

IOWA FINANCE
AUTHORITY

Section 8 Contract Administration

Annual Customer Service Survey

2010

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Summary of 2010 Customer Service Survey Results

The 2010 Customer Service Survey was made available to Owners, Management Agents, and Property Managers on May 27, 2010 under the name "Section 8 Annual Customer Service Survey." The survey used the same designed as in the previous year, a web-based internet company to compose, collect, and analyze the results. A cover letter and link to the survey was sent electronically to IFA's Section 8 stakeholders. As of June 10, 2010, sixty-six responses to the survey had been received. In order to provide an additional opportunity to participate, the survey was sent a second time to Owners and Agents who had not previously responded. The survey return deadline was extended to July 15, 2010.

The survey included questions regarding specific core tasks. The survey also included questions about customer service and training. The survey questions were asked in the following order:

1. Management, Occupancy and FHEO Reviews;
2. Rental Adjustments;
3. Contract Renewals;
4. Payment of HAP Vouchers & Special Claims;
5. EPS, Inc. (IFA's subcontractor for voucher processing);
6. Customer Service and Communication; and
7. Training.

This is IFA's ninth survey conducted since the inception of the program in 2000. The questions in this survey are the same questions as used in last year's survey. IFA believes the web-based survey is easier for the Section 8 shareholders to understand, takes less time to complete, and that it is more convenient to file the completed survey than IFA's earlier fax and mail-in surveys. The Customer Service Survey was emailed to 368 Owners, Management Agents, and Property Managers. IFA received 94 responses to the survey - a 26% return rate. This return rate is down from the 2008-9 survey, which had a higher than average response rate of 40%.

Summary

Once again, a strong majority of the Owner/Agents responding believe that IFA's staff is professional, courteous, and responsive when performing their work. Additionally, a large majority believes that IFA's staff understands regulations and the staff provides technical assistance to help the Owner/Agents understand the challenges of new rules and to stay in compliance with HUD.

EPS, Inc., the sub-contractor who conducts the review and reconciliation of monthly HAP vouchers, did exceptionally well this year by increasing their percent of overall satisfaction from 90% to 92%. EPS continued to receive high marks regarding professionalism and knowledge when contacted by the Owner/Agents.

Overall, customers seem to be highly satisfied with IFA's services. On average, 97% of respondents stated they were satisfied to some degree with the services the Section 8 Contract Administration division provides. When presented with the statement, "*Is IFA's staff courteous and professional when responding to questions/inquiries?*" 74.3% of respondents answered "Always", and 76.8% respondents answered "Excellent" when presented with the statement, "*How would you rate the level of courtesy and respect with which you are treated by IFA staff at all levels?*"

Based on the limited comments received, the IFA Section 8 staff should be extremely pleased with the positive responses IFA received from the Owner/ Agents this year. Additionally, IFA should be also be pleased with its strong overall performance rating during a year with

numerous rule changes. The overall performance dropped only 1%, from 94% to 93% but the overall performance was still above the 90% range, indicating that IFA is committed to provide superior customer service.

The survey also indicated in the “Management, Occupancy, and FHEO Reviews” section that 53% of the respondents believe there are areas where IFA’s staff and Owner/Agents interpreted HUD rules and regulations differently (Management and Occupancy Review). Additionally, in the “Payment of HAP Vouchers/Special Claims ” section of the survey, it indicated responses of 56% “Yes” and 44 % “No” to the statement, “Did IFA provide clear and understandable reasons for the delay?” Going forward, IFA should make a greater effort to ensure the Owner/Agents understand why they are not going to be paid on the first business day of the month. Furthermore, IFA needs to find innovative ways to better inform and train our customers and stakeholders on current HUD rules and regulations. The “Training” section of the survey shows the Section 8 shareholders want IFA to develop and provide training over the Iowa Communication Network (ICN) or by use of the Internet (Webinar). The “Training” section indicated that nearly 79.7% of the Owner/Agents would attend a training session if available over the ICN and 86.8% said they would participate in a training session if it were available on the Internet.

The Iowa Finance Authority will continue to post new and updated documents to the IFA website, www.IowaFinanceAuthority.gov as well as distribute the most current information in management bulletins and our quarterly newsletter ‘News-Br-8-k’ to Section 8 stakeholders. Additionally, more people are using IFA’s website. When Owner/Agents are asked the question, "Have you ever used the IFA website to assist you in your compliance needs" the survey shows the percentage of customers who rarely used the website was reduced from over 48% to 29% this year. This is encouraging news, but IFA still needs to continue its efforts to make our website user friendly and effortless to navigate.

The Section 8 Customer Service Report will be submitted to IFA’s Executive Director, Section 8 Director, management team members, EPS. Inc., and the Contract Administration Oversight Monitor (CAOM). The survey results will be posted on IFA’s website, and notification provided to Owner/Agents in IFA’s September edition of News-Br-8-k.

| Percent of Respondents With Overall Satisfaction | | | |
|---|-------------|---------------|-------------|
| | 2010 | 2008/9 | 2007 |
| Management Occupancy & FHEO Reviews | 90%* | 91% | 96% |
| Rental Adjustments | 92% | 96% | 94% |
| Contract Renewals | 97% | 100% | 100% |
| HAP Voucher & Special Claims | 89% | 86% | 83% |
| EPS, Inc. | 92% | 90% | 81% |
| Customer Service | 97% | 97% | n/a |
| Average | 93% | 94% | 92% |

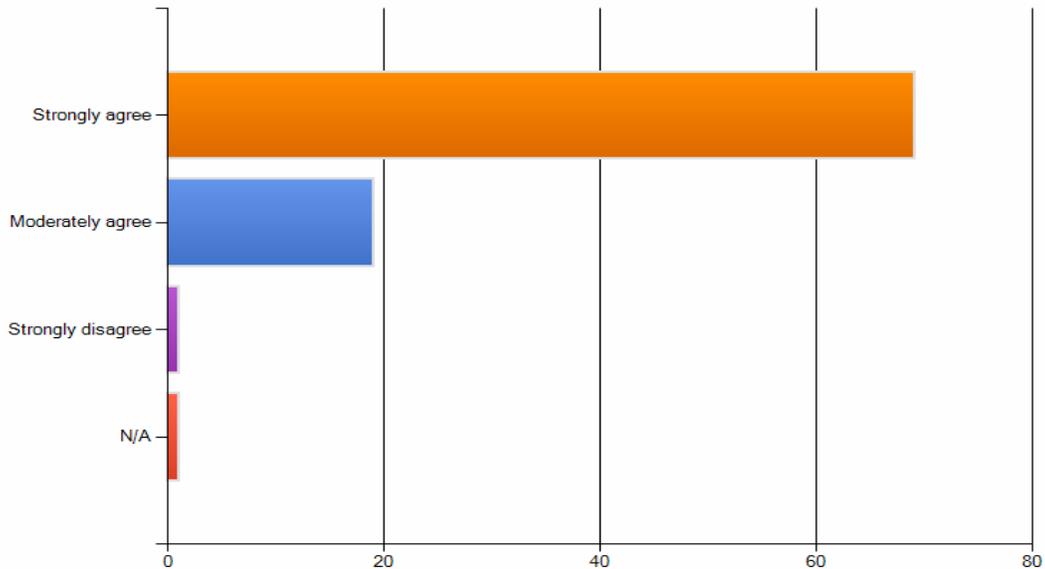
* Includes Question #5, where 58% agree, to some degree to the statement, “Do you believe there were areas where the HCS interpreted HUD rules and regulations differently from your understanding of the rules and regulations.” If this question is omitted, overall satisfactory is 97%.

Management, Occupancy and FHEO Reviews

94 respondents answered questions on the “Management, Occupancy and FHEO Review” section. Of the 94 customers that participated, the following responses were provided:

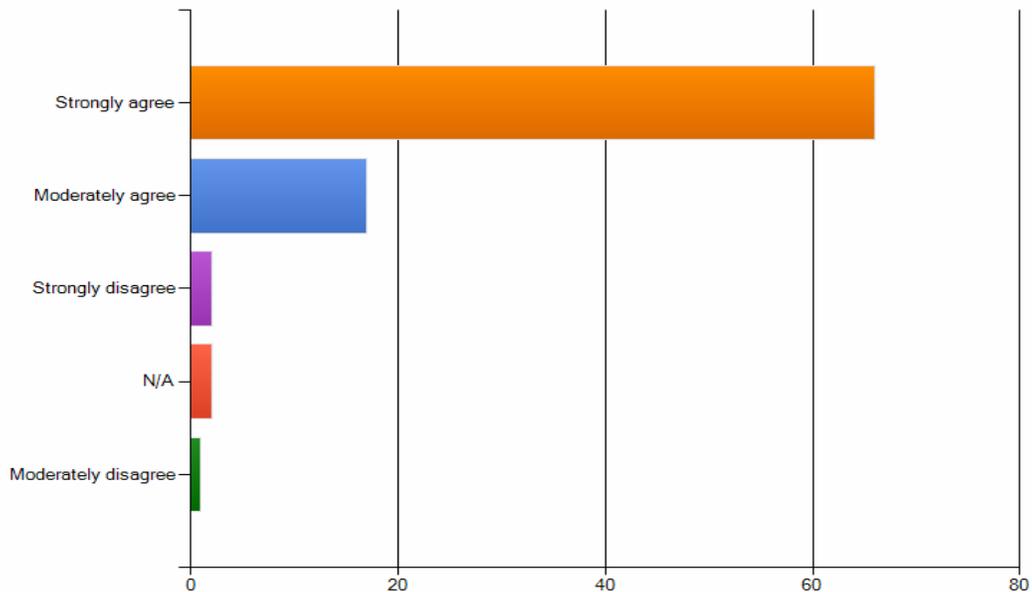
Question #1.

Did IFA provide your organization with ample notice for scheduling the Management and Occupancy Review and provide enough information to assist you in making preparation for the review?



Question #2.

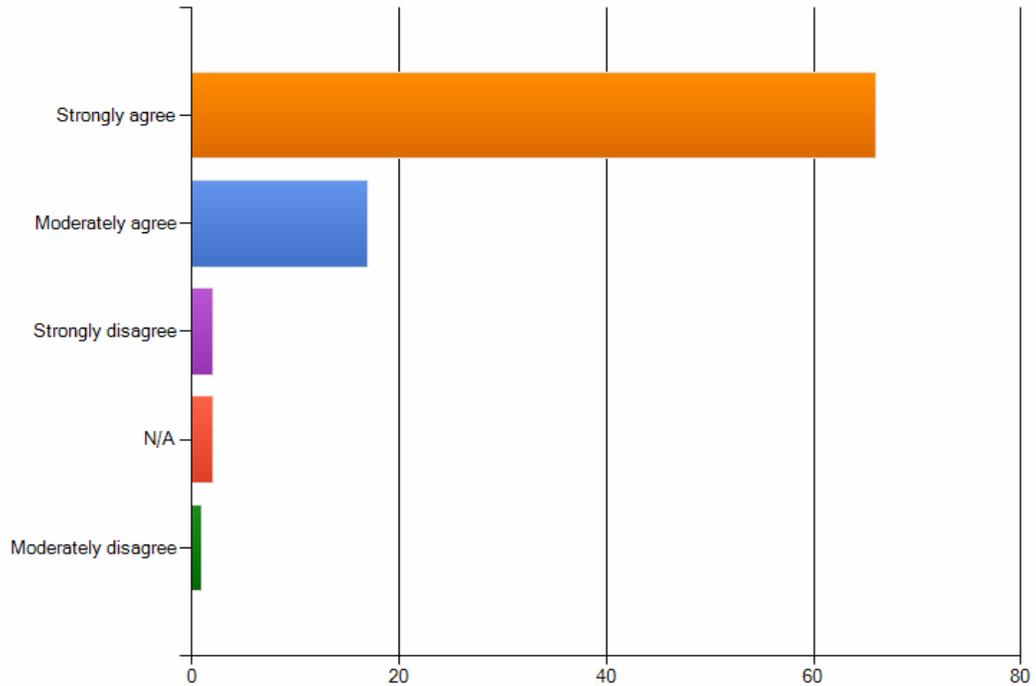
Did the HCS conducting the review have a thorough understanding of HUD rules and regulations and/or conduct research to follow-up on owner/agent questions?



Management, Occupancy and FHEO Review (continued)

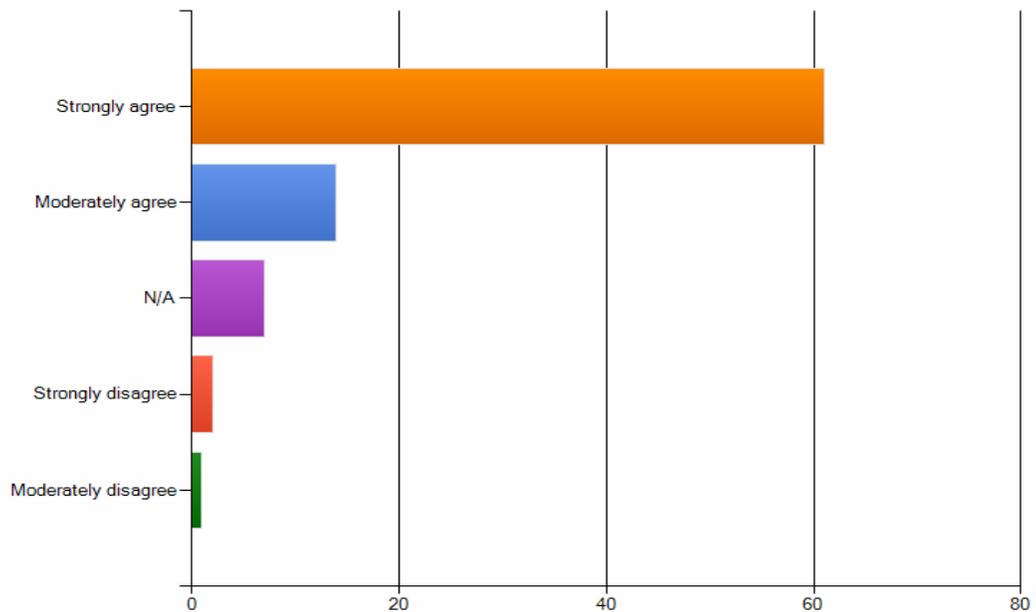
Question #3.

