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**Jessica Johnson Named Recipient of AASC President's Award**

It is with great pleasure that KMG Prestige announces the recognition of Ms. Jessica Johnson as the recipient of the American Association of Service Coordinators (AASC) President's Award. According to AASC this is the highest award given to a Service Coordinator and a true testament to Jessica's dedication to the profession.



Ms. Johnson began her career with Village Green Management Company in October of 1994 where she worked her way up to the position of Area Director of Service Coordinators for the company. The property where she was employed was a senior property, much like many other properties with Service Coordinators. After 10 years with Village Green Jessica decided she desired to work more closely with residents. She was offered a full-time position at Bella Vista Glen which she began in May of 2004.\*

At that time, Bella Vista Glen, located in the impoverished city of Highland Park, Michigan; was roughly populated with 20% senior citizens and 80% young, disabled adults. The most predominant disabilities in the building were related to long histories of substance abuse and mental illness. Highland Park itself had arson, motor vehicle theft, aggravated assault, and murder rates twice that of the state of Michigan average. The robbery rate was three times that of the state average. And this is where Jessica Johnson chose to go to work.

Ms. Johnson's efforts brought murals painted by area school children into the drab interior of the property. She secured Title V (employment program for low-income older adults) volunteers to work as official "greeters" at the entrance of the site in order to reduce the flow of loiterers and troublemakers through the building while also providing a small income to those employed by the program. Jessica and her colleague, Ms. Rosie Alexander, established a food

pantry at the site to serve as a safety net from hunger for the residents. In addition, after noting that the majority of the building's residents were functionally illiterate, Jessica created a relationship with Detroit's Volunteers for Literacy and literacy classes soon began at the building. Residents who could not even make out a money order for their rent have mastered not only that task, but are now talking and dreaming of obtaining their GEDs and high school diplomas.

Bella Vista Glen was created from a building that once was the Highland Park Community Hospital where Jessica Johnson was born. Jessica's strong faith and her belief that her life has come full circle to bring her to serve at the location of her birth, have made a huge impact on the residents of Bella Vista Glen. Where there was oppression and gloom there are now bright and colorful murals. Where there was hunger and malnutrition, there are now nutritional classes and a food pantry. Where there was illiteracy and dysfunction there is now hope and education. Slowly but surely the population is even turning around. In April the senior population of Bella Vista Glen became 30% instead of 20%.

All this good, all this improvement, all this anxious desire for life to be better – all this and more has been brought about at the Bella Vista Glen community by one steady, faithful, force of integrity – Ms. Jessica Johnson. Please join with us in congratulating Ms. Johnson on this most prestigious honor. \*(In January of 2006, property management responsibilities transferred to Continental Management; however the Service Coordinators remain KMG employees.)

Written by: Kelly Green, Service Coordinator

# Compliance Corner

## *Compliance Specialists -What do they do???*

Really, what do they do besides approve move-ins and hound managers about timely recerts? I ask myself that question all the time! I know that I stop and drop for move-ins or managers will hunt me down to find out **when** they can expect my review. But aside from reviewing recerts and move-ins, what do I do?

Ultimately, the goal of the compliance department is to assure our owners that every resident is qualified and eligible to reside at the apartment community where they have chosen to live. In order to grant this assurance, there is a lot of work behind the scenes. We must constantly be aware of new regulations from federal and state agencies. Once made aware, we have to implement procedures and forms to get them out to site managers with explanations on how and why.

Most applications and accompanying income/asset verification are pretty standard but there are always exceptions. It is the exceptions that always eat up our time. Example: John and Mary Smith apply for an apartment at a TC community. John is newly self-employed in a landscaping business. He has been doing this for 2 months and can only supply an estimate of what he expects to earn for the remainder of the year. He has no tax return from previous year because he was unemployed. Mary is a full-time homemaker.

Tax credit regulations deal only with self-employed persons who have a work history and even our own self-employed affidavit assumes that a work history is in place. So in this situation, staff must be creative – use self-employed affidavit with Note to File explaining unique situation thoroughly.

It is Compliance's goal to have a file thoroughly documented so that ANY auditor who looks at the file immediately can see how, why, and when staff arrived at annual income. So . . . . what do we do? If we have a question, we request that site staff provide whatever documents are necessary to explain or clarify and place it in file near document in question.

