a desire to have the ability to complete their financial reporting requirements online. PHFA was able to create a system that provided numerous benefits to both internal and external users. To ensure these benefits met the needs of all the users, we worked closely with our outside business partners. We asked for feedback during the development stage as well as internal and external testing. This joint venture allowed us to gain feedback and ideas from outside users who utilized similar sites. These partners included CPA's such as CohnReznik and many of our existing management agents, such as Pennrose Management Company.

## **What has it accomplished?**

The benefits of these systems were recognized almost immediately after making these systems live. Internally, the Agency saw a large work hour reduction with the new system. On average, a ten minute per statement time reduction was achieved. Currently, the Agency monitors 1,010 properties, which includes both Agency-financed properties and tax credit only properties. It is expected that during every review period (2-3 month period) the new system allows PHFA staff to spend 168 hours on other tasks.

Projects		Minutes Saved Per Entry		Minutes Saved		Hours Saved
1,010	X	10 minutes	=	10,100	=	168

In addition, the Agency will no longer need to file and store financial statements in a designated retention area. The ability to store financials on an internal network versus a building storage area will free up time and space for the Agency and Agency staff. These crucial resources will be able to be utilized in other valuable ways.

Externally, PHFA business partners have found this system to be streamlined and cost effective. Properties are no longer required to send two bound copies of their audit to the Agency. This will save them both CPA fee's as well as shipping costs. The reduction in expenses will allow operating money to be allocated to other areas of the property. Given the time required to enter a statement on the site (10-15 minutes), there is minimal staff time spent completing a submission.

### Innovative

There is a single point entry of data for all parties involved. Historically, PHFA would have our partners send 2 copies of their audit to the Agency. We would then process this information by entering it into numerous systems. The new platform allows our partners to enter their data which flows to other internal systems. The system has provided an enhanced experience by adding several responsive features which include: direct receipt of the data via a secure website, automatic data calculations, and validation controls that ensure accurate data is entered.

The system integrates multiple layers of data validation. External partners interact directly with the entry of their data. Data is stored and made visible to other Agency Staff who may need to reference this data for other job purposes. This eliminates the need for a centralized storage area. To ensure the process is complete, emails are sent out to all involved parties notifying them of a submission. This eliminates the need to check on the status of the financial submission.

### Replicable

Each HFA data processing system is unique. What we all have in common is rethinking our internal-only systems and extending them out to the internet to meet our customers' needs and strengthen business relationships. We used a .NET technology called ASNA Visual RPG that plugs into Microsoft Visual Studio to build out our web presence and still leverage our internal legacy system investment. There are numerous website development tools available to develop a web presence. The collected data can be imported into existing systems and used as an opportunity to redesign other HFA's financial reporting process. These websites could be developed and utilized by both multifamily and single family divisions.

### Respond to a management challenge or opportunity

These new websites have allowed the Agency to improve internal processes while implementing a new and mutually beneficial way for our customers to submit their financial statements. These improvements successfully responded to external requests to begin a transition to online reporting.

### **Achieve measurable improvements in agency operations**

As previously mentioned, the Agency saw a reduction in work hours needed to complete the reviews on each of the monitored properties. This reduction of an estimated 168 hours allowed Agency staff to focus time and energy on other important tasks. The system will immediately send data to the necessary fields for database storage. This automated process will reduce the opportunity for number transposition and other errors. The system has increased the accuracy of PHFA data. Additionally, this endeavor has allowed us to further cultivate customer relationships by offering time and material benefit savings to them.

### **Provide benefits outweigh costs**

The Agency already had the required systems to develop these websites. The major cost was staff hours during the development stage. These costs are minimal in comparison to the internal and external benefits obtained by using this site. Internal and external users have saved both time and money while having a more user friendly process to use.

### **Demonstrate effective use of resources**

We have advocated for our most important resource, our customer, by utilizing their time as efficient as possible with a user-friendly online experience that eliminates their need to mail in financials. Agency staff is able to spend more time analyzing financials rather than entering data. This reallocation of time has allowed the Agency to spend time improving other processes within the department. The automatic transfer of data allows the Agency to access operating numbers immediately. Those operating numbers can be used to review development applications. Given this immediate availability of data, the Agency is able to share operating numbers with our customers. They can use this information to prepare applications and analyze their own project operations.