Did the HCS conducting the review have a thorough understanding of HUD rules and regulations and/or conduct research to follow-up on owner/agent questions?



Question #4.

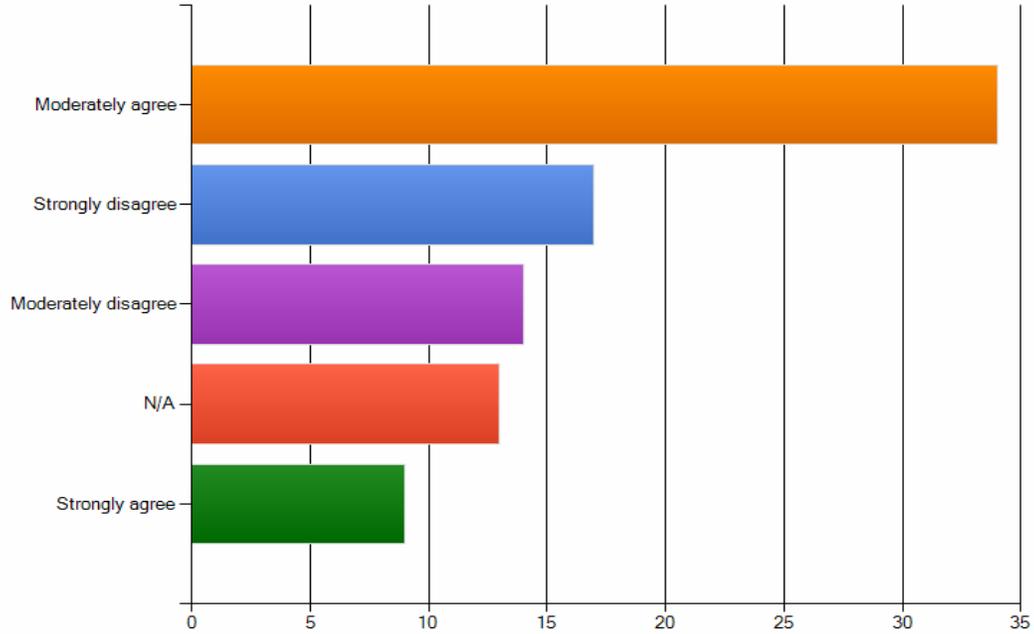
Did the HCS provide technical assistance during and after the Management and Occupancy Review and respond to phone calls or emails within two business days?



Management, Occupancy and FHEO Review (continued)

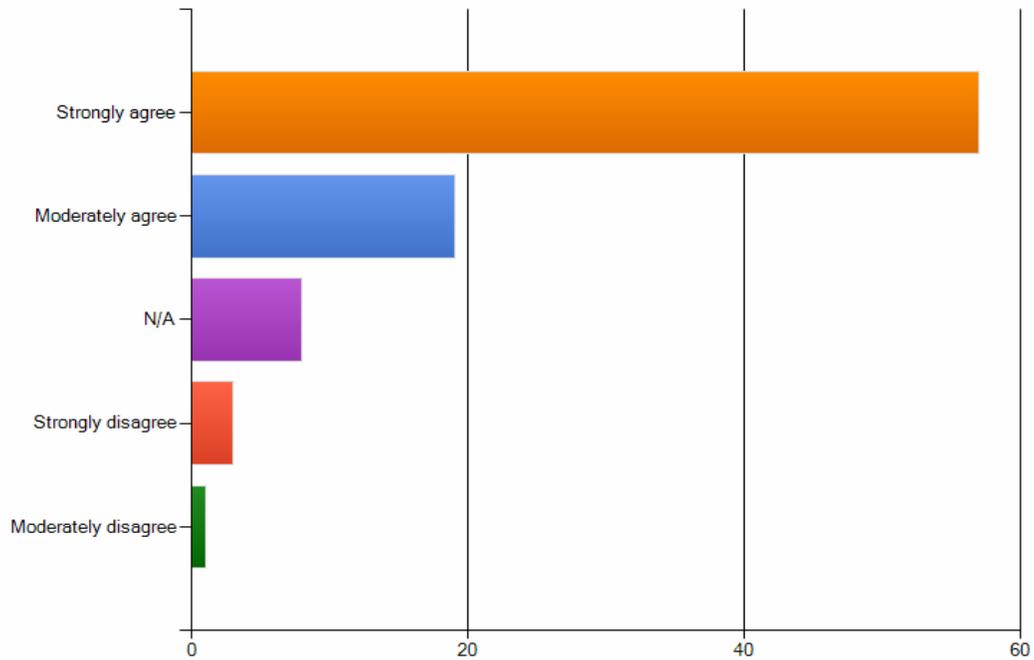
Question #5.

Do you believe there were areas where the HCS interpreted HUD rules and regulations differently from your understanding of the rules and regulations?



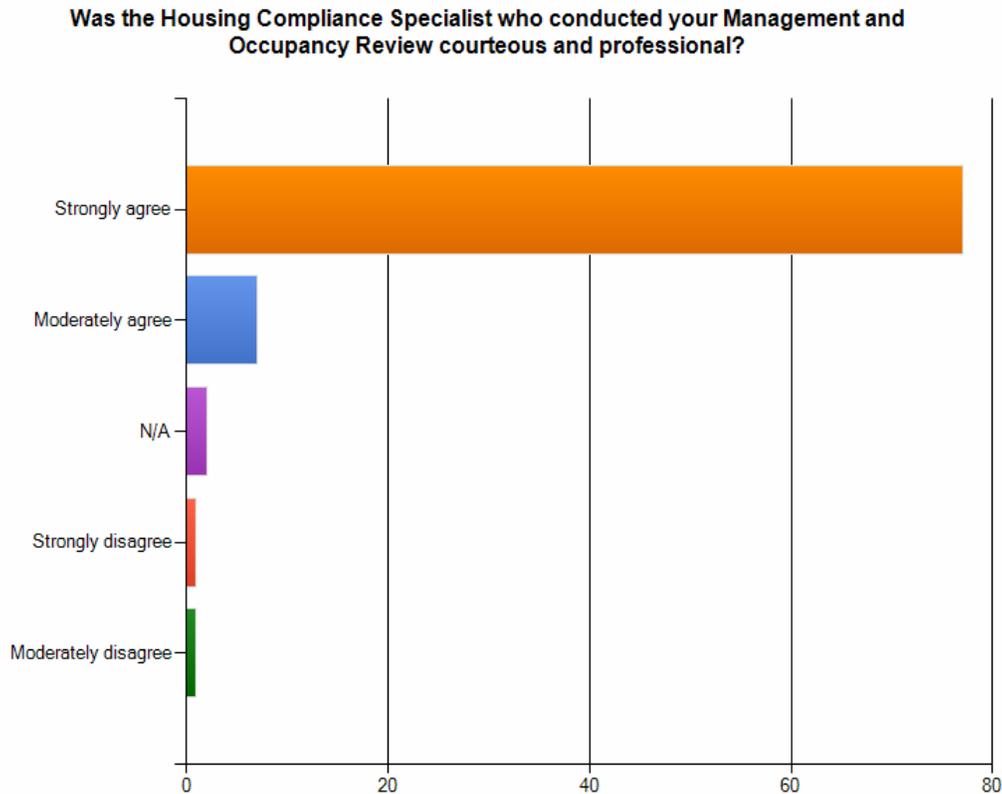
Question #6.

Did the HCS provide adequate instructions regarding corrections or appeals to the Management and Occupancy Review findings and/or ratings?



Management, Occupancy and FHEO Review (continued)

Question #7.



Comments from respondents - Management, Occupancy and FHEO Review

Of the 94 respondents that participated in the “Management, Occupancy and FHEO Review” section, 22% offered the following comments and/or suggestions regarding the Management and Occupancy Review:

1. A very positive and informative review. We had no finding and the reviewer made the process a pleasant one.
2. I always learn from the reviews. They not only try to keep our property in compliance, but offer information and advice that helps educate me.
3. The HCS has been a pleasure to work with. The HCS has been very helpful and responsive to all of our questions. We have a new property manager on site and the HCS has been great working with and explaining things to her. I really feel like we have a strong partnership with her and IFA.
4. I can't answer honestly. What I want to know is:
 1. Is it IFA's policy to allow residents in an open forum discuss the manager in a negative manner just minutes prior to the Annual Inspection?
There was no prior notice of this format and there was a lot of screaming. Why wasn't this conducted privately with only the person(s) lodging the complaint? What are your Regulations and Policy on this matter? Please Publish. Thank you.

Comments from respondents - Management, Occupancy and FHEO Review (continued)

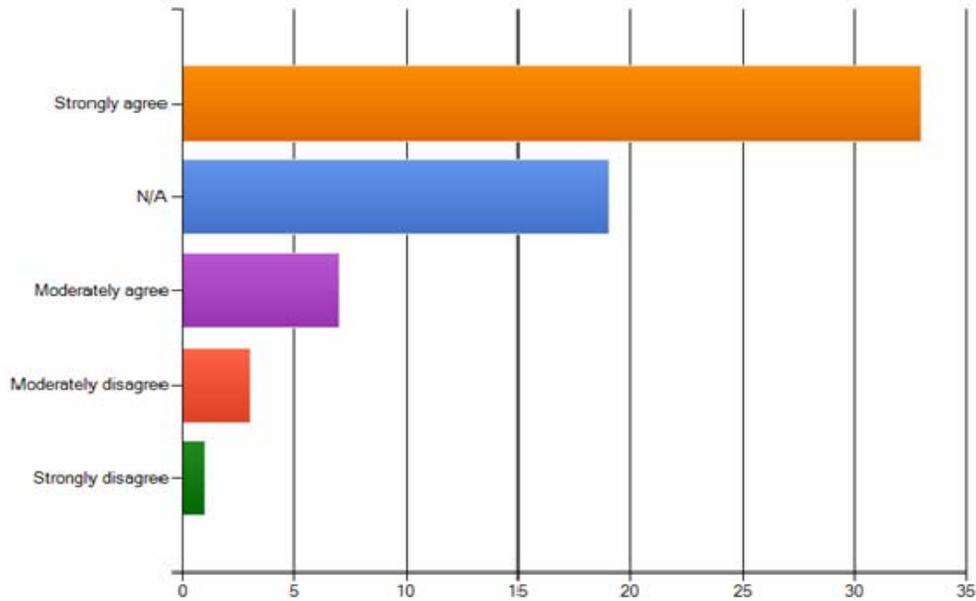
5. The HCS are always very helpful and very courteous and professional. When I contact the HCS with questions they respond quickly and are a great help. My MOR has been a pleasant experience because the HCS is a great communicator and is wonderful with the residents. The HCS is also good about suggesting resources & websites to help make my job easier or to help me stay in compliance. The HCS helps me be a better manager.
6. I am still learning all the ins and outs of HUD, so I am not critical of any help and guidance that I receive.
7. IFA's HCS has been very helpful.
8. Your HCS is an asset to your organization. The HCS is excellent.
9. Housing compliance specialists always try to be as helpful as possible; it is the rules and regulations that are often ill thought out in terms of enforcement
10. We delegated mgmt of our property to a management firm, as a board we heard of or received no negative comments regarding IFA'S monitoring service in response to our mortgage with IFA.
11. I learned so much from the HCS when they did my MOR. I appreciate the HCS's patience and diligence in explaining areas I needed clarification. I felt the HCS did a thorough job. The HCS was very professional and made me feel comfortable. This is my second MOR and it is a learning experience for me each time. Thanks.
12. The HCS is great, keep this HCS at all costs.
13. I am looking for assistance from the HSC. This includes helping with proactive compliance suggestions, not just reporting deficiencies.
14. All Compliance Specialists that I have had have been very helpful. I have learned a great deal from them.
15. Everyone is very professional, courteous, and great to deal with!
16. HCS was very helpful and scheduled our MOR at a more convenient time.
17. Haven't received the results as of yet. That is why some are marked n/a.
18. HCS was very good.
19. The HCS's are all very professional and extremely helpful.
20. IFA's staff has always been wonderful to work with even if we don't always agree! They are willing to listen and help find answers if we need them.
21. As an owner, I do not , normally interact with the HCS when they visit the Management Office.

Rental Adjustments

The “Rental Adjustment” section received 63 responses but a large number of responses were answered N/A. Of the 63 respondents that participated, the following answers were provided:

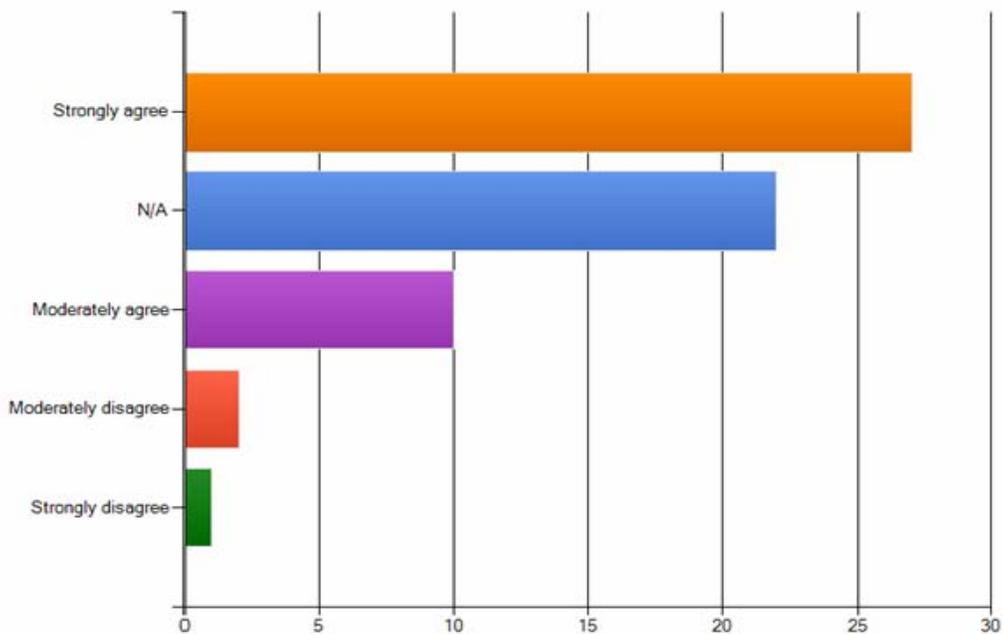
Question #1.