Other things we do . . . .

Help site staff prepare for tenant file audit – either by reviewing everything available to us that has been submitted OR visiting site and physically assisting by ordering files, obtaining verifications, meeting with residents, etc.

- If there are findings from tenant file audit, compliance specialist must review findings and determine if findings are valid. If valid, assist staff in making corrections; if not valid, prepare dispute with back up. Response is then prepared with corrections included.
- Create annual cheat sheets (now called “Income Bands”) for quick reference. These reference sheets include information about income requirements, rent restrictions, utility allowances, and any other tiered program that may be included as part of finance deal.
- Act as liaisons between MSHDA and owners, syndicates', or investors. We also assist RPM's in clarifying confusing issues or situations. We may not always **know** the answer but we have resources to **get** it.

We explain regulations to managers so they can convey correct information to applicants and residents (helps calm the “why do we have to do all this?”).

**So . . . .we're your support team on the job . . . .**

# Baffled by Bank Statements!

**Question:**

We are required by our company to include both written third party asset verifications and bank statements for applicants with checking and savings accounts. We follow all the HUD regulations regarding calculating the correct cash value of assets; however, we were recently cited for a possible over-income household due to the deposit information on the bank statements. How can a household be over-income for this? Haven't we followed the rules?

**Answer:**

Good news first... Since obtaining a bit more information, we know that you are calculating your asset cash values properly. We do however believe that the auditor has a valid basis on which to question the eligibility of this household based on what the bank statements reveal about income being deposited. This is an important reminder: *Bank statements should be reviewed for other sources of income when a management agent has access to them.*

The auditor's issue in this case refers to annual income with regard to the amount of money that is being deposited into the checking account on a monthly basis per the bank statements.

**Scenario**

Household income per application and 3rd party verification consists of:

Social Security	\$12,000 per year
Retirement	\$ 7,536 per year
<u>Asset Income</u>	<u>\$ 438 per year</u>
Total Verified Annual Income	\$19,974



Household assets consist of a CD and a checking account. The CD and the checking account values and asset income were calculated in accordance with HUD guidelines through both bank statements and written 3rd party verification.

So far everything looks good and the family appears to be eligible. Now, let's add the additional information discovered by the auditor when reviewing the bank statements.

Deposits into the checking account total \$2,000-\$3,586 per month over the 6 statements that were provided. The auditor calculated the average monthly deposit and it equals \$2,974 or \$35,688 per year when annualized.

What the auditor has concluded in the above scenario is that the verified income of \$19,974 per year could not alone support deposits of this size on a monthly basis and in this case would appear to put the household over the income limit.

**Is this really an issue or can these deposits be ignored?**

The deposits do pose a concern that the household may not be tax credit eligible. Management needs to question the applicant about the source of these deposits as there may be undisclosed income that will require verification and income inclusion. Don't panic. Keep in mind that there may be a perfectly acceptable explanation that would prove that some of this income is excluded by HUD. The management agent's job is to get the verifications processed and recompute the family's income based on the result. Understand that if written third party verification is obtained, bank statements are not necessary according to HUD. However, a state agency, an investor or a management company may have a policy that requires that these additional documents be obtained. Good auditors know to look for discrepancies in the file and question them. That is their job. The more paperwork that is requested, the greater the opportunity for these discrepancies to occur. Therefore, it is important for management to carefully review all information and paperwork received during the application process.

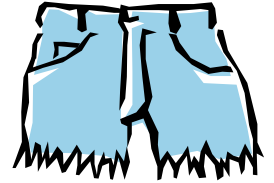
Take the actions we have suggested and good luck! This is an excellent example of how to think more like an auditor to ensure compliance success.

Submitted by: Briana Lloyd, Compliance Specialist,  
Obtained from *Theo Pro Compliance and Consulting*,  
*The Weekly On-Line Compliance Advisor*

# From the Training Department...



## WHAT "ISN'T" BUSINESS CASUAL?



With the hot, hazy days of summer upon us, the "less is more" idea sometimes seems like a good idea in the clothing department. Wouldn't we be more comfortable in a pair of shorts and a tank top with some flip-flops rather than those hot khaki pants and a button-up shirt? Quite possibly yes. But what exactly is meant by the term "Business Casual?"