### **Achieve strategic objectives**

The Agency's main goal in undertaking this project was to leverage our in-house technology resources to extend our existing systems to our customers. They gained a more cost effective way to report financials and we eliminated a timely and possibly error prone step in the re-entry of data.

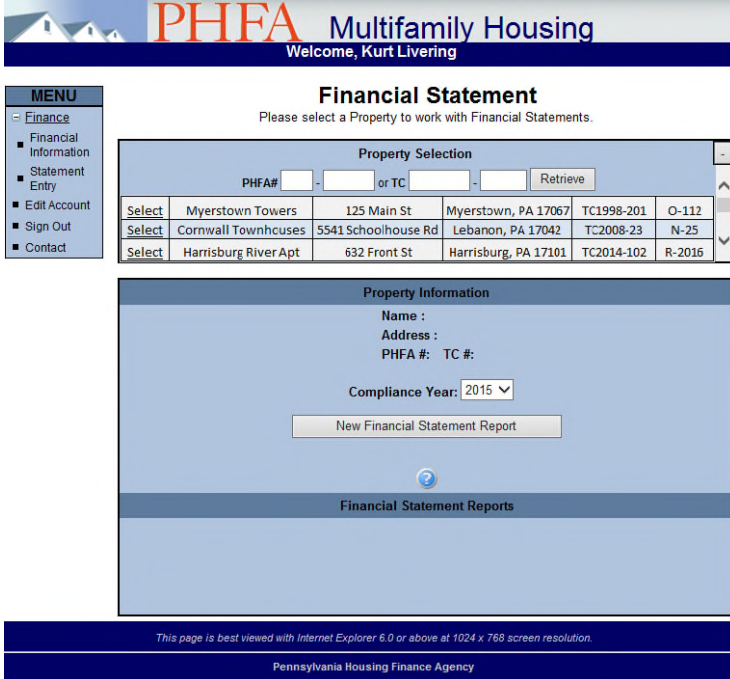
### **Conclusion**

PHFA has received overwhelmingly positive feedback from both internal and external users of the sites. They have found the sites to be innovative, cost effective, and easy to use. We have received numerous compliments on how easy the system is to navigate and how little time it takes for users to meet the reporting requirements. Users have communicated to us that our site is much more user friendly than other online submissions sites (i.e., REAC) they have used. Throughout this process we have continued to make improvements to the site based on feedback from both internal and external users. It is important to the Agency to hear the suggestions of the sites users. We have been able to incorporate many of these suggestions into the sites. This endeavor was critical to our continuing efforts to build on partnerships with the customers that help us fulfill our state housing needs.

Based on this feedback, the Agency plans to continue to improve these systems with an end goal to have all financial reporting completed online. We believe these steps can be easily replicated and provide a great benefit to other state housing finance agencies. We are more than willing to provide any help or information to any other HFA who is considering progressing towards online financial reporting.

## External Statement Entry Website

The main login screen shows a list of properties that an individual users have access to. The site administrator, typically the owner, controls who has access to a property. The administrator can control what type of access a specific person has. Users can be granted access to view or change the statements.



**PHFA Multifamily Housing**  
Welcome, Kurt Livering

**Financial Statement**  
Please select a Property to work with Financial Statements.

**MENU**

- Finance
  - Financial Information
  - Statement Entry
  - Edit Account
  - Sign Out
  - Contact

**Property Selection**

PHFA#  or TC  Retrieve

Select	Myerstown Towers	125 Main St	Myerstown, PA 17067	TC1998-201	O-112
Select	Cornwall Townhouses	5541 Schoolhouse Rd	Lebanon, PA 17042	TC2008-23	N-25
Select	Harrisburg River Apt	632 Front St	Harrisburg, PA 17101	TC2014-102	R-2016

**Property Information**

Name :  
Address :  
PHFA # : TC #:

Compliance Year: 2015

New Financial Statement Report

**Financial Statement Reports**

This page is best viewed with Internet Explorer 6.0 or above at 1024 x 768 screen resolution.