Did the IFA team member conducting the rent increase have a thorough understanding of HUD rules and regulations?



Question #2.

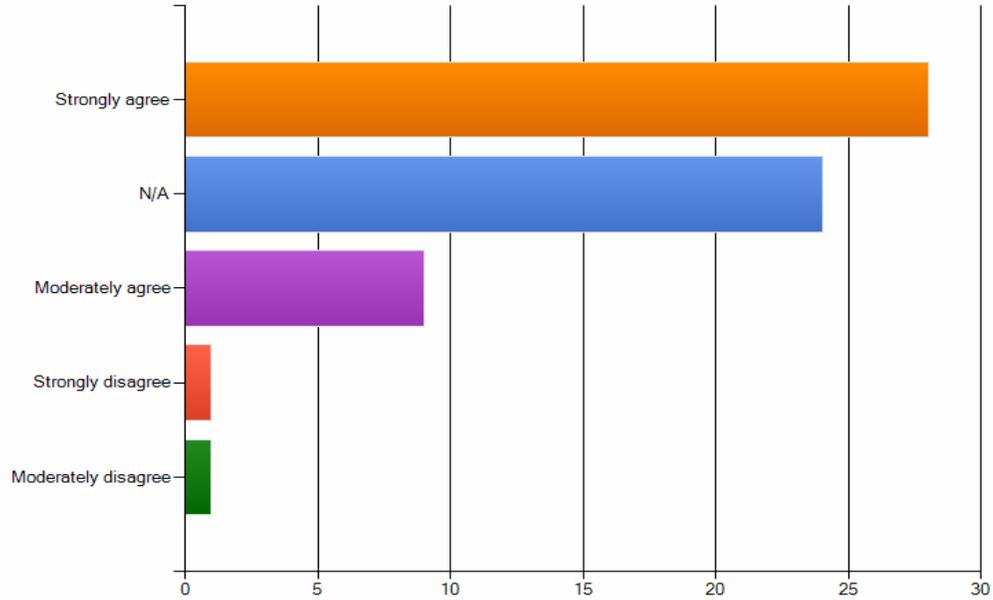
Did the IFA team member provide clear and understandable answers to your rent adjustment questions?



Rental Adjustments (continued)

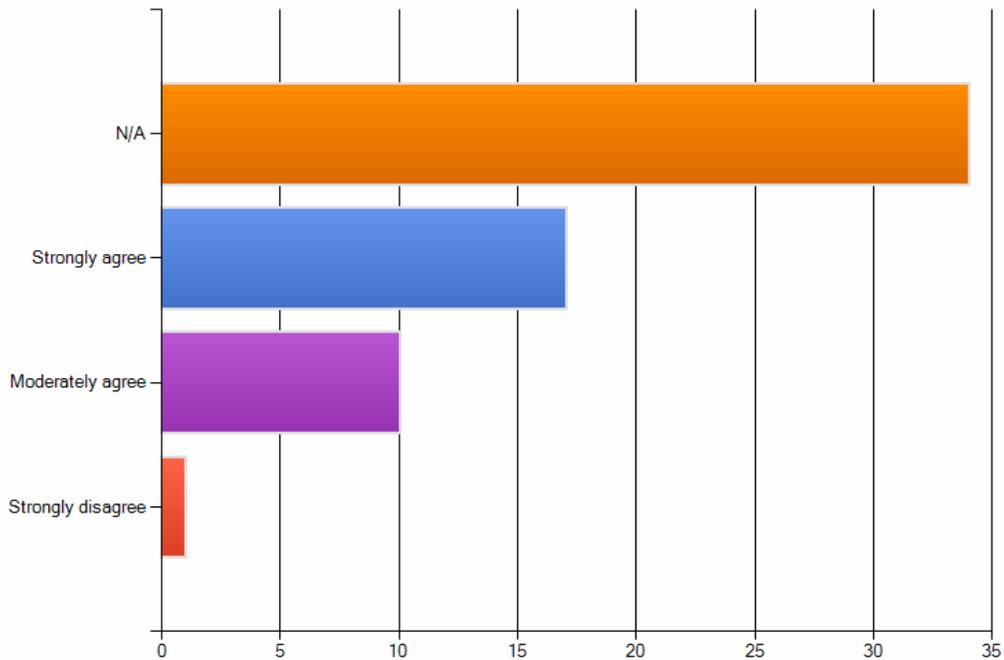
Question #3.

Did the IFA team member provide technical assistance during and after the rent adjustment and/or respond to phone calls or emails within two business days?



Question #4.

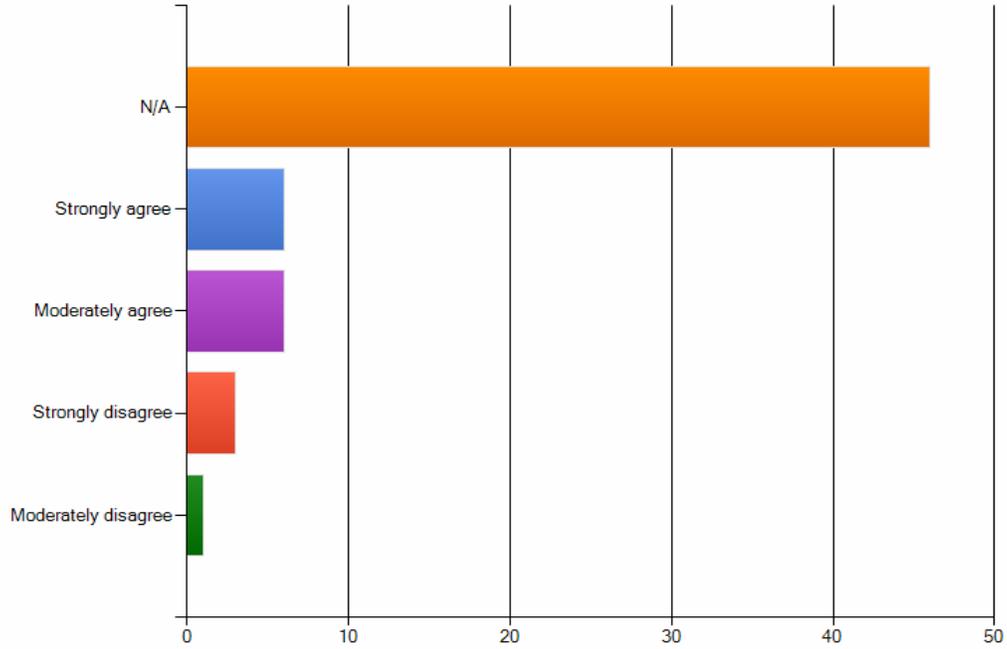
Did the IFA team member inform you if there was a problem or delay in processing your rent adjustment?



Rental Adjustments (continued)

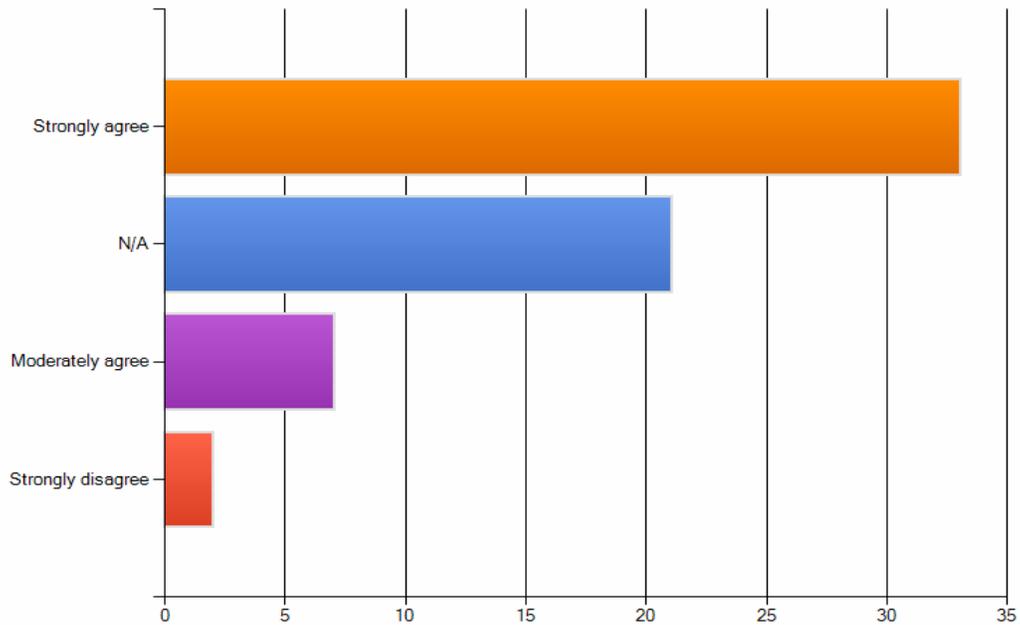
Question #5.

If your rent adjustment was denied or reduced, did you receive a clear explanation of why line items were reduced or denied?



Question #6.

Was the IFA team member who processed your rent adjustment courteous and professional?



Comments from respondents – Rental Adjustments

Of the 63 respondents that participated in “Rental Adjustment” section, 16% offered the following comments and/or suggestions regarding Rental Adjustment:

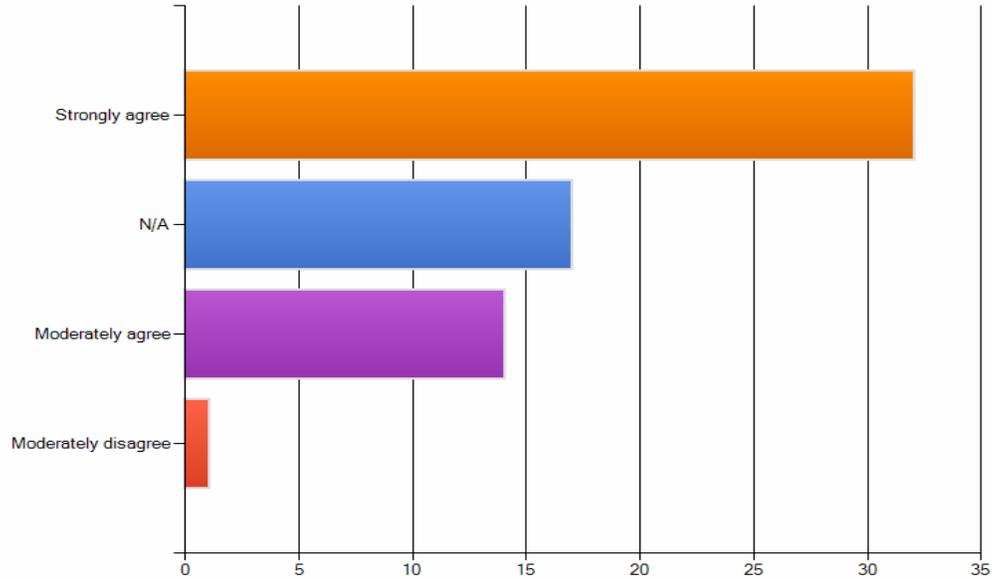
1. Westland and College Square are still in the middle of the Rent Adjustment process for 2010. Wakonda went very well.
2. Our finance dept handles the rent adjustments.
N/A
3. Corporate would have to complete.
4. We are currently in process of our rent increase and so far I'm pleased with it
5. Rent adjustments are handled out of the main office and not at this level.
6. This section is completed at the Seldin home office so I can't answer these with knowledge.
7. This area is handled through our main office, so I personally had no contact with them.
8. My corporate office takes care of this.
9. Did not feel that a satisfactory explanation was given as to why our rent increase request was reduced. In the future, I will know to question this better. I think we trust that the answer provided are always correct, when in fact, we should have researched it better and asked IFA to investigate further.
10. IFA contracts out to an out of state 3rd party appraiser for review of all owner submitted RCS's. From our recent interaction with IFA on a disputed RCS, based on the out of state appraisers review... it is clear this could be better handled in house at IFA for normal run of the mill RCS reports. Where a State Certified Appraiser is needed, IFA should contract in State.

Contract Renewals

The “Contract Renewal” section received 64 responses and, like the “Rental Adjustment” section, a large number of responses were answered N/A. Of the 64 respondents that participated, the following answers were provided:

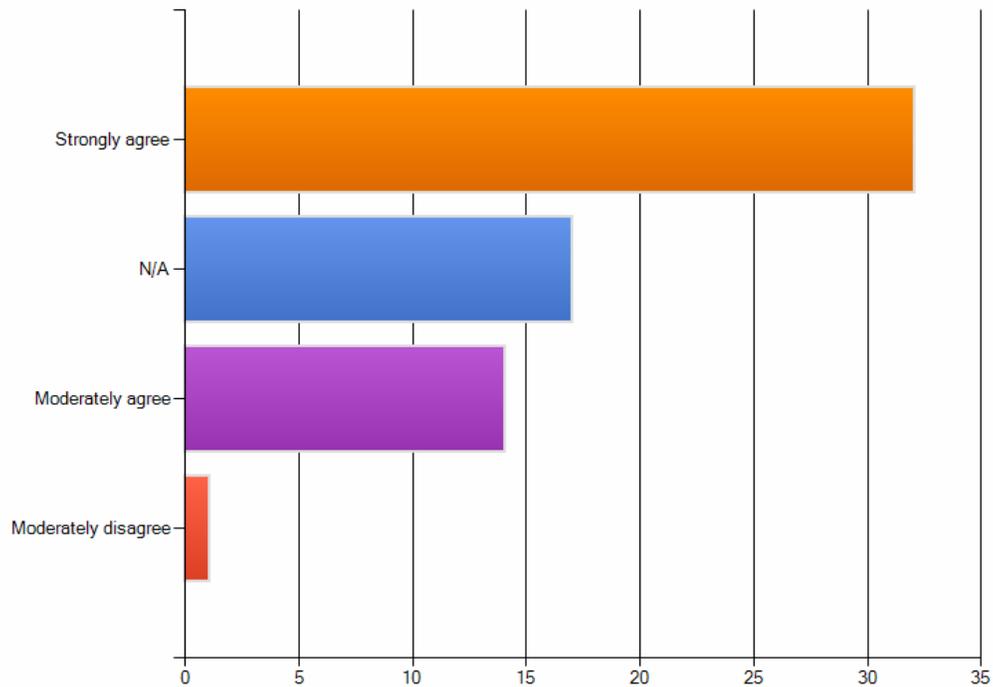
Question #1.