You may have encountered the term "Business Casual" on a previous training confirmation or on an invitation to an event away from your community. Keep in mind that these events, while a day away from the office, are a great opportunity to network with others in your position as well as make a lasting impression as a proud example of the KMG team. Following are some dos and don'ts when it comes to your dress choices for those events:

Clothing that reveals too much "you" or too much of your "undergarments" are not a good choice. Midriff shirts, halter-tops, cutoffs or short shorts should not be worn. Exposed bra straps and underwear waistbands are not an acceptable choice for any workplace event.

Clothing that works well for the beach, yard work, dance clubs, exercise sessions or sports contests should not be considered "Business Casual".

Torn, dirty or frayed clothing – although "Casual", is not considered appropriate "Business Casual" attire. Any clothing that has words, terms or pictures that may be offensive to other employees should not be worn. Clothing that has the company logo is however encouraged.

While your comfort during a training session or workplace event is important, how you represent yourself as a business professional should always be your first consideration when choosing your attire for that event. If you are ever in doubt about what you should wear to a training session, please feel free to contact the Training Department.

# CLAY BALLS

A man was exploring caves by the seashore. In one of the caves, he found a canvas bag with a bunch of hardened clay balls. It was as if someone had rolled clay balls and left them out in the sun to bake.

They did not look like much, but they intrigued the man, so he took the bag out of the cave with him. As he strolled along the beach, he would throw the clay balls one at a time out into the ocean as far as he could.

He thought little about it, until he dropped one of the clay balls and it cracked open on a rock. Inside was a beautiful, precious stone! Excited, the man started breaking open the remaining clay balls. Each contained a similar treasure. He found thousands of dollars worth of jewels in the 20 or so clay balls he had left. Then it struck him. He had been on the beach a long time. He had thrown maybe 50 or 60 of the clay balls with their hidden treasure into the ocean waves. Instead of thousands of dollars in treasure, he could have taken home tens of thousands, but he had just thrown it away!

It's like that with people. We look at someone, maybe even ourselves, and we see the external clay vessel. It does not look like much from the outside. It is not always beautiful or sparkling, so we discount it.

We see that person as less important than someone more beautiful or stylish or well known or wealthy but we have not taken the time to find the treasure hidden inside that person. There is a treasure in each one of us. If we take the time to get to know that person, and if we ask God to show us that person the way He sees them, then the clay begins to peel away and the brilliant gem begins to shine forth.

May we not come to the end of our lives and find out that we have thrown away a fortune in friendships because the gems were hidden in bits of clay. May we see the people in our world as God sees them!  
I am so blessed by the gems of friendship I have with each of you.

Submitted By: Neva Hall,  
Manager, Alberta W. King Village



Amanda Spillers, Mystic Grove manager, found a freebie website online called [Spoofee.com](http://Spoofee.com). You click on the free goods button and can view numerous free offers. She found one for Clorox samples a few weeks ago and was able to get a few sample packs to put in a basket in the kitchen of her "mini-model". On occasion they have samples that require you to pay the shipping & handling, but you can choose whether or not you want to participate with those.

Happy hunting!

~ Amanda Spillers, Mystic Grove

# Foods that Fight Afternoon Slumps

When the afternoon blahs leave you slumped over your desk like an unwatered house plant, most of us reach for a supersized vat of coffee and/or a calorie-packed sugar snack. There are much better options, whether you need a quick lift to keep you from nodding out in a meeting or something to keep you going for hours.

**WATER** Sometimes what feels like fatigue is just dehydration (often made worse by too much coffee). Drink 8 ounces of water, take a quick walk around the block or the parking lot (fresh air is an energy booster, too), then down another 8 ounces when you get back.

**WATERMELON** Like cookies and candy, it's high in sugar, which metabolizes quickly, which gives you a rush. But watermelon's way healthier: Instead of guilt, you get fiber, a hit of vitamins A and C, plus all that fresh, juicy flavor for almost no calories (fewer than 50 a cup). To make your new zip last longer, eat it with a some protein and a little fat-as in low-fat cottage cheese or a fistful of sunflower seeds.



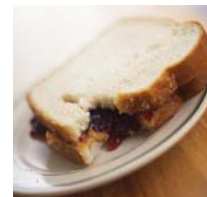
**BRAZIL NUTS** They're off the charts in mood-lifting selenium and strong in fatigue-fighting magnesium too. Just 6 give you 4 grams of protein and healthy plant fats, a combo that will keep you going far longer than you'd think.