Pennsylvania Housing Finance Agency

The website archives finalized entries so users can go back and view prior year information. They are able to view the statements as well as see who submitted the previous year information.

Financial Statement Reports								
Year	P/L	Bal Sheet		Status	Submitted	Submitted By		
2016	<a href="#">Profit/Loss</a>	<a href="#">Bal. Sheet</a>	<a href="#">Submit</a>	Saved Only				
2015	<a href="#">Profit/Loss</a>	X	<a href="#">Bal. Sheet</a>	X	<a href="#">Submit</a>	Submitted	2/2/2016	Kurt Livering


**Profit and Loss Statement** – This portion of the entry was developed to mirror the required PHFA profit and loss statement. The accounts and order of the accounts is an exact match to the online submission. As accounts are entered, the subtotals will automatically calculate. The sub-totals (highlighted in grey) allow the user to catch any data entry errors early in the process. Users can enter their financial data by using only the keyboard. For the purpose of easy navigation, the system was developed to allow users to keep their hands on the keyboard and not have to navigate with the computer mouse. This allows for efficient data entry.

<a href="#">Income</a> <a href="#">Admin &amp; Utility</a> <a href="#">Operation &amp; Payroll</a> <a href="#">Expenses</a> <a href="#">Net Profit or Loss</a>			
<b>Rental Income</b>			<b>(Per Unit)</b>
Rent Revenue-Gross Potential	5120	1564222	38152
Tenant Assistance Payments	5121	0	0
Stores and Commercial Rent	5140	0	0
Other Rental Income	5190	0	0
Rent Concessions (enter as negative)	5250	-5000	-122
<b>Total Rental Income</b>			<b>1559222 38030</b>
<b>Vacancies</b>			<b>(Per Unit)</b>
Vacancies-Apartments (enter as negative)	5220	-52220	-1274
Vacancies-Commercial (enter as negative)	5240	0	0
<b>Total Vacancy Loss</b>			<b>-52220 -1274</b>
<b>Net Rental Income</b>			<b>1507002 36756</b>
<b>Interest Income</b>			<b>(Per Unit)</b>
Interest Income-Operations	5410	660	16
Interest Income-Residual Receipts	5430	12	0
Interest Income-Reserve for Replacement	5440	222	5
Interest Income-Painting & Decorating	5450	0	0
<b>Total Interest Income</b>			<b>894 22</b>
<b>Other Income</b>			<b>(Per Unit)</b>
Supportive Services Income	5300	1025	25
Grant Income	5510	0	0
Service Income	5910	1000	24
NSF and Late Fees	5920	20	0
Miscellaneous Income	5990	12500	305
<b>Total Other Income</b>			<b>14545 355</b>
<b>Total Property Income</b>			<b>1522441 37133</b>
<a href="#">Next Tab</a>			

The system calculates what the Net Profit or (Loss) should be, based on the data entered into the system. At the end of the statement entry, the user is required to fill in their calculated Net Profit or (Loss). If the systems total disagrees with the user provided total, a validation error will be displayed. The cell will highlight red to alert the user of the issue. This validation ensures the entered data is correct.

Save Print Return

Profit & Loss data cannot be saved because validation has failed, view highlighted fields for more information.

Income Admin & Utility Operation & Payroll Expenses **Net Profit or Loss** 

				(Per Unit)
<b>Total Cost of Operations before Depreciation</b>			1357442	33108
<b>Profit(Loss) before Depreciation</b>			164999	4024
Depreciation(Total) - 6600 Specify	6600	180000		4390
Amortization	6610	0		0
<b>Operating Profit or (Loss)</b>			-15001	-366
<b>Entity Expenses</b>				(Per Unit)
Interest Income (enter as negative)	7100	-256		-6
Legal Expenses	7120	0		0
Taxes(Federal-State)	7130	0		0
Other Expenses	7190	0		0
<b>Total Entity Expense</b>			-256	-6
<b>Net Profit or (Loss)</b>			-15257	-372

Save

If the system validation passes the user will be notified that their statement was successfully saved.