Did IFA provide clear and understandable answers to your contract renewal questions?



Question #2.

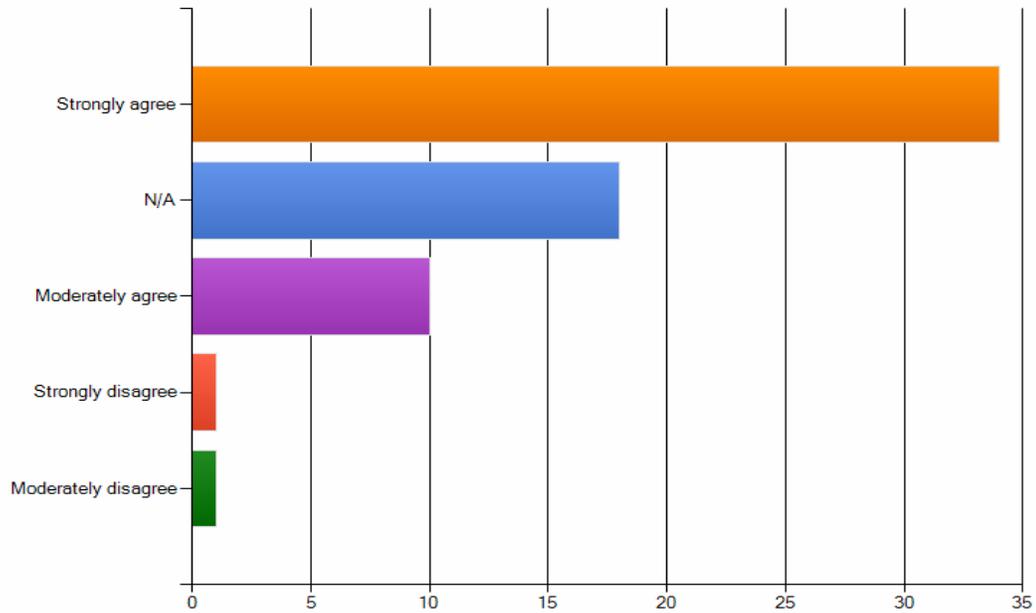
Did IFA provide clear and understandable answers to your contract renewal questions?



Contract Renewals (continued)

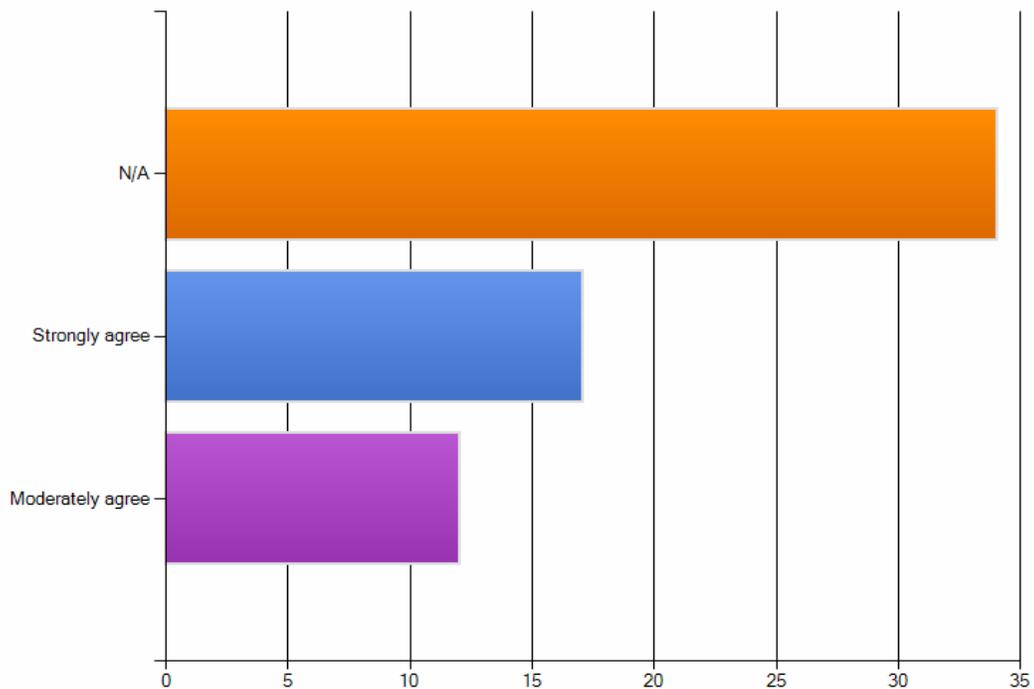
Question #3.

Did the IFA team member provide technical assistance during and after the contract renewal process and/or respond to phone calls or e-mails within two business days?



Question #4.

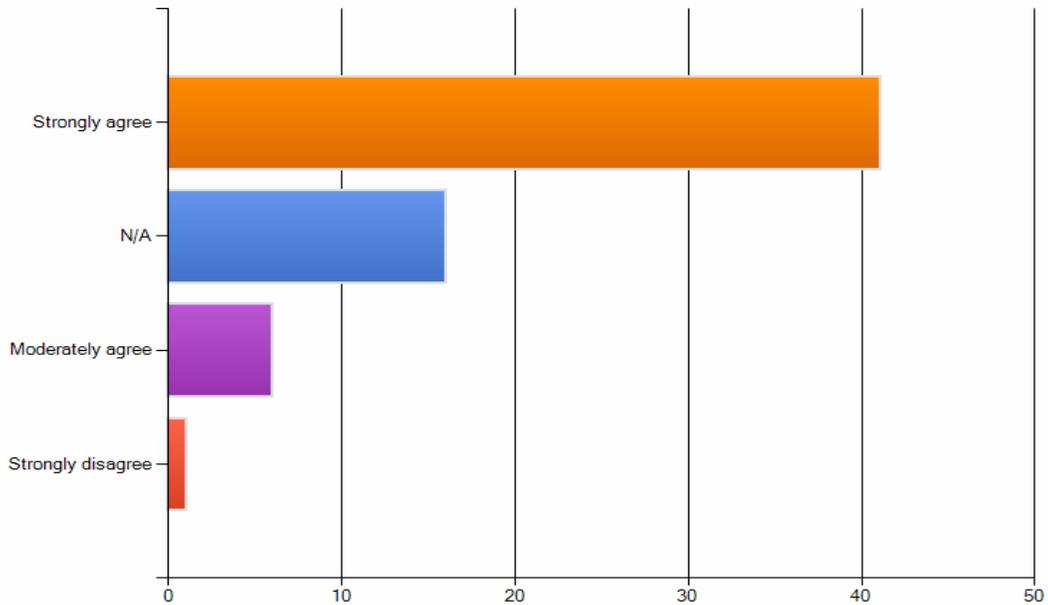
Did IFA inform you if there was a problem or delay in processing your contract renewal?



Contract Renewals (continued)

Question #5.

Was the IFA team member who processed your contract renewal courteous and professional?



Comments from respondents – Contract Renewal

Of the 64 respondents that participated in “Contract Renewal” section, 13% offered the following comments and/or suggestions regarding Contract Renewal:

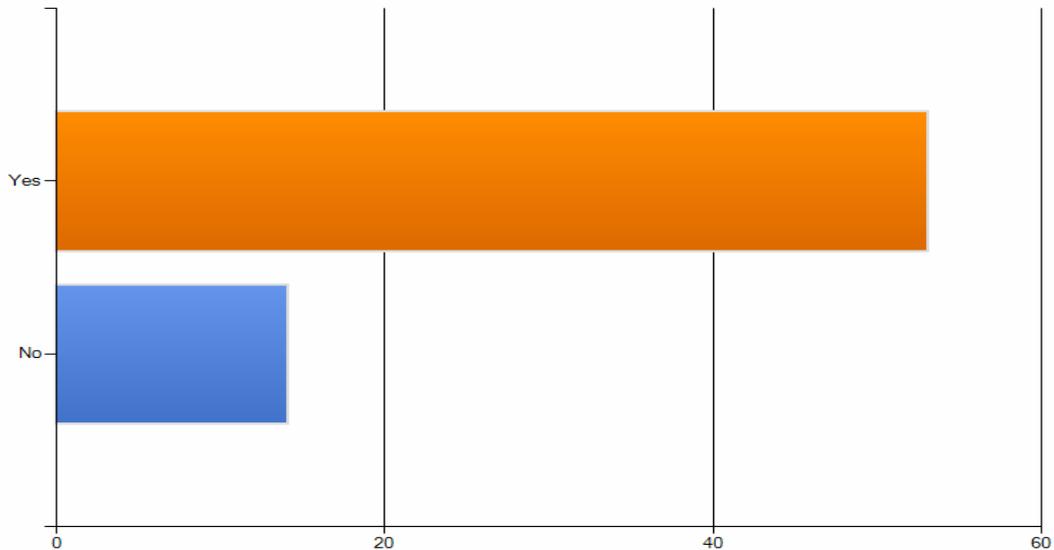
1. Corporate would have to complete.
2. In the process of contract renewal and so far I'm pleased.
3. Contract renewals are handled out of our main office in Des Moines, not at this branch office.
4. Rule changes make it difficult for the IFA staff and the housing provider. There are altogether too many rules. This takes money away from service to residents.
5. This is done in our corporate office.
6. Again, managed through our main office.
7. My corporate office takes care of this.
8. Our contract renewal is this year.

Payment of HAP Vouchers/ Special Claims

The payment of “HAP Vouchers/Special Claims” section received approximately 67 responses for most questions, but, like the “Rental Adjustment” and “Contract Renewal” sections, a large number of responses were answered N/A. Of the respondents that participated, the following answers were provided:

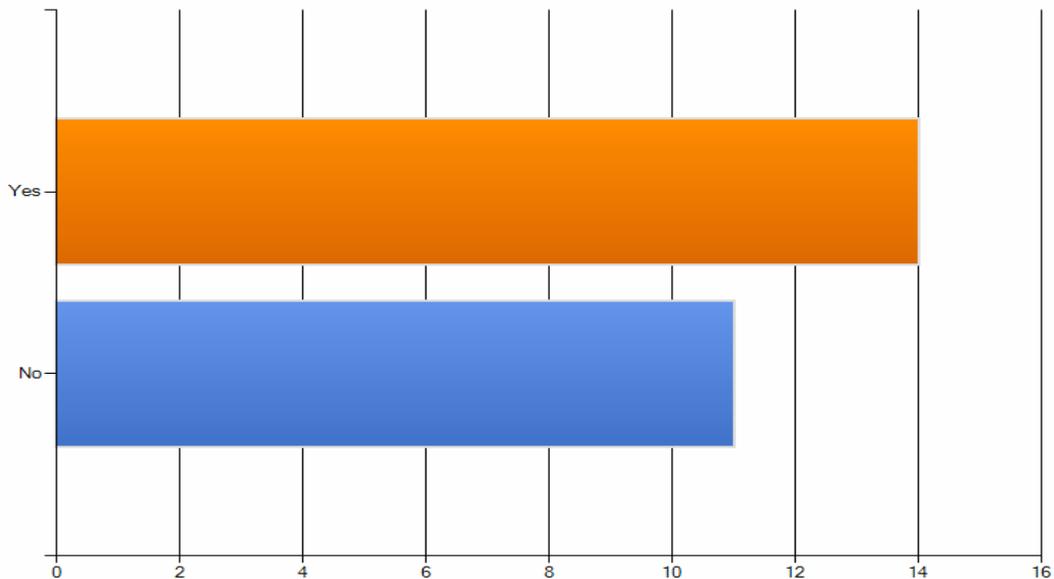
Question #1.

Do you routinely receive your monthly subsidy payments from IFA on the 1st business day of the month?



Question #2.

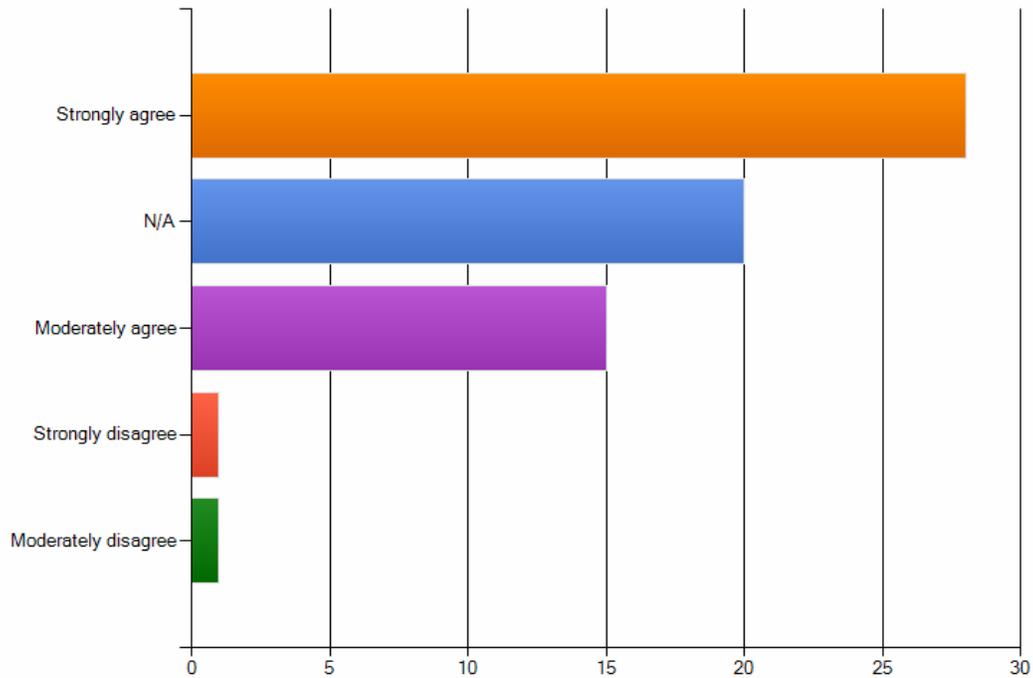
If no, did IFA provide clear and understandable reasons for the delay?