**A MEXICAN BAKED POTATO** Spuds are high on the glycemic index - that is, they give blood sugar a quick boost - which is bad for diabetics but good in moderate doses for other people in need of an energy surge. Heap on some salsa and top with a dollop of low-fat sour cream to enhance the effect. Spicy foods are stimulating, and hot peppers wake up more than your tastebuds.



**A FEW DRIED DATES** They were traditionally used in the Sahara to provide quick energy to camels. Like potatoes, they're a high glycemic snack, but rich in minerals too, especially potassium. Split the dates and fill with a tad of low-fat cream cheese to slow the sugar absorption.

**PB&J ON WHOLE WHEAT** The all-American sandwich is also an all-round pick-me-up, thanks to its amazingly complete mix of carbs, good fats, protein, and whole-grain fiber. Just make it a one-slice foldover to cut the calories down to about 200.



# Congratulations!!

On June 20, 2007, Constance (Connie) Mark, assistant Manager at Walled Lake Villa received her ARM designation (accredited Residential Manager) from IREM (Institute of Real Estate Management) at a luncheon at the Weber Inn, Ann Arbor. The ARM designation is granted after a series of classes in Marketing, Finance, Human Resources and Maintenance of a rental property. ARM designees provide references, proof of experience, pass an exam and then are reviewed by the IREM board before the designation is granted. The ARM designation is a valuable step in the career path for a Property Manager, Assistant Manager, or Leasing agent. The Institute of Real Estate Management (IREM<sup>®</sup>) has been the source for education, resources, information and membership for real estate management professionals for over 70 years. An affiliate of the National Association of Realtors<sup>®</sup>, IREM is the only professional real estate management association serving both the multi-family and commercial real estate sectors. With 81 U.S. chapters, eight international chapters, and several other partnerships around the globe, IREM is an international organization that serves as an advocate on issues affecting the real estate management industry. Membership includes over 17,400 individual members and 505 corporate members. IREM promotes ethical real estate management practices through its credentialed membership programs, including the Certified Property Manager<sup>®</sup> (CPM<sup>®</sup>) designation, the Accredited Residential Manager<sup>®</sup> (ARM<sup>®</sup>) certification, the Accredited Commercial Manager certification, and the Accredited Management Organization<sup>®</sup> (AMO<sup>®</sup>) accreditation. These esteemed designations certify competence and professionalism for those engaged in real estate management. In addition, IREM offers Associate, Student and Academic memberships.



**Congratulations Connie on this big step in your career path! Well done!**

Submitted By: Tami Schmidt, Regional Property Manager



Congrats to Mary Lou Howard & team at Riverview (Blissfield) for their REAC inspection score of 96%...Great Job!

~ Jon Opdyke, Regional Property Manager



We want to hear from YOU!

Do you have an idea, article, Interest, or joke you want to share?

Send to:

Fax: 989-953-4881

E-mail: jparsons@mykmg.net

DO THE RIGHT THING!

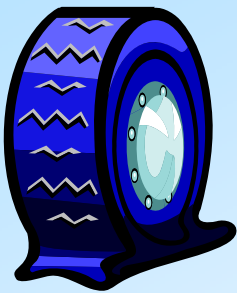
Becoming the BEST, most RESPECTED, Property Management Company in the Industry

# DONATIONS??

*The residents at Crosswinds Manor use donated costume jewelry for their arts & crafts and they have exhausted all of their contacts who make donations. Lynna Quinn, manager of Crosswinds Manor, and the residents would like to ask for any donations of costume jewelry that you may no longer be using. We use chains and bracelets, earrings... anything you have, subtle or flashy. Please contact Lynna at 616-794-1588 or e-mail her at Crosswinds Manor.*

Feeling frustrated? Grumpy? Blue? Tired of it all?

Try reflecting on these 3 short sentiments..... I have them posted on my desk where only I can see them.....



Attitude is like a flat tire, you have to change it if you want to get anywhere.

Be kinder than necessary, for everyone you meet is fighting some kind of battle.

Live simply. Love generously. Laugh often. Care deeply. Speak kindly.

~Submitted By: Andra Ziemke Manager, Alpine Alten Zimmer