Profit and Loss data was saved successfully. To submit the data to PHFA, please return to the previous page and click [submit].

[Income](#)
[Admin & Utility](#)
[Operation & Payroll](#)
[Expenses](#)
[Net Profit or Loss](#)

				(Per Unit)	
<b>Total Cost of Operations before Depreciation</b>				1357442	33108
<b>Profit(Loss) before Depreciation</b>				164999	4024
Depreciation(Total) - 6600 Specify	6600	<input type="text" value="180000"/>			4390
Amortization	6610	<input type="text" value="0"/>			0
<b>Operating Profit or (Loss)</b>				-15001	-366
<b>Entity Expenses</b>				(Per Unit)	
Interest Income (enter as negative)	7100	<input type="text" value="-256"/>			-6
Legal Expenses	7120	<input type="text" value="0"/>			0
Taxes(Federal-State)	7130	<input type="text" value="0"/>			0
Other Expenses	7190	<input type="text" value="0"/>			0
<b>Total Entity Expense</b>				-256	-6
<b>Net Profit or (Loss)</b>				<input type="text" value="-14745"/>	-360

[Save](#)



**Balance Sheet** – The Balance Sheet has two pages (Assets and Liabilities). There are free form fields that users can utilize if they have an asset or liability that does not fit in any other category. These free form fields require a description of the balance sheet item. All of these fields, including the descriptions, are transmitted to several different internal systems. In addition, the descriptions entered will carry over to next year's entry. This allows the user to see what was entered last year. It also serves as a way to keep accounts on the same line, for internal review purposes. If a number is entered into a line designated for a free form entry, a description is required. If the description is missing, the description field for that line will turn red.

Assets		Liabilities and Partners' Equity (Deficit)	
<b>Current Assets</b>			
Operating Cash			137871
General Partner Cash			0
Receivables-HAP			0
Receivables-Tenant			1178
Receivables-Other Operating			0
Receivables-Entity			0
Inventory Assets			0
<b>Total Current Assets</b>			<b>139049</b>
<b>Tenant Security Deposits</b>			
			16611
<b>Prepaid Expenses</b>			
Insurance			0
Taxes			0
Other			0
<b>Total Prepaid Expenses</b>			<b>0</b>
<b>Restricted Deposits and Reserves</b>			
Insurance Escrow			3022
Reserve for Replacement			222707
Tax Escrow			0
Residual Revenue			0
Painting and Decorating Reserve			0
Development Contingency Fund			0
Family Supportive Service Program			0
Operating Deficit Reserve			0
Rental Subsidy			0
Other Escrow/Reserve			0
Other Escrow/Reserve			0
<b>Total Restricted Deposits and Reserves</b>			<b>225729</b>
<b>Fixed Assets</b>			
Fixed Assets			978847
Less: Accumulated Depreciation		(	182448)
<b>Net Fixed Assets</b>			<b>796399</b>
<b>Other Assets</b>			
Other Assets			0
Other Assets			0
<b>Total Other Assets</b>			<b>0</b>
<b>Total Assets</b>			<b>1177788</b>


The Balance Sheet also has a validation process. Assets are required to equal liabilities plus owner equity. Users are unable to submit a balance sheet unless it reconciles and passes the validation process.

Balance Sheet data was saved successfully. To submit the data to PHFA, please return to the previous page and click [submit].

Assets Liabilities and Partners' Equity (Deficit)

<b>Current Liabilities</b>		
Accounts Payable - Operating		399
Accrued Expenses - Operating		1440
Other Liabilities - Operating		4686
Mortgages Payable - Current Maturities		13909
Accounts Payable - Construction		0
Accrued Interest on Mortgage Loan		0
<b>Total Current Liabilities</b>		<b>20434</b>
<b>Deposits and Prepayment Liabilities</b>		
Prepaid Rents		1399
Tenant Security Deposits		16611
<b>Total Deposits and Prepayment Liabilities</b>		<b>18010</b>
<b>Long-Term Liabilities</b>		
Primary Mortgage Loan (Amortizing)		336670
PHFA Support Mortgage		468450
Other		0
Other		0
Other		0
Other		0
Other		0
Other		0
Accrued Interest on Other Loans		0
Owner Advances - Operating		0
Owner Advances - Construction		0
Owner Advances - Surplus Cash		0
Developer Fee Payable		0
Other Long-Term Liabilities		0
Less: Mortgages Payable - Current Maturities		0
<b>Total Long-Term Liabilities</b>		<b>805120</b>
<b>Total Liabilities</b>		<b>843564</b>
<b>Partners Equity (Deficit)</b>		<b>334224</b>
<b>Total Liabilities and Partners' Equity (Must equal total Assets)</b>		<b>1177788</b>