Payment of HAP Vouchers/ Special Claims (continued)

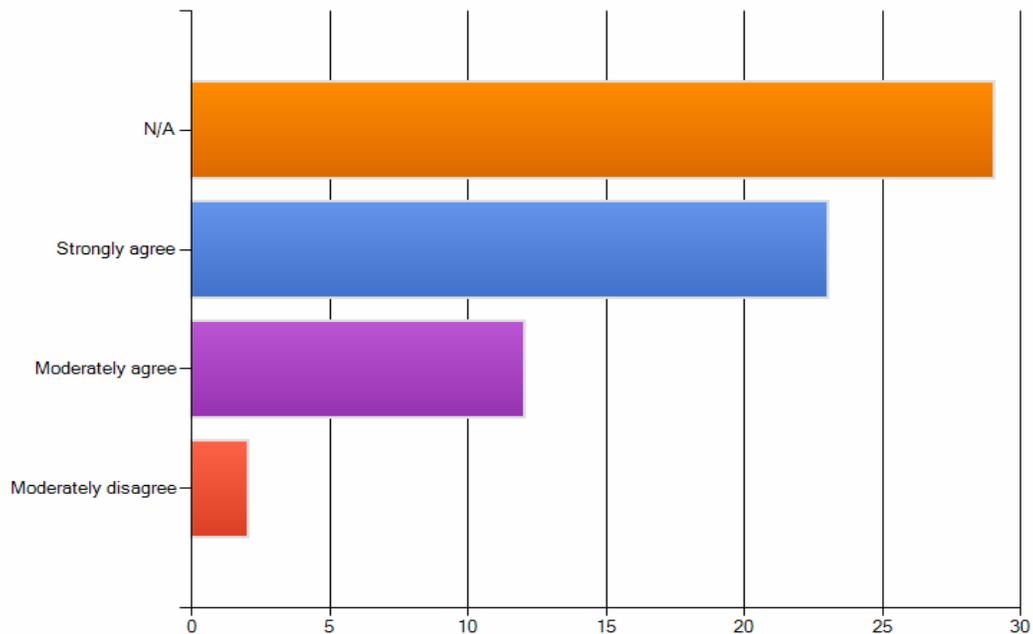
Question #3.

Did IFA inform you in advance of funding shortfalls which may result in the delay of your HAP subsidy?



Question #4.

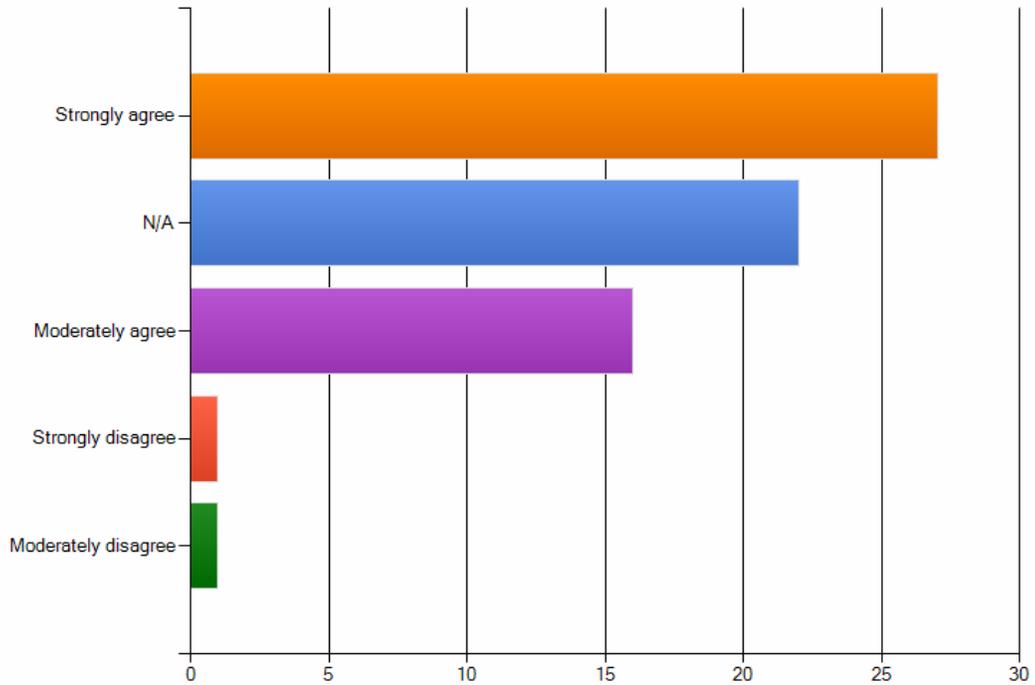
Did the IFA team member who processed your special claims request have a thorough understanding of HUD rules and regulations?



Payment of HAP Vouchers/ Special Claims (continued)

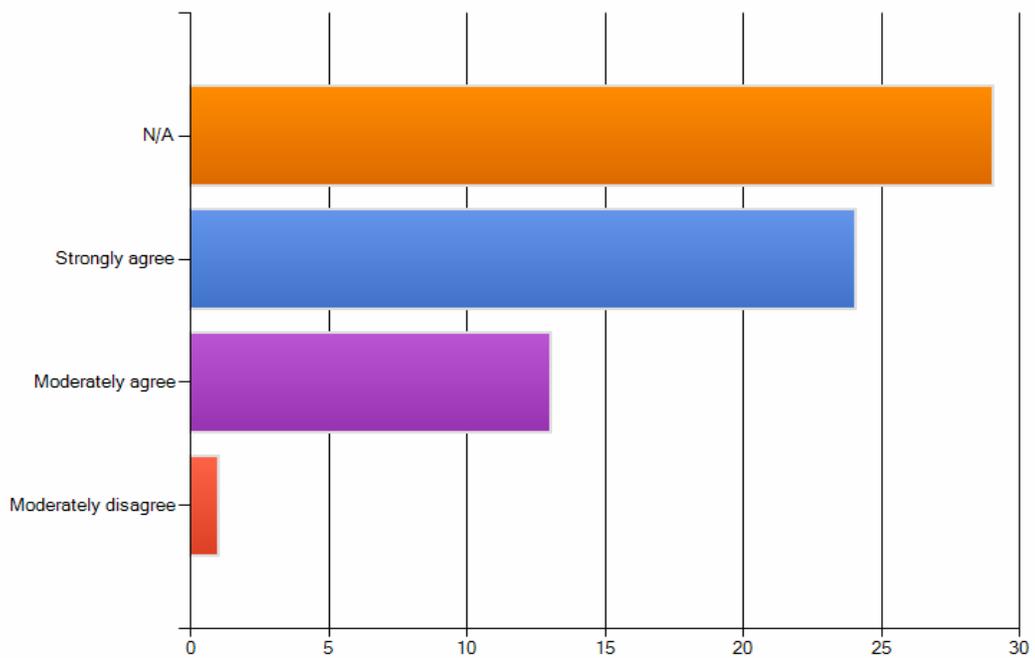
Question #5.

Did IFA provide clear and understandable answers to your voucher adjustment/special claims request questions?



Question #6.

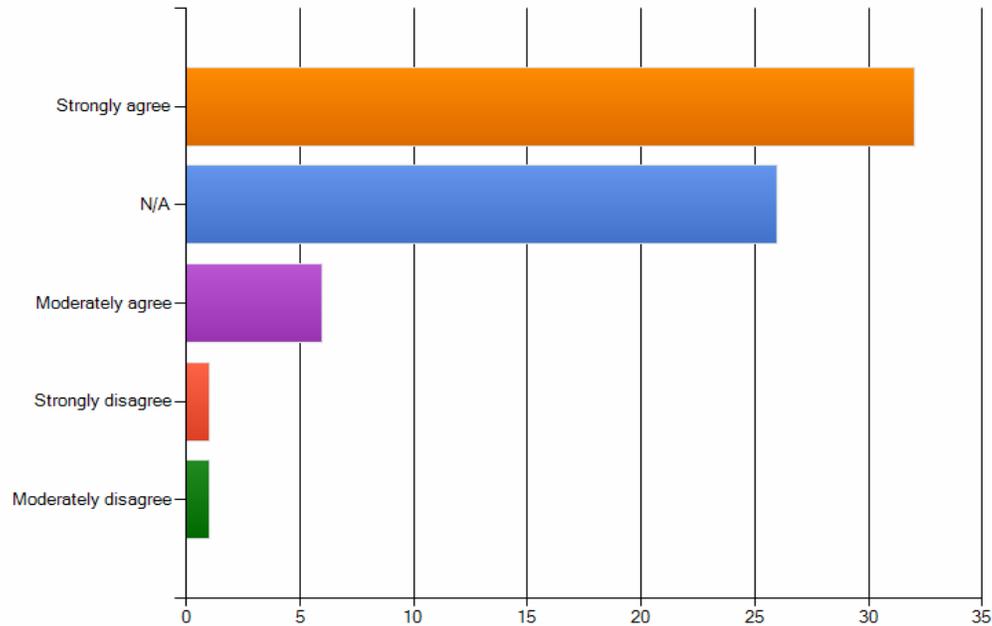
Did the IFA team member provide technical assistance during and after the special claims request process and/or respond to phone calls or e-mails within two business days?



Payment of HAP Vouchers/ Special Claims (continued)

Question #7.

Was the IFA team member who processed your special claims request courteous and professional?



Comments from respondents – the payment of HAP Vouchers/Special Claims

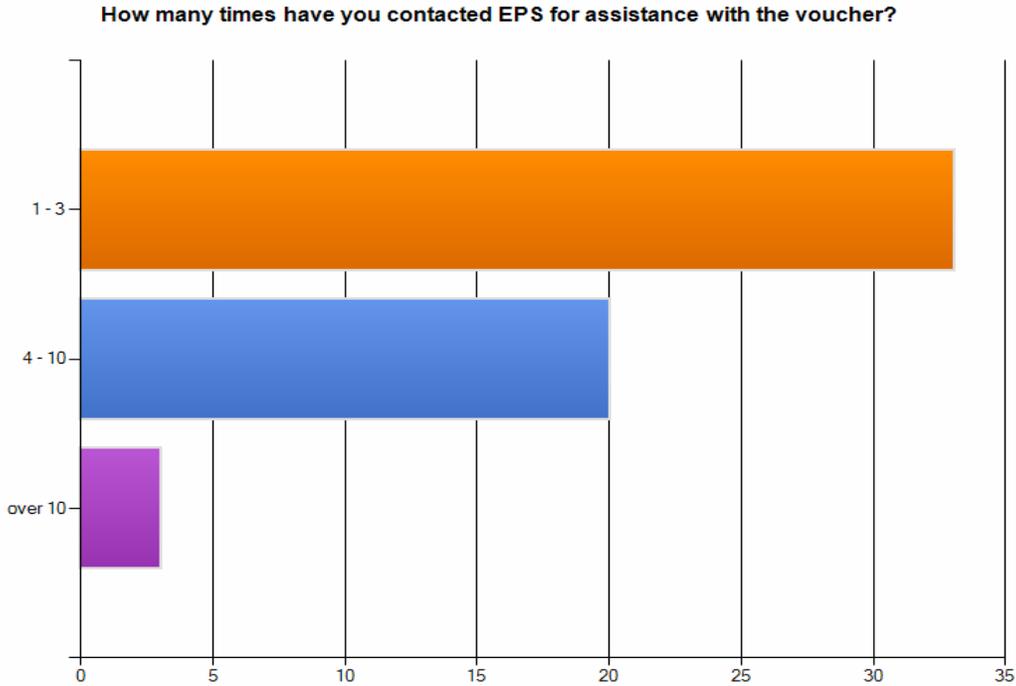
Of the 67 Owner/Agents that participated in “The payment of HAP Vouchers/Special Claims” section, 7% offered the following comments and/or suggestions regarding HAP Vouchers/Special Claims:

1. IFA has always been very helpful!!
2. No special claims have been requested at this time.
3. Corporate would have to complete.
4. IFA has been wonderful in processing special claims for me. They do them in a very efficient time frame. Thanks
5. As an owner, we are not typically involved in special claims processing.

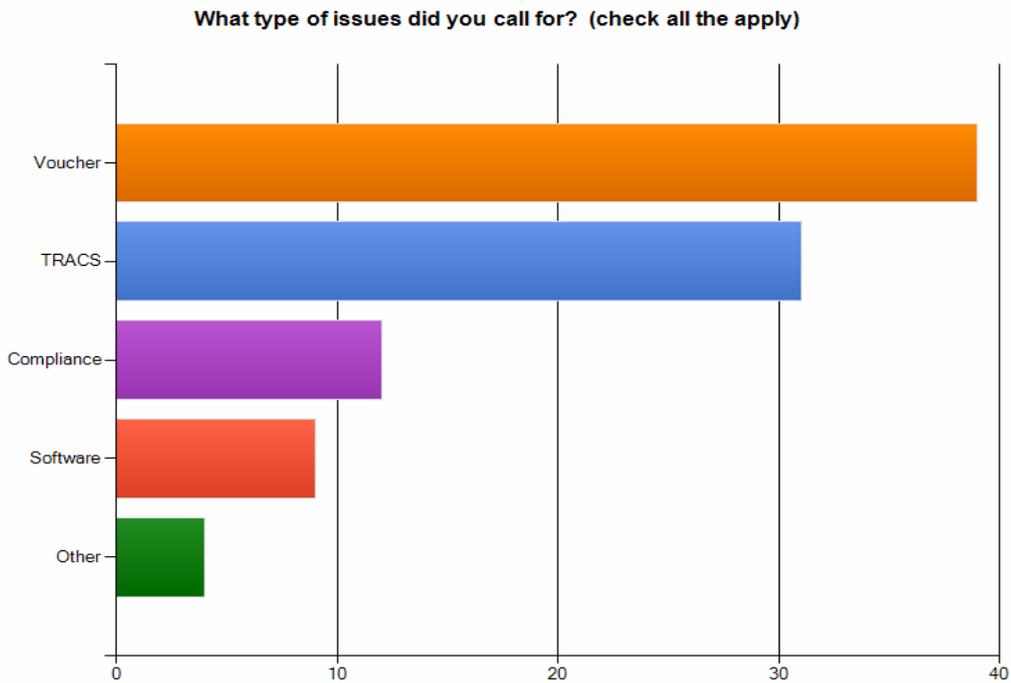
EPS, Inc. (IFA’s sub-contractor for voucher reconciliation and transmission to HUD)

An average, 61 Owner/Agents answered questions on “EPS, Inc.” section of the customer survey. Of the stakeholders that participated, the following responses were provided:

Question #1.



