



## 7 Simple Steps to Get Your LIHTC Paperwork Under Control

*by Karen Graham, CEO of Karen A. Graham Consulting*

The daily barrage of Low-Income Housing Tax Credit (LIHTC) files paperwork can quickly make you feel overwhelmed and overloaded. Technology advancements have helped streamline some processes, but it simply cannot do much of the file processing work for us. To reclaim your desktop and get your files completed accurately, follow these seven simple steps:

### **1. Unsubscribe to the idea that more is better.**

More is not always better. Instead of overloading the LIHTC section of your file with unnecessary documents that could be found non-compliant, include only documents with a purpose. For example, a thoroughly completed third-party verification does not always require accompanying printouts and stubs, and clarification after clarification. Limiting the number of documents will not only cut down on your administrative burden, but also reduce the risk of a finding by your Housing Finance Agency auditor. When you are not sure if a document is necessary or not, keep this in mind: If it is in the file, it can be inspected. When it is inspected, it is eligible for a writeup.

### **2. Satisfied residents mean less work.**

When a resident recertifies and renews their lease instead of moving out, the turnover process and cost is completely avoided. A recertification takes about half the time as leasing and processing a new move-in. (And if you are eligible for waived recerts, that is even simpler — only a couple of documents to execute.) Not having to fill that vacancy will save an average of 10 hours of your time and an average of [\\$2,500 - \\$5,000](#). Stop thinking of resident retention as strictly a marketing effort, and make it a paperwork reduction effort!

### **3. Change isn't so bad.**

Compliance professionals thrive with routine and consistency. The mere thought of change can be paralyzing, so it is very tempting to settle into habits that end up being time wasters. Are your buildings eligible for the shortened recertification process, but you are still doing full

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recertifications? Why? Consider implementing the shortened process. We have very few opportunities to reduce paperwork, so take advantage of it. Push yourself to always be thinking about making things easier.

#### **4. Cut down on time with applicants.**

Do not require applicants to figure out the paperwork, especially with pen-and-paper applications. Left alone, it is almost guaranteed something will be answered incorrectly, and you will have to start over. (That pile of paper headed for the shredder is growing as we speak.) Have prepared forms packets ready, tell applicants what to bring in with them, and use a [Bring Back Checklist](#). This will save you days of back and forth with documents that are not what you really need to get the file approved.

#### **5. Keep it clear and concise.**

Every day is information overload — constant emails, notifications and other messages. To cope, we tend to scan lengthy documents rather than fully reading them. Tiny print is ignored, and so are wordy paragraphs. So it is imperative you make your written communication clear and concise. Sending off a verification to be completed? Do not use a “copy of a copy of” a fax coversheet with paragraphs of instructions. Use short, kindly worded bullet points. If you are emailing, use a decently sized, professional font and keep the instructions simple.

#### **6. Use templates.**

Do you find yourself completing the same tasks over and over? Create a template once for each task instead of starting from scratch every time. Keep a master template on file. Open the template, ‘Save As,’ re-title it and start entering the new information. Be sure you are saving items systematically in folders and subfolders so you can find them later. If you lead a Compliance Department, create these templates for all your LIHTC properties to use.

#### **7. Be in the know**

One point that cannot be stressed enough: In the LIHTC industry, ignorance is not bliss. It is a time waster. Having effective Compliance Support is critical to your success. Education — whether it is in person or online — gives you the knowledge you need to get it right the first

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time. Know what is needed. Know what is expected. Stop unnecessary streams of paperwork flooding your desktop.

As managers of affordable communities, we are tasked with meeting all our compliance requirements, and that takes work. Until technology automates all the LIHTC processes one day, following these seven simple steps will help you get your LIHTC paperwork under control and keep your desk — and your mind — clutter free.

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