



## It's Business as Usual ... Maybe

*by Gary Kirkman, HCCP, FHC, director of compliance training, E&A Team, Inc.*

Last March, our lives changed when the COVID-19 pandemic hit. Everyone from state Housing Finance Agencies to company presidents, managers and maintenance personnel, and even residents had to learn a new way of conducting business at properties.

Today, with the emerging Delta variant creating more issues, we have to ask ourselves if we have really come out of a pandemic or are we just in the practice phase for what will become the new normal.

As we know, the IRS issued guidance in Notice 2020-53 on July 1, 2020, providing compliance monitoring relief for state Housing Finance Agencies requiring physical inspections and tenant file reviews to be conducted for the period of April 1, 2020, through Dec. 31, 2020. The notice stipulated that state agencies were not required to conduct compliance monitoring during this time, but it did not mean that state agencies had to stop monitoring for compliance.

In that same IRS notice, owners/agents were provided annual "income" recertification relief, but were still required to process move-in paperwork to qualify households and complete the student status certification for existing households.

The Notice 2020-53 relief periods expired on Dec. 31, 2020.

On Jan. 15, 2021, the IRS issued Notice 2021-12, extending deadlines of compliance monitoring and "income" recertifications through Sept. 30, 2021, which is quickly approaching.

So, does that mean that Housing Finance Agencies and management are getting "back to business"?

Both Housing Finance Agency staff and property management company professionals provided the following feedback on how they are handling the pandemic and what, if anything, has changed in the way they conduct business.



**Are your offices working back at full capacity as far as staff working in house, regular hours, conducting business as usual, etc.?**

For the most part, it appears that the property management companies are returning to regular business hours and are back in their offices as they were pre-COVID. Some responses received from the state agencies reflected that they had adjusted their “in-office” schedules to accommodate working in the office one day a week and the remaining days working remotely.

**What policies, practices or procedures have you or your agency/company changed and even implemented since COVID that will remain in place moving forward?**

Compliance monitoring was not required by the IRS through the end of 2020, nor with the extension through Sept. 30, 2021. However, some state Housing Finance Agencies were still completing compliance monitoring by maintaining social distancing and completing file reviews electronically through secure portals. Even before COVID, some agencies were conducting file reviews electronically as a way to handle the inspection.

Management companies reported instituting the requirement of masks in the site office and additional safety measures such as using personal protective equipment (PPE) for staff when conducting physical inspections.

Both state agencies and management companies have changed from live, in-person trainings to virtual trainings in attempts to maintain social distancing.

As a national trainer, I have spoken to companies that want to keep virtual training as an option for now as we head into the unknown to ensure their staff receives the appropriate training needed to complete duties while maintaining compliance.

**Do you still have any COVID restrictions in place for your staff/personnel?**

The majority of responses to this question were “yes.”



It appears that mask mandates and social distancing while in the office and units will be required moving forward. One agency reported requiring temperature checks before entering the building, while another agency advised it will be their personnel's choice of whether they will be wearing gloves or keeping hand sanitizer with them.

In addition, the management companies I spoke with or received comments from advised they will still follow their mask mandates for their offices and while entering their resident apartments. It was reported that the offices are being cleaned and sanitized daily, if not multiple times during the day.

**Did COVID create issues with completion of maintenance items in a timely manner or the reporting of maintenance items by residents leading to larger maintenance issues? If so, how is maintenance addressing any deferred maintenance items and/or any maintenance issues that were not reported in a timely manner by residents?**

From the management company standpoint, it was reported that some residents are nervous or hesitant about having maintenance come into their units because of the pandemic. Management companies would honor their requests and take precautions such as wearing PPE, utilizing hand sanitizer, and even removing their shoes when entering homes.

At times, management companies reported finding neglected issues because their residents failed to report them to the manager or maintenance staff.

In speaking to several management companies, work orders were only being completed if they were deemed emergencies, leaving some work orders pending completion.

One state Housing Finance Agency responded to this question and stated that they had *"received numerous complaints about maintenance issues not being completed, but there were probably just as many residents that didn't want anyone entering their unit."*



So, as we look forward, does this mean that the policies and procedures created to handle the COVID-19 pandemic are essentially resetting our new way of conducting business?

With each news report, the Centers for Disease Control and Prevention (CDC) recommendations, and state/local laws and requirements enacted to help protect individuals during this pandemic, we are seeing new policies and procedures created in the housing industry to protect the investments, the integrity of the housing programs, the owners/agents, and the residents being housed. Unfortunately, it looks as if COVID taught us to adjust to the new norm, but this is not over. It appears to have been a practice run for what's to come.

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