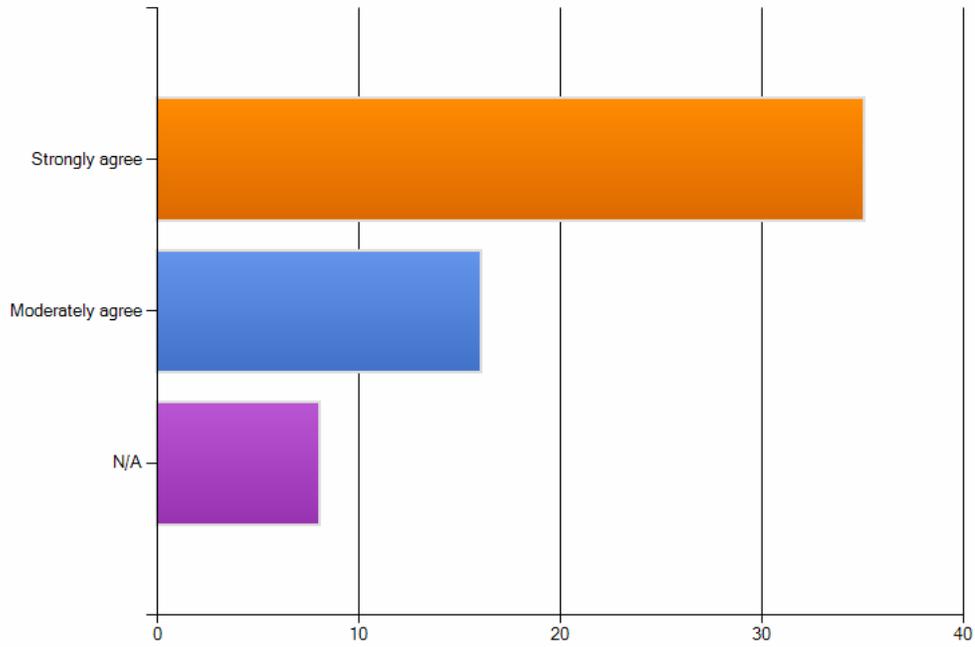
Question #2.



EPS, Inc. (continued)

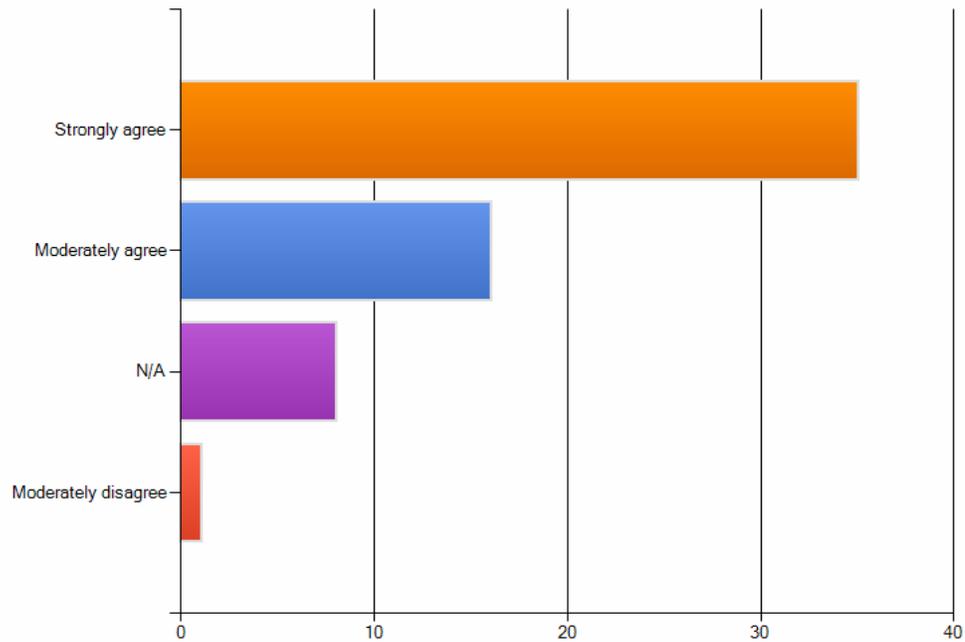
Question #3.

Did the EPS team member who was providing assistance have a thorough understanding of your issue(s)? (HUD rules & regulations)?



Question #4.

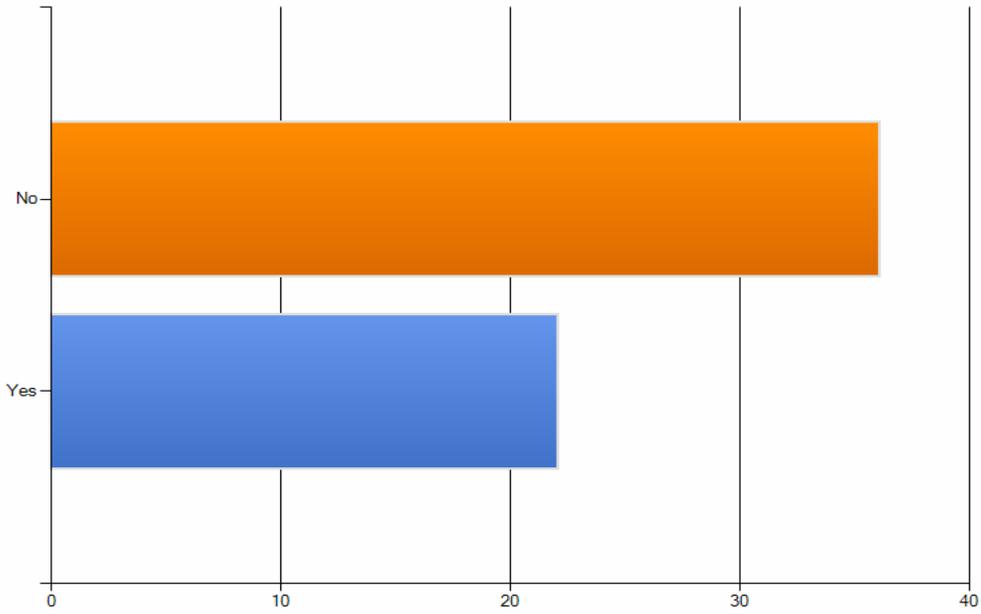
Did EPS provide clear and understandable answers to your voucher compliance/submission question(s)?



EPS, Inc. (continued)

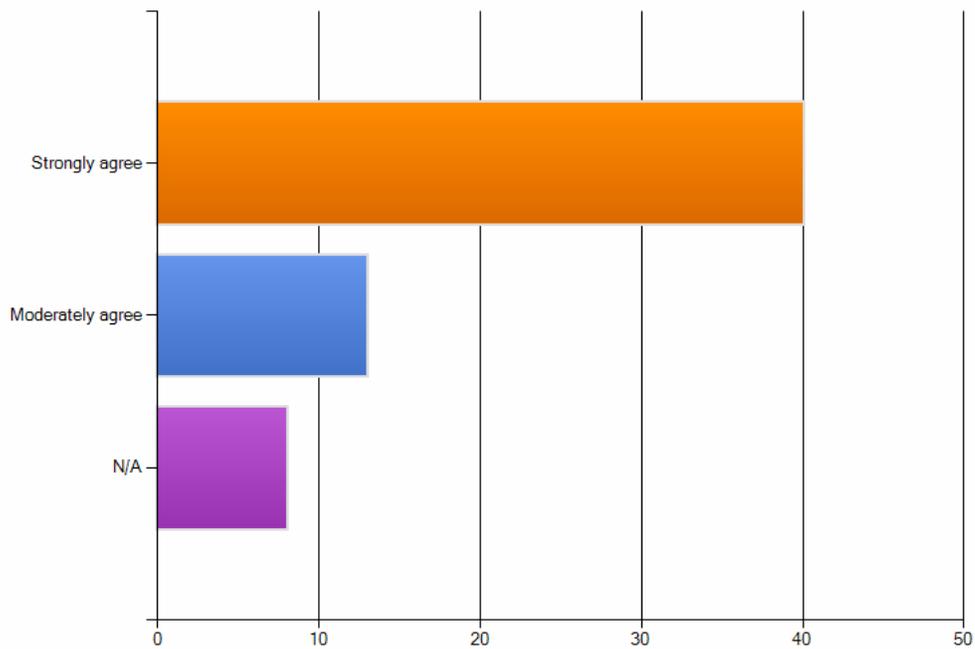
Question #5.

Did you call EPS more than one time to resolve the same issue?



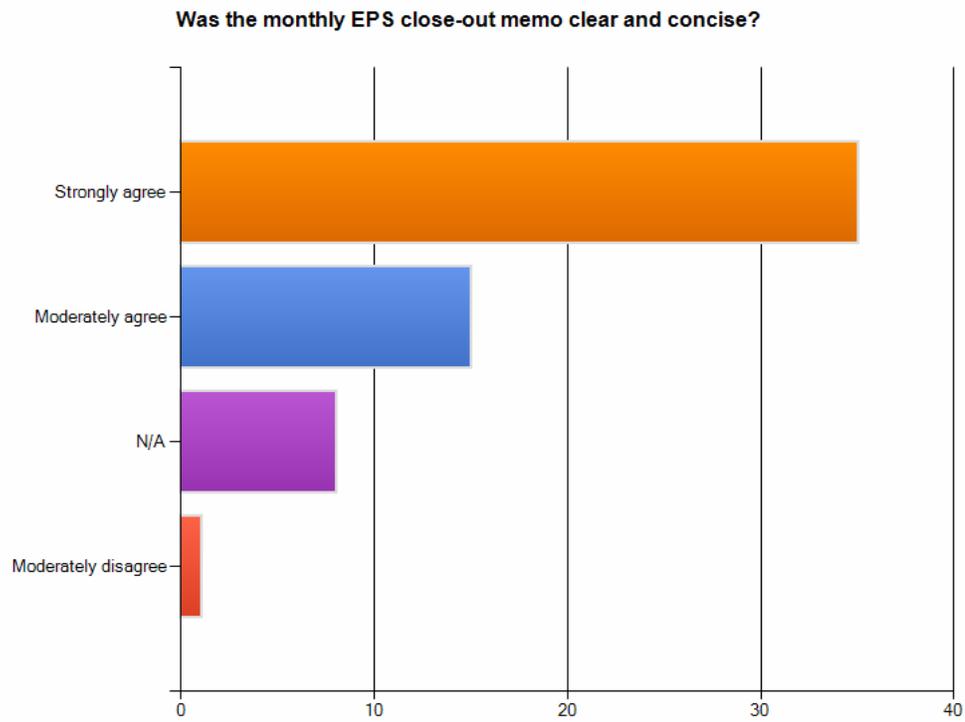
Question #6.

Did the EPS team member provide technical assistance to complete the reconciliation process and/or respond to phone calls or e-mails within two business days?

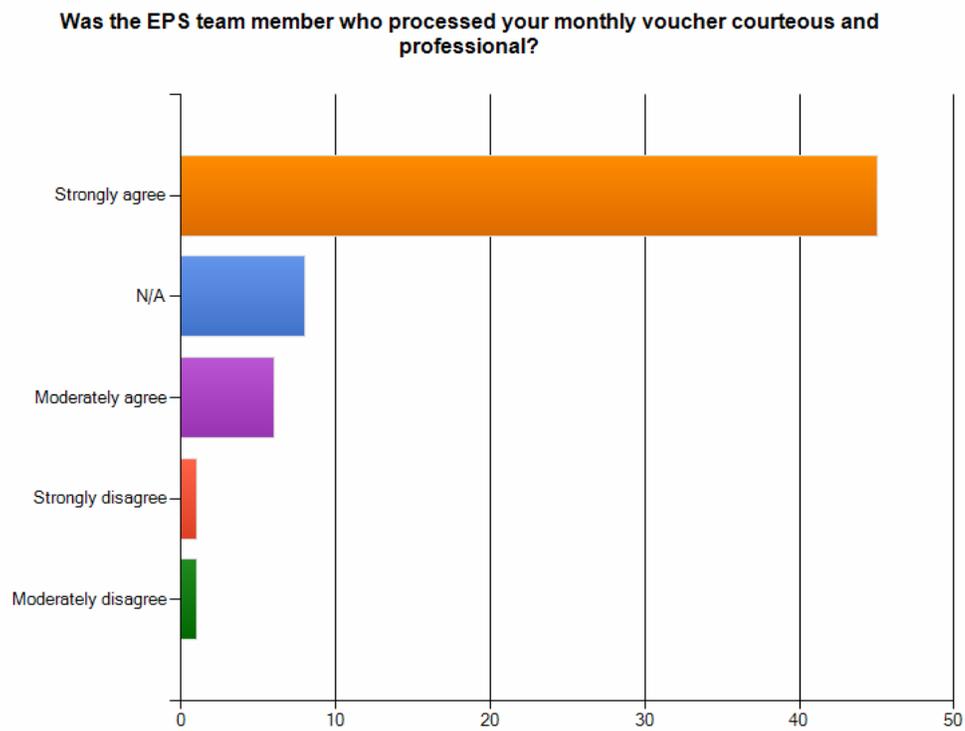


EPS, Inc. (continued)

Question #7.



Question #8.



