

# BARKAN MANAGEMENT COMPANY INC.

## Clients Benefit from Financial and Energy Management Technology Initiatives

by Peter Golden

There's an expression commonly used by business consultants that, on its face, may not seem easy to understand. But "business process management" (BPM) is readily explained, especially when applied to condominium management.

In the condominium world, BPM is a euphemism for continuous refinement of every aspect of the community association management process, with a decided focus on advanced technology and the Internet as a means to make critical information immediately accessible to association trustees and unit owners. BPM also covers a host of traditional services, from building systems management to green initiatives.

### Web-Based Reporting

Some years ago, Bill DiSchino, president of Barkan Management Company Inc., recognized BPM as a means to driving continuous improvement, and decided to do something about it. "We went into business in 1981, but we still come in every morning focused on how we can better and more efficiently serve our clients," he says.

"Some years ago, as we began to move our company onto the Web," DiSchino says, "we quickly realized we needed to focus on adding value to our client services, not just providing static information."

By 2006, trustees and association members of Barkan-managed communities had password-protected, 24/7 access to their monthly financial reports, plus the ability to request other

services from Barkan, such as maintenance or home improvement. Notably, Barkan also began to provide customized association financial information, including specialized reports and account histories.

Now, four years later, more than 15,000 unit owners in the upwards of 75 community associations and cooperatives managed by Barkan go to the company Web site ([www.barkanco.com](http://www.barkanco.com)) to check on financial statements, research cost items, request "6Ds" for pending unit sales or request maintenance assistance.

Meanwhile, Barkan has continued to refine and invest in its accounting systems and software, which, according to Barkan's CFO Adam Ameden, are "just what one would expect from their managing agent."

### Going Further

Barkan has gone even further in the area of accounting and financial management out of recognition of its clients' needs and expectations. With a number of large, mixed-use master associations in its portfolio, generally, comprised of a hotel, residential and commercial unit, the need for sophisticated accounting and other financial services became apparent.

Ameden is a CPA, with two controllers reporting directly to him. In turn, they oversee a complement of 18 staff accountants who, as of this writing, are producing upwards of 170 monthly financial statements. For some associations, that means a single financial

report, but for other, mixed-use master associations that can mean separate, highly detailed statements for hotel, residential and commercial owners.

Technological prowess notwithstanding, Barkan accounting personnel bring decades of experience and training to their work, which is focused on the creation of accurate, timely statements that can then be posted to Barkan's Web portal. One client, a nationally recognized developer of luxury, master association communities, has observed that annual audits have become notably smoother since retaining Barkan.

"We take pains to hire 'A Team' people — the best and the brightest — to work with our client associations," says Barkan president DiSchino. "We believe in the communities we serve; we're committed to their success in every way."

But progressive accounting and reporting systems, although a vital element of Barkan's unique service offerings, are only part of the company's overall capabilities.

With four regional offices and dozens of site offices throughout Massachusetts, Rhode Island and Connecticut, Barkan works a legion of loyal vendors, all of whom must be managed, monitored and paid. John Del Vecchio, a senior vice president at Barkan, uses his company's Automated Accounts Payable System to bring precision and speed to a process that at best can be cumbersome, slow and incredibly time consuming.

What in previous years amounted to the processing of close to 8,000 paper

invoices monthly, has all but disappeared through the innovative application of scanners and databases. Payment histories, original documents and vouchers are now all paperless and online — and accessible anywhere.

## Handling Details

“I can review vendor invoices at any time or place,” says Del Vecchio, “and keep the vendor invoice review and approval process moving forward continuously.

“We can easily handle vast amounts of detail with high accuracy,” he adds. “That allows us to devote more time to working with trustees and unit owners to solve the problems they see as critical to managing their communities.”

Such benefits have also led to acceptance of Barkan by a growing list of new clients, including such well-known associations as Potter Pond in Lexington; the historic, 245-unit Longwood Towers in Brookline; and Battery Wharf in Boston, which includes a magnificent, new 104-unit condominium, marina and five-star luxury hotel.

At Porter 156 in East Boston, a 216-unit loft condominium favored by airline personnel for its proximity to Logan Airport and another recent addition to the Barkan roster, board president Stephen Raymond is particularly appreciative of Barkan’s management skills and ability to link solid accounting systems with online reporting.

“Having the ability to access our financials online is unique. We didn’t have a comprehensive financial statement with our previous management company. Now, I have that information readily available and at my fingertips. With the onset of winter, I can even compare plowing expenses on a year-to-year basis with current costs. This is really an extraordinary partnership.”

## Fostering Collaboration

Barkan has deployed advanced technology in other ways as well, always thinking in terms of benefits to its association

clients. At One First, a condominium community in East Cambridge, Mass., Barkan noted the property developer had the foresight to install a gas-fired, 650-kilowatt electric generator to ensure the reliability of common area lighting, HVAC and other systems. In collaboration with a supplier, Barkan enrolled the association in an energy management program with unique benefits.



Advanced technology and environmentally friendly systems help community associations like One First in East Cambridge be cost-efficient and green.

“We’re part of a ‘load response’ program that we’ve entered into on behalf of the One First association,” says property manager Ralph Moore. “It’s a means to utilize the capacity of our standby generator. Normally, it’s offline. But, if our energy provider senses increased demand on the grid during peak hours — say, during summer months, when air conditioners exert exceptional pressure on the system — we can power up and actually become an energy provider ourselves.

“It helps balance load demand,” he says, “creates minimal pollution and limits the need for more generating capacity on the regional utility grid. Right now, our association is getting a monthly check just for participating in

the program. When we generate excess capacity beyond our base level, we get additional compensation.”

In summing up Barkan’s commitment to advanced technology systems, DiSchino tends to understate the substantial efforts his company has devoted to the effort. “We’re generalists,” he says, “and our real strength is in our people and the collaborative relationships

they’ve developed within our organization, our vendor community and among our clients.”

Recently, that combination of collaborative strength and technological capability played out to the advantage of a condominium board whose chair became ill the day before a monthly meeting. A Barkan manager, out of the country on vacation, took a few hours by the pool to pull together a complete set of financials and operating reports, and then e-mailed them to the board for comment. The meeting went off without a hitch.

*To find out more about Barkan Management, call Bill DiSchino at (617) 482-5500 or point your Web browser to [www.barkanco.com](http://www.barkanco.com).*