

OFFICE OF PORTFOLIO MANAGEMENT UPDATES AND CHANGES

NOTICE OF A REVIEW

UPCOMING CHANGES

- A DCA Compliance Officer assigned to your property will send notice of an upcoming review via email
- The email notice will provide the property name, the funding source(s), the type of review, the date and time of the physical inspection, and the name of the Compliance Officer assigned to your review
- Compliance Program Assistant, Gwen Walton, will no longer correspond with the properties regarding their notice of the DCA Review
- The email will be sent to the owner, management company, and the syndicator, when applicable
- The email will include a link to our new [File Audit and Inspection Review](#) webpage
- The landing page provides you with instructions to walk you through the Review process
- A [Notice of Audit and Inspection](#) provides an overview of the Review process
- The file audit will now be a review separate of the physical inspection review; both reviews will include a **separate** 20% sampling, however, all deficiency findings will be combined into one letter
- All relevant DCA documents are now fillable PDFs and are accessible by links on the new page
- E-signatures are accepted on the fillable PDF forms, wherever indicated
- A [timeline](#) is located on the website to assist with tracking deadlines

EFFECTIVE DATE: 4/1/2019

FILE AUDIT

UPCOMING CHANGES

- Pre-audit documents are due within 3 **calendar** days of receiving the email notice; documents are due on **day 4**
- *Exception:* If email notice is received on a Friday, the deadline to submit pre-audit documents is close of business the following Tuesday
- Forms have been modified for relevancy
- The [Preliminary Audit Checklist](#) serves as a reminder of documents to submit and the [Preliminary Audit Submissions Cover Page](#) **must be completed and attached** to your submission as Page 1
- The Owner Certification of [Support Services](#) and [Marketing Compliance](#) are now fillable PDFs and may be electronically signed by the managing agent on behalf of the owner
- DCA now provides a [Building Information Form](#) and a [Utility Allowance Worksheet](#), to be submitted with the pre-audit documents, that serve to streamline the Review process
- A few days following the email notice of the Audit (at least 24 hours prior to the physical inspection), you will receive notice of the tenant files that have been selected for the file audit

- Files should be submitted within the time frame as outlined in the email that provides notice of tenant files to be reviewed
- Tenant files should be submitted as (1) PDF file per unit in the email submission. (Email attachment capacity is 150MB)
- All pre-audit and tenant file submissions will continue to be submitted to Review.Submissions@dca.ga.gov
- Review the [timeline](#) to determine how many days your property will have to submit files (determined by the number of units in your property)

EFFECTIVE DATE: 4/1/2019

PHYSICAL INSPECTION

UPCOMING CHANGES

- 15 days' notice of a physical Inspection will be given via the email notice
- On **day 1** the Owner/Agent will receive notice of a physical inspection that will occur on **day 15**
- The Property will receive notice of units selected for the physical inspection on the morning of the inspection
- The inspection will begin at the time indicated in the initial Review notification email
- The property should pull keys and have a member of management or Compliance to accompany the inspector at the designated start time
- If applicable, the Health and Safety Notice must be signed by the managing agent on the day of the physical inspection and emailed to review.submissions@dca.ga.gov on the day of the inspection
- Health and Safety cures must be submitted within 72 hours of the inspection and should include work orders
- To request a reschedule of the inspection, the property should contact the assigned Compliance Officer and make a request by email
- Rescheduling is determined on a case-by-case basis and approval varies by circumstance. Priority in rescheduling approval is given to the most extreme circumstances (*e.g.*, natural disaster)

EFFECTIVE DATE: 4/1/2019

INCORPORATION OF THE FINAL RULES

UPCOMING CHANGES

- As of the below effective date, DCA has incorporated the IRS final regulations (effective February 26, 2019) that amend 26 CFR part 1 to finalize rules relating to IRC Section 42
- The IRS temporary regulations (issued February 25, 2016) are considered obsolete by DCA as of the below effective date

- Changes to the DCA Review policy include:
 - A maximum 15 days' notice of an upcoming physical inspection and file review
 - Same day notice of units to be physically inspected
 - All buildings will be inspected, in some aspect, during the physical inspection
 - No fewer units than the number specified for projects of the relevant size as set forth in the LIHC Minimum Unit Sample Size Reference Chart will be inspected by DCA during the physical inspection ([Table to Paragraph \(c\)\(2\)\(iii\)](#))
- **Clarification:** DCA determines a “project” in the “number specified for projects ... in the LIHC Minimum Unit Sample Size Reference Chart” to be inclusive of all buildings in a project and will not interpret a “project” to be an individual building.
- A summary of the final regulations that amend the LIHC Compliance Monitoring regulations can be found [here](#)

EFFECTIVE DATE: 4/1/2019

NEW DCA STAFF

UPCOMING ADDITIONS

- 3 New Compliance Officers
- 1 New Asset Manager
- A Policy Department will be created under the Office of Portfolio Management; this will be an ongoing project

EFFECTIVE DATE: 4/16/2019

POD IMPLEMENTATION

UPCOMING PROCESSES

- 2 Compliance Officers will work alongside an Asset Manager to manage a portfolio of management companies within their Pod
- The Pod will be responsible for scoring the compliance performance of the management company, which will result in a rating system
- Ratings will be released in the Performance Metrics, to be published 6/1/2019
- Pods will work together to draft memorandums, correspond with our Compliance industry partners, and produce 8823s
- The Asset Management team will:
 - Review financials
 - Visit and create plans for trouble properties (with excessive findings or failing financial health)
 - Review Operating and Replacement reserves
 - Review requests for change in management company and for ownership change requests

EFFECTIVE DATE: 6/1/2019

MANAGEMENT COMPANY APPROVAL PROCESS

UPCOMING CHANGES

- Asset Management will receive the request to change a management company
- Asset Management will publish the criteria for the new management company approval
- A fee to request the change will be implemented
- A minimum 30 days' notice will be required to request a change

EFFECTIVE DATE: 6/1/2019

RECERTIFICATION WAIVER

UPCOMING CHANGES

- The Recertification Waiver will now be approved by Compliance
- Compliance will issue an Approval or Denial memorandum for the waiver request
- Properties will be required to submit a DCA memorandum of approval with their pre-audit submission documents
 - Only properties that request a recertification waiver request beyond June 1, 2019, will be required to submit the approval memorandum during pre-audit

EFFECTIVE DATE: 6/1/2019