Comments from respondents – EPS, Inc. (IFA’s sub-contractor)

Of the 61 Owner/Agents who participated in the “EPS, Inc.” section of the customer survey, 13 % offered the following comments and/or suggestions regarding EPS, Inc.:

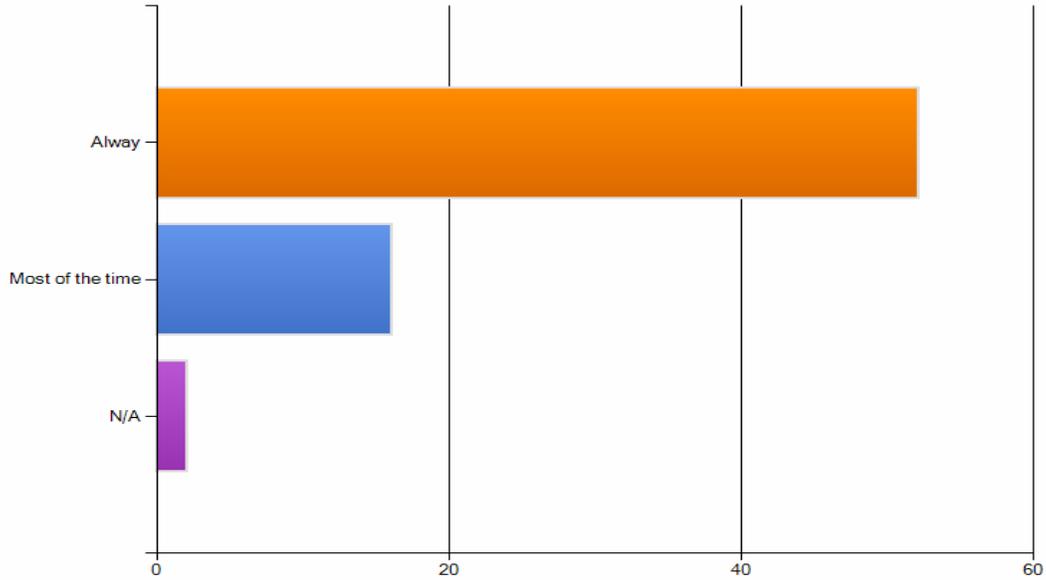
1. Great support and prompt response.
2. EPS makes adjustments without consulting the property representative for clarification of certain issues. This causes unnecessary adjustments and holdovers that would not be necessary otherwise.
3. Very good staff, always helpful.
4. The EPS team members assigned to our project are excellent; they have helped us innumerable times in resolving error messages and other general problems.
5. EPS is great at assisting with the voucher process and walking me through any questions and/or problems I may have.
6. We had a difficult time with a particular issue on a HAP payment. There was ultimately frustration on both sides-but finally we did resolve it.
7. The HAP processing is handled by someone other than myself.
8. As an owner were are not typically involved in EPS issues.

Customer Service / Communication

The “Customer Service and Communication” section received 70 responses from owner/agents. Of those that participated in this section, the following answers were recorded:

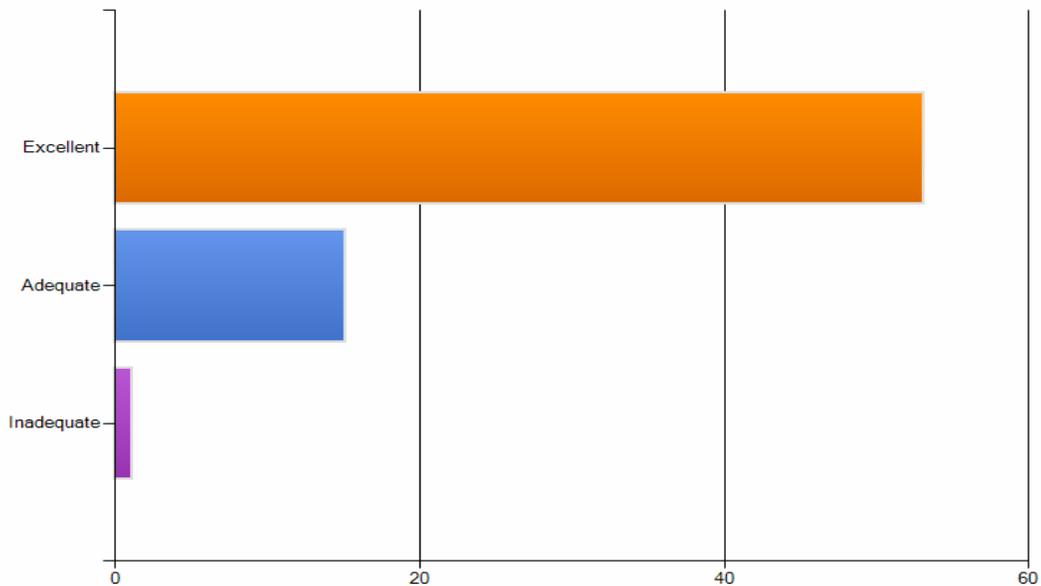
Question #1.

Is IFA's staff courteous and professional when responding to questions/inquiries?



Question #2.

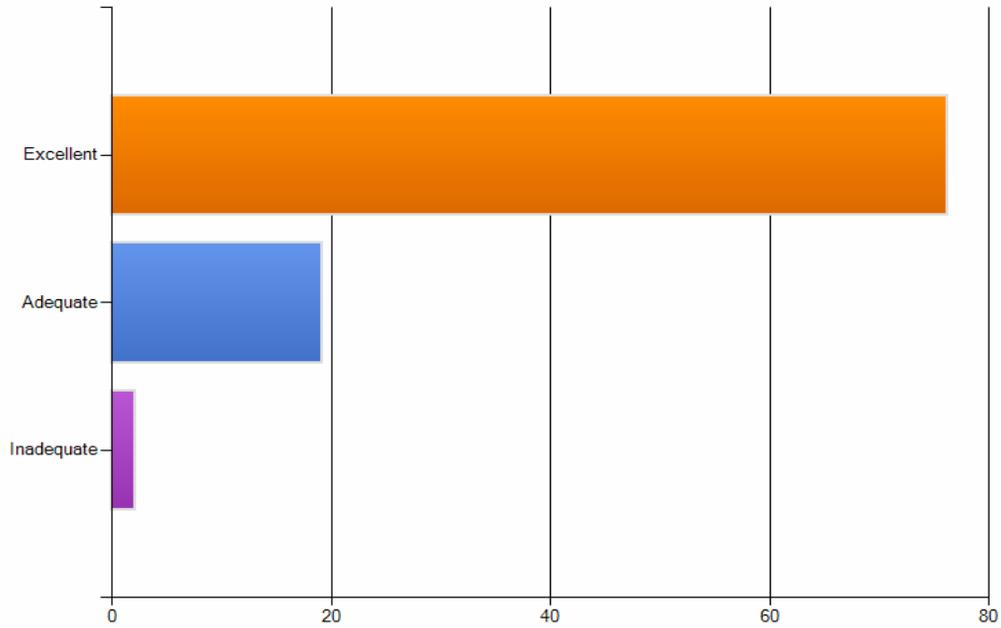
How would you rate the level of courtesy and respect with which you are treated by IFA staff at all levels?



Customer Service / Communication (continued)

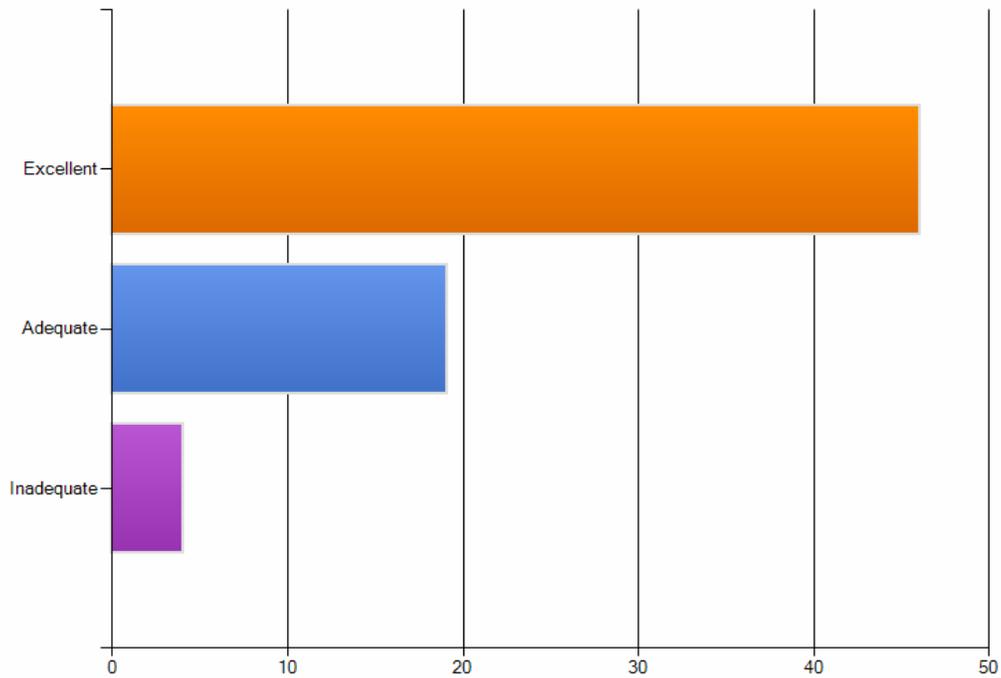
Question #3.

How would you rate the level of courtesy and respect with which you are treated by IFA staff at all levels?



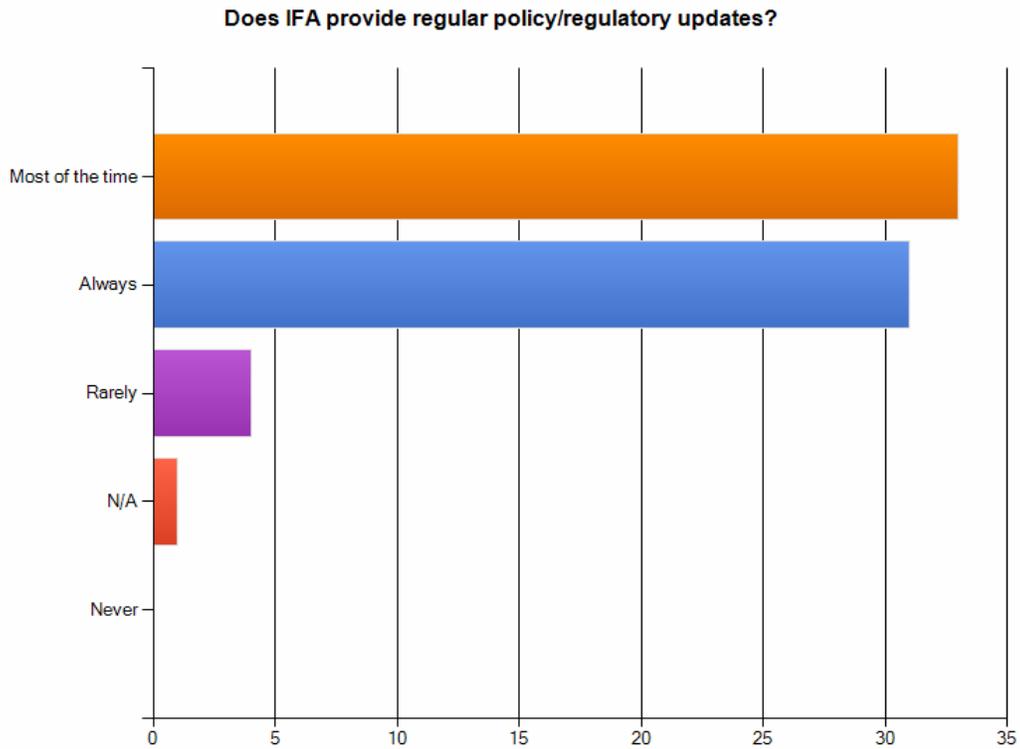
Question #4.

How would you rate your own attitude about working with IFA?

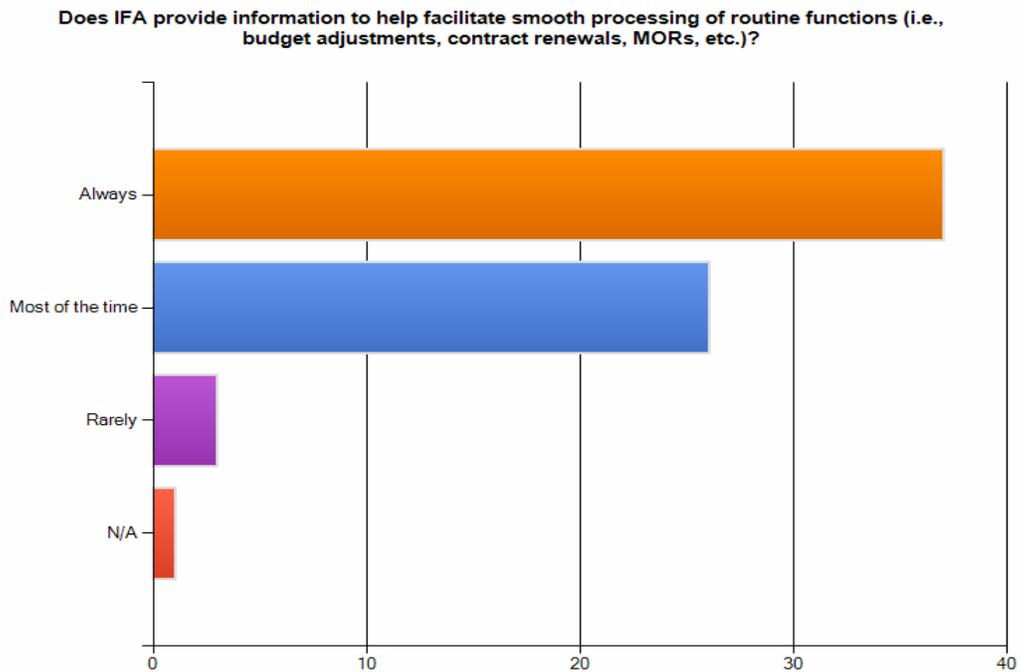


Customer Service / Communication (continued)

Question #5.