The final step of the online submission process is attaching a PDF copy of the year end audit. The user is required to enter various pieces of information. The name and email address of the user is required. This information will be used internally and also used to send a validation email to the user who entered the data. The system runs a validation to ensure that a PDF attachment was successfully attached. After submission an email, with the audit attached, is sent to a folder where the audit is saved and stored.



## PHFA Multifamily Housing

Welcome, Kurt Livering

**MENU**

- Finance
  - Financial Information
  - Statement Entry
  - Edit Account
  - Sign Out
  - Contact

PHFA# :                      **Submit Financial Statement to PHFA**

Reporting Year : 2014      Property Name :

The financial information entered into the PHFA Financial Reporting Entry system above has been taken from financial information included in the financial statements (as audited, reviewed or compiled by a Certified Public Accountant) for the above named partnership for the reporting period noted above. We certify that the information has been verified with the financial statements. This information is for the use of PHFA in its oversight role of the partnership and is not to be used for any other purpose.

**Attach Statement as PDF**

File :

Name of person submitting the statement:


Confirmation eMail address:

*This page is best viewed with Internet Explorer 6.0 or above at 1024 x 768 screen resolution.*

Pennsylvania Housing Finance Agency

## Internal Initial Review Website

Management is able to use the tracking log feature to determine the status of the entire portfolio. Each step in the review process is outlined and totaled. This provides an effective way for management to determine the overall progress of the review period.

**Tracking Summary** 

Year:  PHFA#:  -  Analyst:

Analyst	# Projects	Extension Granted	No Action	Logged-In Working	# Under Review	# Released to MFO	# Complete
BINK	65	0	6	11	0	0	48
FATULA	58	0	7	7	0	0	44
HARRIS	64	0	7	10	0	1	46
LIVERING	68	0	1	4	0	2	61
MILLERC	67	0	5	1	0	1	60
PARENT	63	0	1	11	0	0	51
STIFFLER	67	0	6	2	0	2	57
	452	0	33	46	0	6	367

A more detailed tracking summary is available to determine what the status of each individual property is. This tracking summary shows whether a property has completed the online submission process ("X"- Web Entry Column). The Analyst is able to use each button to move a review process on to the next step. This interactive tracking summary allows for easy progression during the review process.

Tracking Summary

Year: 2015

PHFA#: -

Analyst: Kurtis R Livering

Refresh

Project	Name	Year	Status	Ext D-line Dte	Action												Web Entry
O-353	2256 NEWPORT ST	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-441	ALLISON HILL MANOR	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-79	BLUE MOUNTAIN APARTMENTS	2015	Working		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-1256	DAUPHIN HIGHLANDS	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-648	DOWNTOWN LOFTS	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-791	GEORGE WASHINGTON HOUSE	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-478	GREYSTONE HEIGHTS	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-790	IRON VALLEY TOWNHOUSES	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-582	JIM THORPE APARTMENTS	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
R-2011	LEBANON VALLEY ESTATES	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-358	MYERSTOWN TOWERS	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
N-75	PINE MEADOWS SENIOR	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
R-527	REDWOOD GARDENS	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-969	ROYAL OAKS SENIOR LIVING	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
N-28	SCHOOLHOUSE VILLAGE	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
N-30	SILVER SPRING APARTMENTS	2015	Complete		SL	AC	PL	CF	WC	WCR	RE	IR				X	
O-1253	SMALL VALLEY ESTATES	2015	Not Received		SL	AC	PL	CF	WC	WCR	RE	IR				X	