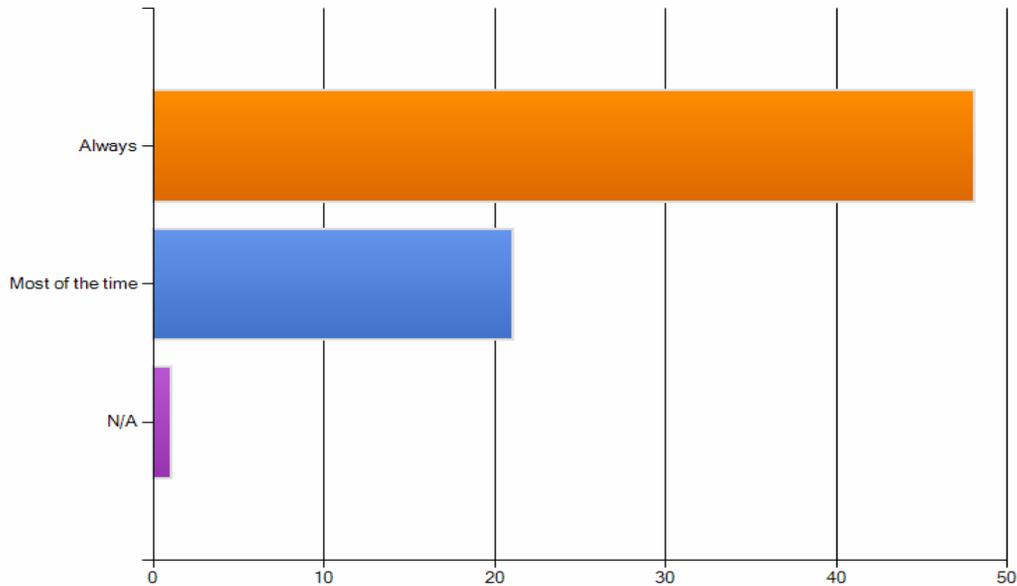
Question #6.



Customer Service / Communication (continued)

Question #7.

When IFA initiates an action (request for information, written report from MOR, etc.) do both owner and management agent receive the same documents?



Comments from respondents – Customer Service and Communication

Of the 70 stakeholders who participated in the “Customer Service and Communication” section of the customer survey, 7% offered the following comments or suggestions:

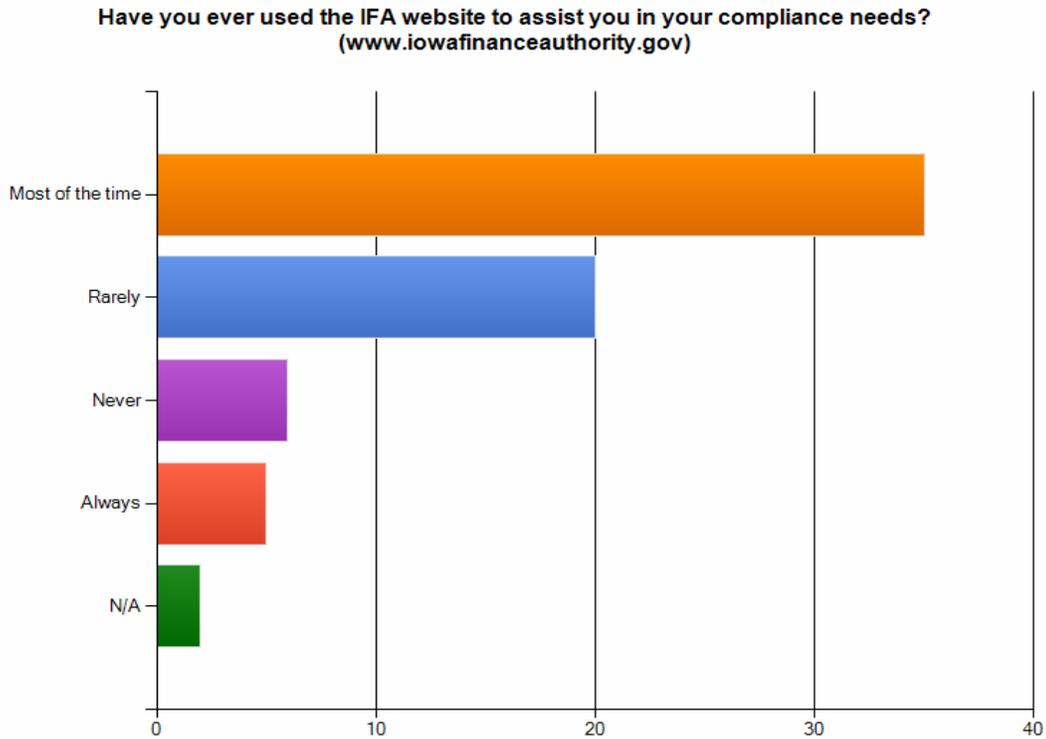
1. For our project, sending duplicate documents to the owner and the manager is redundant.
2. There have been a few occasions when IFA has not responded to our inquiries - e.g. when they have been asked to interpret certain regulations and apparently don't want to answer.
3. Keep up the good work.
4. #7-One owner gets everything and we don't

#4-It's like working with the Gestapo, but with a smile. Doesn't anyone believe in working WITH O/A instead of against them?
5. Here it is a waste of resources and paper to send notices to both owner and management agent in some cases. Most owners who have hired management companies don't want to see everything that the management company does. That is why they hire a company. If something is going to hurt an owner, they should know but otherwise, keep the communication with the company hired to do it.

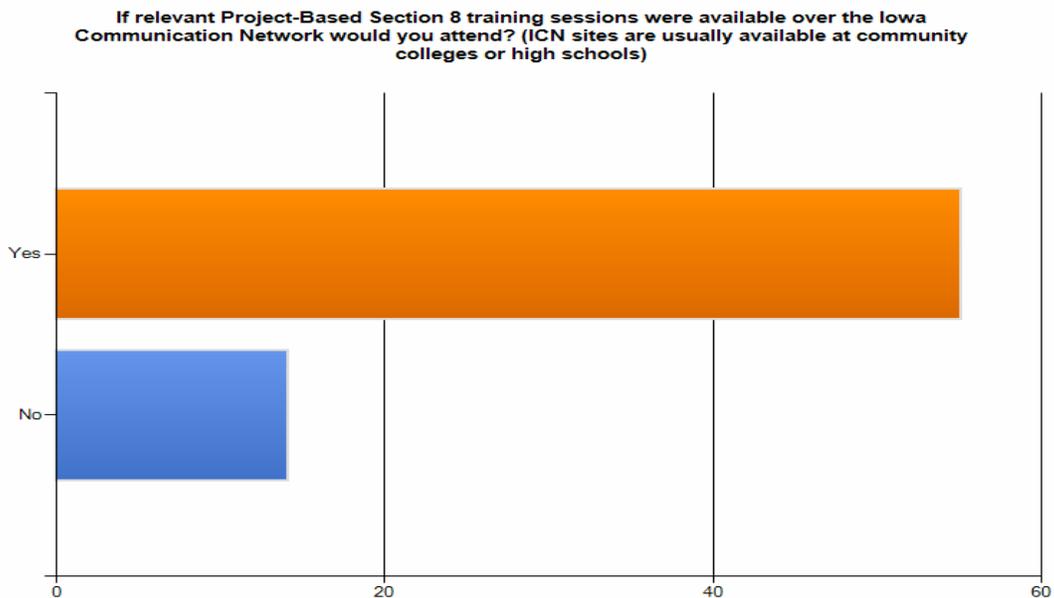
Training

Approximately 70 Owner/agents answered questions in the “Training” section of the customer survey. Of those who participated, the following responses were provided:

Question #1.

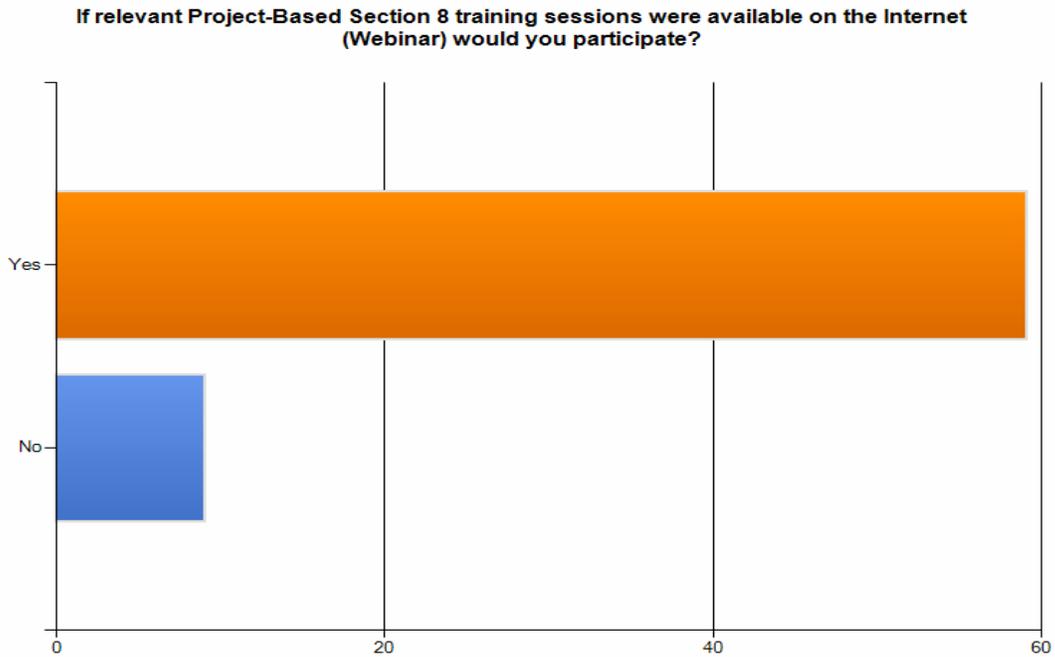


Question #2.

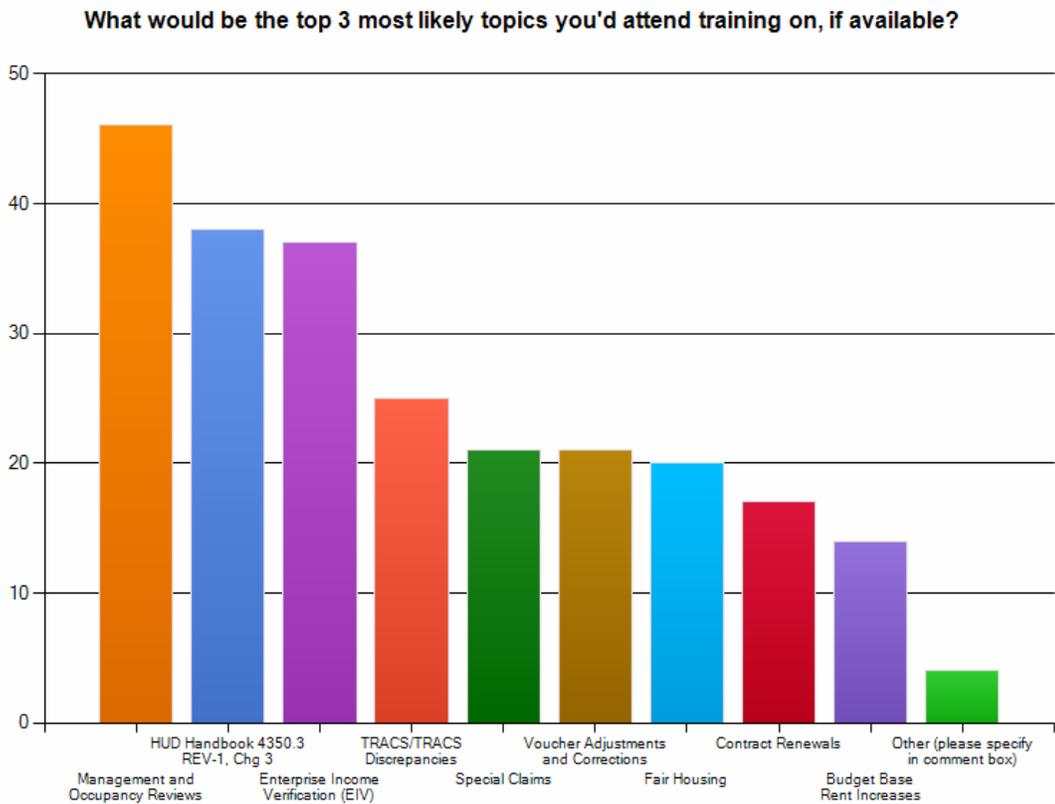


Training (continued)

Question #3.



Question #4.



Comments from respondents – Training

Of the 70 Owner/Agents that participated in the “Training” section, 11% offered the following comments/suggestions regarding the “Training” section:

1. Waiting List.
2. How to prove a ghost tenant is living at the apartment. What is the proper documentation for non-citizens?
3. I would like more training. Not to sure what I should be taking. Suggested; Compliance Specialist. Traveling time and distance are an issue.
4. This questionnaire does not get down to the real issue - the administration of the program through the established regulations is a nightmare. The "rules" work wonderfully on paper (and only occasionally in reality). The bottom line is they often prevent the Owner/ Agent from effective management of the property and can quickly cause the property to downslide. What HUD and IFA don't seem to realize is that our tenants have no qualms about falsifying information, committing fraud, disobeying regulations of the property and the program. Yes, there are clear penalties; however, those have little impact - no one is going to prosecute for a small amount of money; judges don't like to evict tenants for other than nonpayment of rent; tenants don't care if their lease is terminated - they simply abandon and go somewhere else. Tenants know their way around the regulations; attempts at enforcement send them running to legal aid or their physicians for a "statement of disability" after which they claim discrimination. We've owned and managed our Section 8 properties for 30 years. I've watched our family project go from "THE" low-rent housing place to be to a complex that now has the "Section 8 stigma." The administrative procedures are time consuming, counter-productive and redundant. HUD and IFA need to spend less time monitoring how well the administrative procedures are being followed and more time on establishing regulations that work in the real world.
5. Resolving tenant complaints and how IFA handles those complaints. Sometimes it seems IFA "sides" with the tenant instead of management just to get the complaint off their desk.
6. #3 is maybe. I prefer a live teacher so you can ask questions.
7. HUD futurist planning and forecasting in regard to population shifts and affordable living trends as it applies to HUD'S mission objectives, relevant to Iowa's population needs.
8. # 4, this is always the most helpful for us on site managers as that is what we deal with the most.